Product Design and Development Magazine Names KVH TracVision A5 as Award Finalist

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Low-Profile Satellite TV System Selected as Finalist for the Ninth Annual Product Design and Development Engineering Awards

MIDDLETOWN, R.I., Jan 27, 2004 (BUSINESS WIRE) -- Product Design and Development Magazine has selected the TracVision A5 low-profile satellite TV system from KVH Industries, Inc., (Nasdaq: KVHI) as one of the finalists in the publication's Ninth Annual Engineering Awards program. The TracVision A5 is the first and only low-profile, in-motion satellite TV system available now for use on SUVs, minivans, and other passenger vehicles. The annual Engineering Awards, voted upon by a panel of engineers and the readers of Product Design and Development Magazine, salutes the most significant ideas that show innovation, creativity, and usefulness to society. Winners of the Gold, Silver, and Bronze awards will be announced at an awards reception on February 23, 2004, in Chicago, Illinois.

"We are extremely proud of the recognition bestowed by the Engineering Awards panel upon KVH and the TracVision A5," said Jim Dodez, KVH's vice president of marketing. "The innovative design and new, hybrid phased-array technology developed by our engineering team for use in the TracVision A5 resulted in a sleek, stylish product that made affordable satellite TV in automobiles a reality for the first time. It is gratifying to know that KVH's technical achievements and our continuing leadership in the mobile satellite TV marketplace are recognized."

In addition to this recognition by Product Design and Development Magazine, the TracVision A5 was also named an Innovations Design and Engineering Awards honoree by the Consumer Electronics Association during the recent 2004 International Consumer Electronics Show.

The product of three years of R&D, TracVision A5 employs a hybrid phased-array antenna that uses 260 individual antenna elements to provide reception of satellite TV services as the vehicle travels throughout the continental United States. The antenna is contained within a 5" high enclosure that mounts to the vehicle's roof rack and supports virtually all factory-installed and aftermarket in-vehicle video systems. Families, businesspeople, and other passengers in vehicles equipped with TracVision A5 can now enjoy the same quality digital satellite TV programming in their cars that millions of subscribers throughout the United States receive in their homes. The TracVision A5 is available to consumers now at more than 800 retail locations throughout the United States.

TracVision A5 has reached retailers nationwide just as mobile video systems have become more popular than ever. According to the New York Times, the market research firm J.D. Power & Associates recently found that 65% of drivers with children expressed interest in buying rear-seat entertainment systems (New York Times, "How Long a Drive? 'Finding Nemo' or 'Harry Potter'", 11/21/03). In its new report, "2003 U.S. Automotive Emerging Technologies Study," J.D. Power & Associates also indicated that 46% of consumers overall were interested in adding rear-seat entertainment to their next car.

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-certified company, KVH has headquarters in Middletown, Rhode Island, with a fiber optic and military navigation product manufacturing facility in Tinley Park, Illinois, and a European sales, marketing, and support office in Hoersholm, Denmark.

This release may contain certain forward-looking statements that involve risks and uncertainties. Forward-looking statements address, for example, the functionality, characteristics, quality and performance of KVH's products and technology; anticipated innovation and product development; and customer preferences, requirements and expectations. The actual results could differ. Factors that may cause such differences include, among others, those discussed in KVH's most recent Form 10-Q filed with the SEC. KVH assumes no obligation to update its forward-looking statements to reflect new information or developments.

NOTE TO EDITORS: High-resolution photos of the TracVision A5 antenna are available for download at http://www.kvh.com /Press.

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