KVH Receives $1 Million in New Fiber Optic Gyro Orders

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MIDDLETOWN, R.I.--(BUSINESS WIRE)--Oct. 20, 2004--KVH Industries, Inc., (Nasdaq: KVHI) today announced that it has received three new orders for its fiber optic gyro (FOG) products. Together, the orders are valued at approximately $1 million. The FOGs included within these orders will be used to provide precision pointing and stabilization capabilities in a range of defense-related activities, including remote gun turrets, surface-to-air missile platforms, and mobile military satellite communication antennas.

"Our affordable precision fiber optic systems offer the outstanding performance, accuracy, and durability necessary for demanding military applications," said Dan Conway, KVH's vice president of business development. "KVH is gaining a strong foothold in the military marketplace by providing FOGs that are less costly alternatives to other optical gyros in guidance and navigation systems as well as form, fit, and function replacements for trouble-prone mechanical gyros."

KVH FOGs, such as the DSP-3000, are used in diverse commercial and defense-related applications. Military applications include inertial measurement units for torpedoes, precision tactical navigation systems for military vehicles, and image stabilization and synchronization for shoulder- or tripod-mounted weapon simulators. Platforms that depend on KVH FOGs include the U.S. Army Ground Prophet next-generation signal intelligence vehicle; the Javelin, Stinger, and ITAS weapons training simulators; stabilization systems for naval radar and missile defense systems, among others. KVH FOGs have also been used in such commercial applications as train location control systems, industrial robotics, stabilization of TV cameras, and KVH's own premier TracVision G8 mobile satellite TV antenna.

KVH digital signal processing (DSP) FOGs employ an all-fiber design that ensures high reliability, superior performance, and exceptional vibration, shock, and acceleration, performance, and survivability. They deliver precision stabilization and tracking capabilities for turret, antenna, and optical stabilization systems. With no moving parts to maintain or replace, KVH's DSP FOGs last longer than mechanical gyros, perform better, and yield a significantly lower lifetime cost. KVH's DSP electronics improve performance in such critical areas as scale factor and bias versus temperature, scale factor linearity, turn-on to turn-on repeatability, and maximum input rate. The breakthrough DSP design (covered by multiple patents, including U.S. Patent #6,429,939, "DSP Signal Processing for Open Loop Fiber Optic Sensors") overcomes the limitations of analog signal processing, virtually eliminating temperature-sensitive drift and rotation errors.

Complete details regarding KVH's family of fiber optic products are available at http://www.fiberopticgyro.com.

Note to Editors: High-resolution images of the DSP-3000 and other KVH fiber optic gyro products are available for download and editorial use at http://www.kvh.com/press.

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.

This release may contain certain forward-looking statements that involve risks and uncertainties. Forward-looking statements include, 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.

CONTACT:
KVH Industries Contact:
Chris Watson, 401-847-3327
Corporate Communications Manager
cwatson@kvh.com

Investor Relations Contact:
Amanda Tappen, 212-850-5600
Financial Dynamics