



KVH Industries Launches Global Satellite Communications Service

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Provides "One-stop" Shopping for Mobile Communications, Television, and High-speed Internet Access

MIDDLETOWN, R.I., June 13 /PRNewswire-FirstCall/ -- KVH Industries (Nasdaq: KVHI), a leading provider of mobile satellite communications equipment for the maritime and RV industries, announced today that it is offering its own branded global satellite communications services to complement its full line of satellite communications hardware. The service will be provided by Inmarsat, the world's leading mobile satellite communications company, and will be branded simply as "Inmarsat Airtime by KVH." The sale of Inmarsat airtime services represents a new, recurring revenue opportunity for KVH as the company will purchase wholesale airtime from Inmarsat and then sell the service to its retail customers.

"With the addition of Inmarsat airtime services to our product line, KVH is now able to offer customers a complete and convenient satellite communications solution that brings together our award-winning satellite antenna systems with Inmarsat's market-leading global communications services," said Ian Palmer, vice president of satellite sales. "Adding this full range of global, two-way satellite communication solutions to our existing portfolio of high-speed Internet and satellite television products makes KVH the only 'one-stop shopping' company in the mobile satellite communications industry."

Inmarsat was the world's first global satellite communications operator and is still the only one to offer a full range of modern communications solutions to maritime, land mobile, and aeronautical users. Formed as a maritime-focused intergovernmental organization more than 20 years ago, Inmarsat has been a private company since 1999 and serves a broad range of markets. Inmarsat is one of the few mobile satellite communications companies with a history of profitability. Its airtime sales to wholesalers in 2001 totalled \$378 million. Inmarsat now offers satellite services that provide e-mail, phone, fax, and two-way data communications at speeds reaching 64 kilobits per second (Kbps) to more than 240,000 ship, vehicle, aircraft, and portable terminals. Inmarsat's system is used by independent service providers to offer a full range of communications services to commercial and recreational boaters, ship owners and managers, journalists and broadcasters, health and disaster-relief workers, fleet operators on land and sea, airlines, government workers, national emergency and civil defense agencies, and peacekeeping forces.

Now that KVH will be serving as an Inmarsat Service Provider (ISP), customers purchasing KVH hardware (or hardware from competing manufacturers) will be able to sign up for KVH's Inmarsat satellite service from the same dealer when they purchase their satellite communication systems. Services offered range from simple, low-cost, global data services suitable for tracking or e-mail all the way up to full two-way fax, phone, and high-speed data solutions. As an ISP, KVH will fully support its service customers with 24/7 customer telephone support and a new on-line billing center.

"KVH is well-prepared for the role of an ISP," Palmer explained. "Over the past year we've created the customer support and billing infrastructure needed to properly support airtime service customers. We are committed to providing support and service for airtime customers that are equal to the world-class technical support that has helped make us the market leader in satellite communications hardware."

This technical support for customers and dealers has helped KVH win the National Marine Electronics Association's "Best Product Awards" for both the satellite communications and satellite television categories the past four years in a row.

"Our business strategy closely parallels Inmarsat's strategy of pursuing a range of new opportunities at the convergence of information technology, telecoms, and mobility while continuing to serve our traditional maritime and land mobile markets," commented KVH president, Martin Kits van Heyningen. "We are excited to be working with Inmarsat today and introducing products, such as our new Tracphone F77, that will be compatible with Inmarsat's next generation of satellites."

The new Inmarsat I-4 satellite systems, planned to be launched in 2004, will support the Broadband Global Network (B-GAN), providing mobile data communications at speeds up to 432 Kbps for Internet access, mobile multimedia, and many other advanced applications.

KVH Industries, Inc., designs and manufactures products that enable mobile communication, defense navigation, and direction sensing through the use of its proprietary mobile satellite antenna and fiber optic technologies. The company is developing next-generation systems with greater precision, durability, and versatility for communications, navigation, and industrial applications. An ISO 9001-registered company, KVH has headquarters in Middletown, Rhode Island, with a fiber optic manufacturing facility in Illinois, and a European sales, marketing, and support office in Hoersholm, Denmark.

Except for historical facts, the statements in this press release are forward-looking statements that involve risks and uncertainties. For example, the statements regarding the company's product development goals are forward-looking statements. Forward-

looking statements are merely our current predictions of future events. The statements are inherently uncertain, and actual results realized by the company could differ materially from the statements made herein. Important factors that might cause such differences include: lack of reliable vendors, service providers and outside products; unforeseen changes in competing technologies and products; or worldwide economic variances. Additional factors that could affect future events are discussed in the company's 2001 Form 10-K filed with the Securities and Exchange Commission on March 20, 2002. Copies are available through the company's Investor Relations department and web site, www.kvh.com. We assume no obligation to update our forward-looking statements to reflect new information and developments.

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