



DIRECTV and KVH Enter into Agreement to Bring DIRECTV Service to Passenger Vehicles

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EI SEGUNDO, Calif. & MIDDLETOWN, R.I.--(BUSINESS WIRE)--June 22, 2004--DIRECTV, Inc., (NYSE: DTV) the nation's leading digital multichannel television service provider, and KVH Industries, Inc., (Nasdaq: KVHI) today announced the signing of a multiyear agreement that allows consumers to receive DIRECTV(R) service in cars, sport utility vehicles (SUVs), minivans, and other passenger vehicles equipped with mobile video systems.

Under the terms of the arrangement, DIRECTV has authorized KVH to solicit subscriptions for DIRECTV programming packages that will be received by KVH's new TracVision(R) A5 low-profile antenna. KVH has agreed to work exclusively with DIRECTV in the passenger car market for the duration of the agreement. In addition, DIRECTV and KVH will work together to capitalize on the growing demand for in-vehicle video entertainment. According to a 2003 report published by Frost & Sullivan, the market for vehicles equipped with video screens could exceed 18 million by 2008.

Available at retailers nationwide, the ultra low-profile TracVision A5 satellite TV antenna uses KVH's hybrid phased-array antenna technology (patents pending) and is designed specifically for use in passenger vehicles. It is the only low-profile, in-motion satellite TV system for automobiles that is currently available to consumers in the United States. The TracVision A5 was recently named a Design and Engineering Honoree by the Consumer Electronics Association during the 2004 International Consumer Electronics Show. In addition, it was a finalist in Product Design and Development Magazine's 2003 Engineering Awards.

"We are tremendously excited to have the opportunity to work together with DIRECTV, the leader in direct-to-home satellite services, to bring consumers the premier satellite TV entertainment that more than 12.6 million people enjoy at home to the passengers of vehicles traveling throughout the United States," said Martin Kits van Heyningen, KVH's president and chief executive officer. "Consumers have shown a clear preference for live programming, both at home and in their vehicles. Thanks to the ubiquity of DIRECTV's service, and the award-winning TracVision A5 low-profile satellite TV antenna, live programming is now available virtually wherever consumers travel in the continental United States."

"This new service offering demonstrates the advantages of satellite-delivered programming, and provides yet another example of how DIRECTV distinguishes itself from cable television," said Daren Benzi, vice president of sales development and strategy for DIRECTV, Inc. "Mobile video consumers now have the ability to watch their favorite DIRECTV programming in their SUVs and other passenger vehicles. This new option provides consumers with another venue to receive DIRECTV programming, which is already available in homes, RVs, boats and on airplanes. We are excited to work with KVH to offer this unique service, which represents a significant step forward in the continuing evolution of digital satellite entertainment."

Passenger entertainment systems are now one of the most popular automotive accessories on the market. According to J.D. Power and Associates, among 2003 and early-release 2004 model vehicles, 28 percent of full-size SUVs, 20 percent of luxury SUVs and 24 percent of minivans have passenger entertainment systems. Roughly 50 percent of the owners of these vehicle classes want passenger entertainment in their next vehicle.

About KVH Industries, 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-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 Kokkedal, Denmark.

About DIRECTV, Inc.

DIRECTV is the nation's leading digital multichannel service provider with more than 12.6 million customers. DIRECTV and the Cyclone Design logo are registered trademarks of DIRECTV, Inc., a unit of The DIRECTV Group, Inc. The DIRECTV Group is a world-leading provider of digital multichannel television entertainment, broadband satellite networks and services, and global video and data broadcasting. The DIRECTV Group is 34 percent owned by Fox Entertainment Group, which is approximately 82 percent owned by News Corporation Ltd.

This press release may contain certain forward-looking statements that involve risks and uncertainties. For example, forward-looking statements include the statements regarding KVH's product development efforts; the potential market size for in-vehicle video and satellite TV; the anticipated plans for TracVision A5 marketing and promotion; the functionality, characteristics, quality and performance of KVH's products and technology; and customer preferences, requirements and expectations. The actual results

realized by KVH could differ materially from the statements made herein. Factors that might cause such differences include, but are not limited to, those discussed in the company's most recent Form 10-Q filed with the Securities and Exchange Commission. 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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