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REFR's false 'news' story exposed, reports Asensio & Company, Inc.

Research Frontiers Incorporated (Nasdaq: REFR) (Price: \$16) and its insiders have been able to profit from selling REFR stock to the public, despite its 35-year history of uninterrupted losses and unequivocal commercial failure, partly as a result of its exploitation of media mentions garnered through its publicity campaigns. However, REFR has repeatedly failed to generate the outcomes publicized in the stories. As a result, its past publicity forms a record of its questionable stock promotion and in the worse cases reveals damaging evidence concerning REFR's intentions to mislead, at best.

We focused our research on REFR's use of the media as a result of REFR's announcement last Friday of a New York Times (NYSE: NYT, \$42.15) article about SPD. In fact, the Times article was about REFR's SPD airplane glass sham, which has already been exposed as a misrepresented \$750 deal between a tiny aircraft chartering company (with a very questionable history) and InspecTech, which we found to be that chartering company's even smaller tenant. However, we found another Times article published in 1989 that mentions sunroofs, which were promoted earlier this year as a new development. This apparent "error" only marks the beginning of a series of announcements that offer seriously conflicting disclosures.

In June 1992, REFR publicized getting Glaverbel, S.A., a subsidiary of Asahi Glass Company Ltd. ("Asahi"), to sign an SPD licensing agreement covering automotive sunroofs. REFR published estimates of the SPD automotive glass market of up to \$100 billion annually. However, in the 7 years that followed Glaverbel didn't register a single sale and in 1999 sold its SPD patents and applications to REFR for \$289,177.

In February 2001 REFR announced that AP Technoglass ("AP"), also a subsidiary of Asahi, had acquired an SPD license covering automotive sunroofs. REFR did not disclose that almost 10 years earlier it announced and publicized an agreement that covered sunroofs with Glaverbel, coincidentally (or not) also a subsidiary of Asahi. In fact, REFR also did not disclose that in 1997 REFR had announced an agreement with Hankuk Glass Industries Inc. covering sunroofs. From here matters worsen for REFR.

On April 9, 2001 an article in Automotive News promotes the AP license as a brand new development resulting from AP's reading of a scientific journal. It contains a quote stating that AP had "recently stumbled over an article about a patented new" SPD glass and that one of its employees then "hustled out to talk to" REFR and that REFR told AP it "hadn't even really thought about the automotive market." This is all very odd reporting. In three earlier very unscientific Automotive News articles in 1994 and in 1998 REFR promoted its SPD automotive glass and sunroofs. In fact, prior to the April 2001 article REFR had issued at least 50 press releases promoting SPD sunroofs and had licensed at least two other companies. Not a single SPD sunroof has ever been installed in an automobile by a car manufacturer.

Asensio & Company believes REFR is grossly overvalued.