



## **KVH Expects to Report Record Fourth Quarter Revenue**

January 7, 2003

MIDDLETOWN, R.I., Jan. 7 /PRNewswire/ -- KVH Industries (Nasdaq: KVHI) announced today that preliminary, unaudited results suggest that the company will report quarterly revenues of approximately \$13 million and a fourth quarter profit that is expected to be in line with Wall Street estimates of \$0.02-0.03 per share. This would represent a 48 percent increase in revenue over the fourth quarter of 2001, when the company reported revenues of \$8.8 million and recorded a loss of (\$0.11) per share. The company also indicated that it expects that 2002 full year revenues will reflect an increase of approximately 45 percent over 2001.

"The convergence of our new products, services, and market growth resulted in a strong year for KVH as we continued to successfully execute our strategic plan," remarked Martin Kits van Heyningen, KVH's president and chief executive officer. "In addition to the ongoing expansion of mobile satellite communications sales, which grew roughly 45 percent in Q4, KVH also saw a resurgence of the company's defense-related business. Our preliminary results indicate that we achieved our goal of doubling defense revenues over 2001. I believe that KVH is well positioned for continued growth in 2003 thanks to the company's diverse product lines and broad market foundation."

Mr. Kits van Heyningen is scheduled to speak at the Fifth Annual Needham & Company Growth Conference at 1:30 pm on Wednesday, January 8, 2003. His complete Needham Growth Conference presentation can be viewed on the company's investor relations web site, <http://www.kvh.com/InvRelations/index.asp>. The Fifth Annual Needham & Company Growth Conference for analysts and investors is presented by Needham & Company, Inc.

KVH Industries, Inc., designs and manufactures products that enable mobile communication, navigation, and precision pointing 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, details regarding the company's preliminary, unaudited results for the fourth quarter and fiscal year 2002 as well as goals for the coming year 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; uneven military sales cycles; unforeseen changes in competing technologies and products; worldwide economic variances; 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](http://www.kvh.com). KVH assumes no obligation to update its forward-looking statements to reflect new information and developments.

SOURCE KVH Industries

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