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TracNet 100 Mobile Internet System from KVH and MSN TV Now Available Nationwide

New System Offers High-speed Access to MSN TV Services and the Internet on Boats, Cars, and Recreational Vehicles

MIDDLETOWN, RI – August 22, 2006 – For consumers around the U.S. who have sought high-speed Internet service while on the go, the wait is now over! The new TracNet™ 100 mobile Internet system with MSN® TV service from KVH Industries (Nasdaq: KVHI) and Microsoft Corp.'s MSN TV division is now available through retailers nationwide. TracNet 100 is the solution consumers and businesspeople have been asking for – an integrated product offering convenient mobile, high-speed access to the same Internet services they depend on in their home or office as they travel throughout the United States by car, boat, or RV.

Using high-speed EVDO (Evolution Data Optimized) cellular service, the TracNet 100 provides access to MSN TV Internet services, including MSN Mail, MSN Messenger, web browsing, Internet radio, online games, and more. Conveniently displayed on the video screens and TVs in cars, boats, and RVs, MSN TV is well suited for the mobile environment and offers a convenient access point to the Internet. In addition, KVH's custom web portals for mobile users are directly accessible from the MSN TV home page, providing easy access to information that makes travel more entertaining and convenient. For those users who depend on applications on laptops or PDAs, the TracNet 100 also turns a vehicle or vessel into a mobile hotspot thanks to integrated WiFi that supports multiple users and devices. This exciting new mobile Internet system arrives at dealers around the country at the same time 57% of consumers say that they want to stay "wired" while traveling on vacation (InsightExpress, July 2006).

"There is a growing demand for mobile access to Internet services, and we are committed to connecting consumers to an array of entertainment, information and communications services," said Sam Klepper, general manager in the Online Services Group at Microsoft. "KVH provides

an excellent platform to bring these services and a wide variety of content to mobile users via the integrated Internet solutions offered by the TracNet 100 and MSN TV services.”

Commenting on the TracNet 100, Martin Kits van Heyningen, KVH’s president and chief executive officer said, “Microsoft’s MSN TV division and KVH are leaders in their respective fields and bring unique benefits to supporting consumer expectations for fast, easy Internet access. By blending those strengths, our TracNet 100 meets the demand for broadband Internet on the go by taking the experience beyond cell phones and PDAs and making powerful web applications accessible on video and TV screens as well as on WiFi-based mobile devices.”

TracNet 100 offers travelers the on-the-move communications and high-speed they require to work efficiently outside their home or office while they’re on the road or the water. Where available, the system uses EVDO service, which provides data rates ranging from 400-700 Kbps and is capable of reaching up to 2 Mbps – similar to the broadband connections in the home or office. EVDO coverage is available in and surrounding more than 180 cities throughout the continental U.S. with new cities being added regularly. In areas where EVDO service is not currently available, TracNet 100 reverts to the more widely fielded 1xRTT service, which delivers speeds of 60-80 Kbps and bursts of up to 144 Kbps.

The TracNet 100 includes the mobile Internet receiver with a 3-port Ethernet router, infrared (IR) wireless remote, wireless keyboard, 12V DC power adapter, and an EVDO data card. In addition, TracNet 100 also comes with a bundled 3W booster and a platform-specific external cellular antenna to ensure the best performance possible in marginal/low signal areas.

Additional details regarding TracNet 100 hardware, service pricing, and retailers nationwide are available at <http://www.kvh.com/kvhinternet>.

Note to Editors: High-resolution, press-ready images of the TracNet 100 are available for download and editorial use at <http://press.kvh.com>.

About KVH Industries, Inc.

Middletown, RI-based KVH Industries, Inc., is a leading provider of in-motion satellite TV and communication systems, having designed, manufactured, and sold more than 100,000 mobile satellite antennas for applications on boats, RVs, trucks, buses, and automobiles. Winner of the prestigious General Motors Innovative Design Award, CES Innovation Award, 21 National Marine Electronics Association “Best Product” awards, and a finalist for the *Automotive News*

PACE Award, KVH's mission is to connect mobile customers with the same digital television entertainment, communications, and Internet services that they enjoy in their home and offices.

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 the proposed 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, the degree of consumer acceptance of mobile Internet services, as well as those risk factors discussed in the parties' most recent quarterly reports filed with the SEC. The parties do not assume any obligation to update their forward-looking statements to reflect new information or developments.

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