



KVH Makes Satellite TV a Reality in Autos with Revolutionary Ultra-low Profile Antenna

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Using Breakthrough Technology, TracVision(R) Antenna Provides 300+ Channels of Satellite TV to Backseat Video Systems

MIDDLETOWN, R.I., Jan. 9 /PRNewswire-FirstCall/ -- Today at the 2003 Consumer Electronics Show in Las Vegas, Nevada, KVH Industries (Nasdaq: KVHI) changed how families and business people will travel throughout the continental United States with the introduction of the revolutionary new, ultra-low profile TracVision A5 in-motion satellite TV antenna. The 4-1/2 inch high TracVision uses breakthrough phased array antenna technology to make satellite TV a reality for SUVs, mini-vans, and luxury automobiles equipped with passenger video entertainment systems. Now, travelers on open roads throughout the continental United States will be able to leave the DVDs and videos at home and instead enjoy 300+ channels of DIRECTV(R) satellite TV entertainment, news, sports, movies, and business updates as well as 50+ channels of commercial-free music. TracVision will also be expandable in the future to provide access to mobile, high-speed Internet access via satellite.

"The TracVision A5 offers unmatched entertainment options to travelers throughout the United States and builds upon the tremendous popularity of backseat video systems in sport utility vehicles, mini-vans, and automobiles," said Martin Kits van Heyningen, KVH president and chief executive officer. "Until now, the only video content available was pre-recorded on videotapes and DVDs, despite the fact that consumers have shown a clear preference for live programming, both at home and in their vehicles. KVH and the TracVision antenna are ready to change all that. Now, the same premier satellite TV entertainment that more than 18 million people enjoy at home will be available to the passengers of vehicles throughout the United States."

Where traditional in-motion satellite TV antennas for boats and recreational vehicles use parabolic reflectors and domes that stand 12-20 inches high to collect and focus satellite signals, the ultra-low profile TracVision system incorporates breakthrough phased-array technology to create an antenna that stands only 4-1/2 inches high, ushering in a revolution in satellite antenna design.

"For satellite TV to become a reality aboard automobiles, we had to invent an entirely new approach to satellite antennas," explained Mr. Kits van Heyningen. "For the first time, a satellite TV antenna offers a rugged, flat design suitable for the family SUV, mini-van, or car at an affordable price."

TracVision uses a groundbreaking phased-array design that integrates hundreds of small antenna elements across a flat surface. By turning this phased array on its azimuth (like a CD in a CD player) and tilting it slightly, the antenna remains pointed at the satellite in the southern sky, regardless of vehicle motion. At the same time, an electronic "lens" bends the satellite signal so that more of the broadcast energy strikes each individual element. The separate signals from each small antenna element are then recombined to create a single data stream that supports multiple receivers and video screens. The system uses an innovative mechanical structure and a streamlined, rugged external design to create an eye-catching, appealing look onboard any vehicle. KVH has multiple patents pending on the next-generation technological and design features incorporated into this new TracVision system.

"This remarkable new system clearly suits the growing demand for digital entertainment in automobiles and builds on a decade of KVH innovation and leadership in the mobile satellite industry," said Jim Dodez, KVH vice president of marketing. "Already, KVH has equipped tens of thousands of boats, recreational vehicles, and motorcoaches with in-motion satellite TV systems. The expansion of video entertainment in automobiles has created a tremendous new market and only KVH Industries is in the position to meet the demand for live video content."

The product of two years of research and development, KVH's TracVision A5 has reached the market just as the backseat video entertainment market is exploding. More than 1 million backseat entertainment systems were sold in 2002 and that number is expected to grow in 2003. Almost every 2002 model SUV and mini-van offered these systems as options and the uptake has been tremendous, with 96% of Nissan Quests, 31% of Ford Expeditions, and 30% of Ford Windstars shipping with video systems, according to J.D. Power and Associates. Already, almost 50% of full-size SUV owners report that they plan to buy video systems in their next vehicle.

KVH anticipates that initial shipments of the TracVision A5 antenna will begin during the second quarter of 2003.

Complete details of the TracVision system are available at www.tracvision.com. High-resolution, press-ready images of the antenna and its installation aboard a vehicle can also be found in the News section of the company's web site, www.KVH.com.

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, statements regarding the timing of product shipments 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 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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