



U.S. Army Special Operations Command Selects KVH TACNAV Navigation Solution

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Long-term Program Established to Field TACNAV Systems Aboard U.S. Army Special Forces Vehicles

MIDDLETOWN, R.I., Oct 3, 2002 /PRNewswire-FirstCall via COMTEX/ -- KVH Industries (Nasdaq: KVHI) announced today that it has been awarded a \$3.6 million contract by the U.S. Army to equip U.S. Special Forces vehicles with the KVH TACNAV vehicle navigation system. The initial contract is part of a large-quantity, multi-year program for the purchase and fielding of TACNAV systems potentially worth in excess of \$10 million over the life of the program.

"We are extremely proud that the United States Special Operations Command has chosen our TACNAV system as the tactical navigation solution for the American Special Forces and that, as a result, KVH will be able to directly support our country's counter-terrorism efforts worldwide," said Martin Kits van Heyningen, president and chief executive officer. "Ongoing military actions have created an increased and urgent demand for TACNAV, a proven tactical navigation product designed to operate in harsh desert or mountainous terrain. This new contract reinforces TACNAV's value and equips American warfighters with the world's premier tactical navigation system."

KVH's TACNAV and fiber optic gyro products offer every vehicle and every force commander -- whether in a command, support, or combat vehicle -- 100% availability of position and other tactical data, even if the signals from Global Positioning System (GPS) satellites are disrupted or jammed. Early systems were used during the Gulf War, and KVH's latest-generation equipment is already fielded on U.S., Canadian, and British vehicles currently serving in such operational theatres as Kosovo, Bosnia, and Afghanistan.

During a recent visit to KVH Industries by Senator Jack Reed and Congressman Patrick Kennedy, Mr. Kits van Heyningen praised the members of the Rhode Island congressional delegation for their diligent work to ensure that the U.S. military has the funding it needs to be fully equipped and prepared for the challenges that lie ahead.

When he announced today's award, Mr. Kits van Heyningen added, "Their continued support and ongoing efforts in the fiscal year 2003 Department of Defense appropriations process is greatly appreciated and will help ensure that we complete the fielding of these systems in accordance with the requirements of the Special Operations Command."

Complete information regarding KVH's TACNAV systems can be found on the company's web site, www.kvh.com.

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 Tinley Park, 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 discussion of the potential value of contract awards is a forward-looking statement. 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: the level of government funding for defense programs, cancellation of weapons programs, and delays in contract awards and procurement funding. 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. KVH assumes no obligation to update its forward-looking statements to reflect new information and developments.

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