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FOR IMMEDIATE RELEASE

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INRAD, INC. REPORTS RESULTS FOR 1ST QUARTER

NORTHVALE, N.J., May 15 - INRAD, Inc. (OTC Bulletin Board: INRD) today reported audited financial results for its first quarter, which ended March 31, 2000. The Company reported earnings of \$11,600 on revenues of \$1,459,000, vs. a loss of \$44,600 on \$1,665,000 in the first quarter of 1999.

Product sales for the quarter were 23% lower than the same period in 1999 due to a larger fraction of the start-of-period product backlog being scheduled for delivery later in the fiscal year than in 1999. Contract research and development revenues were 44% higher than the same period in 1999, including a one-time adjustment for under-absorbed overhead costs of \$130,000.

New product bookings were at \$1,609,00 for the quarter, resulting in a \$512,000 (35%) increase in product backlog. Product backlog at March 31, 2000 was \$1,946,000 compared to \$1,438.00 on December 31, 1999 and \$1,733,000 on March 31, 1999.

Actual costs of goods sold, as a percentage of product revenues, for the three month period ended March 31, 2000 improved to 53%. This compares to an actual cost of goods sold percentage of 69% for all of 1999, and an estimated cost of goods sold percentage of 74% for the first quarter of 1999.

Internal research and development expenses for the quarter were \$169,000 compared to \$34,000 for the same quarter in 1999. The increase reflects a major effort to develop and demonstrate a first-of-its-kind Optical Parametric Oscillator prototype operating in the infrared waveband, applicable to a new class of scientific instruments and chemical hazard detection sensors.

Dan Lehrfeld, President and CEO of INRAD, commented, "We are off to a good start on what we expect be a record year for our company. Demand for crystal products and specialty custom optics is strong, offsetting slack demand for systems in the first quarter. We have begun to implement our capacity expansion program, and expect to see results from it in our third and fourth quarters. We remain on track to make significant progress and achieve our revenue growth and profitability goals in fiscal 2000."

INRAD, Inc. develops, manufactures, and supplies products for key Photonics Industry sectors via its three related product areas: Crystals and Crystal Components, Custom Optics, and Systems and Instruments. Its customers include leading corporations in the Laser Systems, Semiconductor Inspection Equipment, Telecommunications Components and Defense

industries, as well as the U.S. Government. Its products are also used extensively by researchers at National Laboratories and Universities world-wide.

The statements contained in this press release that are not purely historical are forward looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. These statements may be identified by their use of forward-looking terminology such as "believes" and "expects" or similar words. Such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected. Risks and uncertainties that could cause actual results to differ materially from such forward looking statements are, but are not limited to, uncertainties in market demand for the company's products or the products of its customers, future actions by competitors, inability to implement its growth strategy, and other factors discussed from time to time in reports filed by Inrad with the Securities and Exchange Commission. The forward looking statements made in this news release are made as of the date hereof and Inrad does not assume any obligation to update the reasons why actual results could differ materially from those projected.