



Research Frontiers Reports First Quarter 2016 Financial Results

Management to Host Conference Call at 4:30PM ET

WOODBURY, N.Y., May 5, 2016 – Research Frontiers Inc. (NASDAQ: REFR) reported financial results for its first quarter ended March 31, 2016. 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, May 5, 2016, 4:30PM ET
- **Dial-in Information:** 1-412-717-9591
- **Questions:** Email to Questions@SmartGlass.com by 2:00PM ET on Thursday, May 5, 2016
- **Replay:** Available on Thursday, May 6, 2016 for 90 days at www.SmartGlass-IR.com

Key First Quarter 2016 Highlights:

- Revenues increased by approximately 8% to \$409K in the first quarter of 2016 compared to the same period in 2015. This increase was principally the result of higher royalties from the automotive and aircraft markets.
- Licensee Fokker Services and GKN Aerospace unveiled SPD-Smart Electronically Dimmable Windows (EDWs) in April at the Aircraft Interiors Expo in Hamburg, Germany. Fokker Services, now part of GKN Aerospace, showcased iShade SPD EDWs on a Boeing 737 mock-up, including the industry-first SkyView Panoramic Window.
- Licensee Vision Systems has partnered with AAR Corporation (NYSE: AIR) to offer SPD-Smart EDWs to the aircraft aftermarket.
- Refreshed Mercedes-Benz SLC and SL Models featuring Magic Sky Control using Research Frontiers SPD-SmartGlass Technology were showcased at the Geneva Motor Show and New York Auto Show, and in addition, the S-Class Coupe, Maybach and S-Class Sedan all now offer the Magic Sky Control panoramic roof option. This brings the total number of car models offering SPD-SmartGlass to five.
- With SPD-SmartGlass technology now an option on over 120,000 Mercedes-Benz vehicles produced annually, Research Frontiers has commenced a coordinated marketing initiative in conjunction with Daimler and its Mercedes-Benz dealers regarding the Magic Sky Control option.
- Continental Automotive debuted their Intelligent Glass Control system at the Consumer Electronics Show which controlled all twelve pieces of SPD-SmartGlass in a specially-outfitted Ford Mondeo.
- Deliveries to customers starts this year for the ARROW460 – Granturismo production yacht that Silver Arrows Marine produced in conjunction with Mercedes-Benz Style, a design arm of Mercedes-Benz.

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
(Unaudited)

	<u>March 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$ 4,671,812	\$ 5,712,310
Short-term investments	1,516,352	1,513,784
Royalty receivables, net of reserves of \$629,457 in 2016 and 2015	1,374,214	1,314,675
Prepaid expenses and other current assets	79,228	133,465
Total current assets	<u>7,641,606</u>	<u>8,674,234</u>
Fixed assets, net	790,395	836,216
Deposits and other assets	33,567	33,567
Total assets	<u>\$ 8,465,568</u>	<u>\$ 9,544,017</u>
<u>Liabilities and Shareholders' Equity</u>		
Current liabilities:		
Accounts payable	\$ 118,575	\$ 46,734
Accrued expenses and other	417,119	421,478
Deferred revenue	30,762	-
Total current liabilities	<u>566,456</u>	<u>468,212</u>
Shareholders' equity:		
Common stock, par value \$0.0001 per share; authorized 100,000,000 shares, issued and outstanding 24,043,846 and 24,043,846 shares for 2016 and 2015	2,404	2,404
Additional paid-in capital	111,483,959	111,483,959
Accumulated deficit	(103,587,251)	(102,410,558)
Total shareholders' equity	<u>7,899,112</u>	<u>9,075,805</u>
Total liabilities and shareholders' equity	<u>\$ 8,465,568</u>	<u>\$ 9,544,017</u>

See accompanying notes to consolidated financial statements.

RESEARCH FRONTIERS INCORPORATED
Consolidated Statements of Operations
(Unaudited)

	Three months ended	
	March 31, 2016	March 31, 2015
Fee income	\$ 409,133	\$ 379,398
Operating expenses	1,186,507	1,172,537
Research and development	410,217	434,454
Total Expenses	1,596,724	1,606,991
Operating loss	(1,187,591)	(1,227,593)
Net investment income	10,898	11,216
Net loss	\$ (1,176,693)	\$ (1,216,377)
Basic and diluted net loss per common share	\$ (0.05)	\$ (0.05)
Weighted average number of common shares outstanding	24,043,846	23,944,144

See accompanying notes to consolidated financial statements.

RESEARCH FRONTIERS INCORPORATED
Consolidated Statements of Cash Flows
(Unaudited)

	Three months ended	
	March 31, 2016	March 31, 2015
Cash flows from operating activities:		
Net loss	\$ (1,176,693)	\$ (1,216,377)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	47,412	8,617
Stock-based compensation	-	67,963
Change in assets and liabilities:		
Royalty receivables	(59,539)	20,776
Prepaid expenses and other current assets	54,237	42,479
Deferred revenue	30,762	32,722
Accounts payable and accrued expenses	67,482	(66,058)
Net cash used in operating activities	(1,036,339)	(1,109,878)
Cash flows from investing activities:		
Purchases of fixed assets	(1,591)	(176,224)
Change in investments	(2,568)	(2,382)
Net cash used in investing activities	(4,159)	(178,606)
Cash flows from financing activities:		
Net proceeds from exercise of options and warrants	-	245,873
Net cash provided by financing activities	-	245,873
Net decrease in cash and cash equivalents	(1,040,498)	(1,042,611)
Cash and cash equivalents at beginning of year	5,712,310	7,569,537
Cash and cash equivalents at end of year	\$ 4,671,812	\$ 6,526,926

See accompanying notes to consolidated financial statements.