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Research Frontiers Reports Fourth Quarter and Full Year 2015 Financial Results

Management to Host Conference Call at 4:30 p.m.

WOODBURY, N.Y., March 10, 2016 – Research Frontiers Inc. (Nasdaq: REFR) reported its financial results for its fourth quarter and full year ended December 31, 2015. Management will host a conference call today at 4:30 p.m. Eastern Time to discuss its financial and operating results as well as recent developments.

- **Who:** Joseph M. Harary, President & CEO, Seth Van Voorhees, CFO
- **Date/Time:** Thursday, March 10, 2016, 4:30PM ET
- **Dial-in Information:** 1-412-717-9591
- **Questions:** Email to Questions@SmartGlass.com by 2:00PM ET on Thursday, March 10, 2016
- **Replay:** Available on Thursday, March 10, 2016 for 90 days at www.SmartGlass-IR.com

Key 2015 Highlights:

- Revenues increased by more than 25% to \$2.0 million in 2015 compared to 2014.
- All market sectors (automotive, aerospace, architectural, marine and museum) achieved higher revenues in 2015 compared to 2014.
- Magic Sky Control™ option on new Mercedes-Benz S-Class vehicles in 2015:
 - Full year of revenues from the Magic Sky Control™ option on the new Mercedes-Benz S-Class Coupe.
 - Revenues from the Magic Sky Control™ option on the S-Class Maybach S600 X222 began in spring 2015.
 - Revenues from the Magic Sky Control™ option on the high volume S-Class Long Wheel Base V222 began in late 2015.

- Three aircraft manufacturers announced SPD-Smart dimmable window products as standard equipment in new or upcoming production aircraft:
 - Honda Aircraft Company: The new HondaJet, with first delivery in December 2015, comes with SPD-Smart electronically dimmable windows as standard equipment on all passenger windows.
 - Textron-Beechcraft will have SPD-Smart electronically dimmable windows as standard equipment on all models of its King Air aircraft:
 - Dassault Aviation: The new Falcon 5X, with first deliveries expected in 2020, will come with SPD-Smart electronically dimmable skylights as standard equipment.
- Increased interest and use of SPD-Smart dimmable window products in architectural, marine and museum industries.

Research Frontiers is the developer of SPD-Smart light-control technology which allows users to instantly, precisely and uniformly control the shading of glass or plastic, either manually or automatically. Research Frontiers has built an infrastructure of over 40 licensed companies that collectively are capable of serving the growing global demand for smart glass products in automobiles, homes, buildings, museums, aircraft and boats. For more information, please visit our website at www.SmartGlass.com, and on [Facebook](#), [Twitter](#), [LinkedIn](#) and [YouTube](#).

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Note: From time to time Research Frontiers may issue forward-looking statements which involve risks and uncertainties. This press release contains forward-looking statements. Actual results could differ and are not guaranteed. Any forward-looking statements should be considered accordingly. "SPD-Smart" and "SPD-SmartGlass" are trademarks of Research Frontiers Inc.

RESEARCH FRONTIERS INCORPORATED
Consolidated Balance Sheets
December 31, 2015 and 2014

Assets	2015	2014
Current assets:		
Cash and cash equivalents	\$ 5,712,310	\$ 7,569,537
Short-term investments	1,513,784	1,501,554
Royalties receivable, net of reserves of \$629,457 in 2015 and \$305,171 in 2014	1,314,675	1,175,218
Prepaid expenses and other current assets	133,465	121,252
Total current assets	8,674,234	10,367,561
Fixed assets, net	836,216	660,201
Long-term investments	-	1,503,525
Deposits and other assets	33,567	33,567
Total assets	\$ 9,544,017	\$ 12,564,854
 <u>Liabilities and Shareholders' Equity</u>		
Current liabilities:		
Accounts payable	\$ 46,734	\$ 159,312
Accrued expenses and other	421,478	323,372
Total current liabilities	468,212	482,684
Shareholders' equity:		
Common stock, par value \$0.0001 per share; authorized 100,000,000 shares, issued and outstanding 24,043,846 and 23,924,465 shares for 2015 and 2014	2,404	2,392
Additional paid-in capital	111,483,959	110,210,480
Accumulated deficit	(102,410,558)	(98,130,702)
Total shareholders' equity	9,075,805	12,082,170
Total liabilities and shareholders' equity	\$ 9,544,017	\$ 12,564,854

See accompanying notes to consolidated financial statements.

RESEARCH FRONTIERS INCORPORATED
Consolidated Statements of Operations
Years ended December 31, 2015, 2014 and 2013

	2015	2014	2013
Fee income	\$ 2,007,482	\$ 1,598,799	\$ 2,161,359
Operating expenses	4,742,166	4,425,718	6,036,792
Research and development	1,588,491	1,621,964	2,203,326
Total Expenses	6,330,657	6,047,682	8,240,118
Operating loss	(4,323,175)	(4,448,883)	(6,078,759)
Net investment income	43,319	35,161	38,148
Net loss	(4,279,856)	(4,413,722)	(6,040,611)
Basic and diluted net loss per common share	\$ (0.18)	\$ (0.19)	\$ (0.26)
Weighted average number of common shares outstanding	24,007,974	23,663,229	22,946,019

See accompanying notes to consolidated financial statements.

RESEARCH FRONTIERS INCORPORATED
Consolidated Statements of Shareholders' Equity
Years ended December 31, 2015, 2014 and 2013

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance, January 1, 2013	22,646,782	\$ 2,265	\$ 101,846,779	\$ (87,676,369)	\$ 14,172,675
Exercise of options and warrants	179,983	18	822,951	-	822,969
Share-based compensation	282,900	28	2,914,876	-	2,914,904
Net Loss	-	-	-	(6,040,611)	(6,040,611)
Balance, December 31, 2013	23,109,665	2,311	105,584,606	(93,716,980)	11,869,937
Issuance of Common Stock	750,000	75	3,278,175	-	3,278,250
Exercise of options and warrants	64,800	6	304,782	-	304,788
Share-based compensation	-	-	1,042,917	-	1,042,917
Net Loss	-	-	-	(4,413,722)	(4,413,722)
Balance, December 31, 2014	23,924,465	2,392	110,210,480	(98,130,702)	12,082,170
Exercise of options and warrants	119,381	12	548,463	-	548,475
Share-based compensation	-	-	725,016	-	725,016
Net Loss	-	-	-	(4,279,856)	(4,279,856)
Balance, December 31, 2015	24,043,846	\$ 2,404	\$ 111,483,959	\$ (102,410,558)	\$ 9,075,805

See accompanying notes to consolidated financial statements.

RESEARCH FRONTIERS INCORPORATED
Consolidated Statements of Cash Flows
Years ended December 31, 2015, 2014 and 2013

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:			
Net loss	\$ (4,279,856)	\$ (4,413,722)	\$ (6,040,611)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	140,170	31,824	45,212
Stock based compensation	725,016	1,042,917	2,914,904
Bad debts	324,286	131,250	81,198
Change in assets and liabilities:			
Royalty receivables	(463,743)	(439,306)	(260,042)
Prepaid expenses and other current assets	(12,213)	2,866	94,544
Accounts payable and accrued expenses	(14,472)	345,356	(80,064)
Deferred revenue	-	(25,000)	-
Net cash used in operating activities	<u>(3,580,812)</u>	<u>(3,323,815)</u>	<u>(3,244,859)</u>
Cash flows from investing activities:			
Purchases of fixed assets	(316,185)	(627,660)	(50,536)
Purchase of investments	-	(3,005,079)	(24,009)
Proceeds from sale of investment	1,491,295	5,076,930	-
Net cash provided by (used in) investing activities	<u>1,175,110</u>	<u>1,444,191</u>	<u>(74,545)</u>
Cash flows from financing activities:			
Net proceeds from issuances of common stock and exercise of options and warrants	548,475	3,583,038	795,294
Net cash provided by financing activities	<u>548,475</u>	<u>3,583,038</u>	<u>795,294</u>
Net (decrease) increase in cash and cash equivalents	(1,857,227)	1,703,414	(2,524,110)
Cash and cash equivalents at beginning of year	7,569,537	5,866,123	8,390,233
Cash and cash equivalents at end of year	<u>\$ 5,712,310</u>	<u>\$ 7,569,537</u>	<u>\$ 5,866,123</u>

See accompanying notes to consolidated financial statements.