



KVH and ABB Power Technology Products Division Develop New Optical Current Sensor

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Proposed Sensors Measure Current More Accurately While Offering Significant Environmental Benefits

MIDDLETOWN, R.I., Jul 22, 2002 /PRNewswire-FirstCall via COMTEX/ -- KVH Industries (Nasdaq: KVHI) announced today that it has signed a Product Development Agreement with the ABB High Voltage Business Area to cooperate in the development of a new fiber optic current sensor. The agreement follows a series of joint research projects during which the companies explored the feasibility of using fiber optics to measure current in high-voltage power lines.

The new fiber optic sensors allow more accurate energy metering and wider bandwidth and improved safety over conventional technologies. Josef A. Durr, who has worldwide responsibility for ABB's High Voltage Business Area, noted two additional benefits that especially comply with ABB's research and development strategy: "The new technology decreases the number of variances and thus helps reduce delivery times. It also provides a more environmentally friendly solution."

"Free trade and competition between electricity providers place extra requirements on flexibility, automation, and metering in power networks," commented KVH president and chief executive officer Martin Kits van Heyningen. "ABB is the world leader in the power transmission and distribution field, and we're delighted to be working with them on this innovative application."

Currently, the conventional instrument transformers used to measure currents and voltages in high-voltage grids are oil- or gas-filled systems that provide analog outputs. The new fiber optic current sensor is expected to be significantly smaller and more accurate than existing devices, and it will provide instantaneous digital measurement of the current. Furthermore, the transmission of the sensor signal by means of optical fibers provides an inherent insulation against high voltages.

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 fully operational optical fiber and component manufacturing facility in Tinley Park, Illinois, and a European sales, marketing, and support office in Hoersholm, Denmark.

ABB (www.abb.com) is a global power and automation technology group that enables utility and industry customers to improve performance while lowering environmental impact. ABB has 152,000 employees in more than 100 countries.

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: failure to develop and market fiber optic products; lack of reliable vendors, service providers and outside products; unforeseen changes in competing technologies and products; and poor or delayed research and development results. 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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