



## U.S. Military to Fund KVH Development of Lower-cost Fiber Optic Gyro-based Northfinder

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KVH receives \$730,000 to pursue a northfinding module substantially smaller than existing solutions and suitable for military and commercial applications

MIDDLETOWN, R.I., Nov. 16 /PRNewswire-FirstCall/ -- KVH Industries, Inc., (Nasdaq: KVHI) has been awarded a \$730,000 Phase II Small Business Innovative Research grant by the U.S. Department of Defense to pursue the development of a fiber optic gyro (FOG)-based northfinding module potentially much smaller and lighter than systems currently available. Expanding on technology used in KVH's TG-6000 inertial measurement unit and intended as an easy tool to precisely determine azimuth, the proposed system is intended to be a high-performance, affordable product. KVH's proposed northfinding module aims to bring the benefits of more expensive, heavier high-end inertial systems to customers and applications that were not able to benefit from the technology in the past, such as man-portable mortars.

"Thanks to our proven FOG technology, we anticipate that our proposed northfinding module will be smaller, lighter, and less expensive than existing inertial systems," explained Dan Conway, KVH's vice president for military/commercial business development. "As a result, it will offer precise inertial measurements of True North to users who could not previously either afford or support the mass and weight of existing inertial systems. In addition, we envision KVH's northfinding module will be well suited for new applications currently constrained by the inaccuracies of using magnetic compass measurements for determining azimuth, such as surveying."

The proposed KVH northfinding module is expected to permit users to rapidly and precisely determine True North, which is critical for applications like indirect fire weapons such as mortars, far target location, or in situations where GPS measurements are unavailable, such as in a tunnel, deep forest, or urban canyon.

"Northfinders currently available are based on inertial measurement technology, cost \$40,000 or more, and weigh in excess of 12 lbs," continued Conway. "As a result, their use has been limited due to their high cost and a lack of easy portability. Our goal is to offer a FOG-based northfinding module with similar benefits for significantly less and at a fraction of the weight of these larger existing systems."

Over the past 20 years, the SBIR program has been a key source of funding for KVH's research and development efforts in advancing technology related to digital compasses, fiber optic gyroscopes, and navigation and pointing solutions. Under the SBIR/STTR program, KVH has been awarded 9 Phase II contracts and achieved a Commercialization Achievement Index of 100, thereby ranking in the top 1% of all participants. This top ranking illustrates KVH's ability to successfully develop and implement commercialization strategies, using the SBIR contracts as an important part of its new product development process.

About KVH Industries, Inc.

KVH Industries, Inc., is a premier manufacturer of systems to provide access to live mobile media ranging from satellite TV to telephone and high-speed Internet for vehicles and vessels as well as a leading source of navigation, pointing, and guidance solutions for maritime, defense, and commercial applications. The company's products are based on its proprietary mobile satellite antenna and fiber optic technologies. An ISO 9001-certified company, KVH is based in Middletown, Rhode Island.

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; and customer preferences, requirements and expectations. The actual results could differ materially. Factors that may cause such differences include, among others, uneven military sales cycles, and changes in military fielding and equipment requirements, as well as those discussed in KVH's most recent Form 10-Q filed with the SEC. KVH does not assume any obligation to update its forward-looking statements to reflect new information or developments.

KVH is a registered trademark of KVH Industries, Inc. All other trademarks are the property of their respective companies.

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