



FOR IMMEDIATE RELEASE

DayStar Technologies Announces Q1 2008 Financial Results

Signs Lease on Manufacturing Facility

Santa Clara, CA, April 30, 2008 / PR Newswire-First Call / – DayStar Technologies, Inc. (Nasdaq: DSTI), a developer of photovoltaic products based on CIGS thin film semiconductor technology, today announced financial results for the first quarter of 2008, ended March 31, 2008.

DayStar reported cash, cash equivalents and short-term investments of \$56.3 million at the end of the first quarter, compared with \$61.4 million at the end of the fourth quarter of 2007. Except for operating accounts, all cash is invested in treasury instruments. The company had total liabilities of \$3.9 million, and total stockholders' equity was \$62.2 million.

Net loss in the first quarter of 2008 was \$4.5 million or a loss of \$0.14 per share, compared with a net loss of \$17.9 million or a loss of \$1.43 per share in the first quarter of 2007. The decrease in net loss is due primarily to non-cash expenses recognized on the restructuring and ultimate conversion to equity in Q1 2007 of a \$15 million convertible note. The net loss in the first quarter of 2008 was primarily due to operating costs associated with the development and preparation for commercialization of our CIGS PV products and manufacturing technologies.

“We are pleased to announce that we have leased a building in Newark, Calif., to house our 25 megawatt manufacturing facility,” said Dr. Stephan DeLuca, chief executive officer. “This building is ideal for DayStar’s first manufacturing line and we continue to believe we are on track to have our production up and running in Q1 2009. We are also excited that Big Baby, the platform for scaling up our deposition processes, is now in its initial test phase and is performing to our expectations.”

Conference Call

DayStar will hold its first quarter conference call today, Wednesday, April 30, 2008, at 2 pm Pacific time. To listen to the call, dial (210) 234-0003 approximately 10 minutes prior to the start of the call. The pass code is DayStar. A taped replay will be made available approximately one hour after the conclusion of the call and will remain available for one week. To access the replay, dial (402) 220-4095.

About DayStar Technologies, Inc.

DayStar Technologies, Inc. is engaged in the development, manufacturing and marketing of photovoltaic products based upon CIGS thin film semiconductor technology. For more information, visit the DayStar website at www.daystartech.com.

Certain statements contained in this press release, including statements regarding the future business of DayStar, and other statements contained herein regarding matters that are not historical facts, are “forward-looking” statements (as defined in the Private Securities Litigation Reform Act of 1995). Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, but are not limited to, those factors discussed in the section entitled “Risk Factors” in our Annual Report on Form 10-KSB filed with the SEC on March 31, 2008. You should not place undue reliance on the forward-looking statements in this press release, and we disavow any obligation to update or supplement those statements in the event of any changes in the facts, circumstances, or expectations that underlie those statements.

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DAYSTAR TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

BALANCE SHEETS

	March 31, 2008	December 31, 2007
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 41,132,476	\$ 61,365,559
Investments	15,129,317	-
Other current assets	395,173	666,511
Total current assets	56,656,966	62,032,070
Property and Equipment, at cost	15,869,547	14,911,021
Less accumulated depreciation and amortization	(6,524,818)	(5,774,823)
Net property and equipment	9,344,729	9,136,198
Other Assets	58,041	72,427
Total Assets	\$ 66,059,736	\$ 71,240,695
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 2,158,086	\$ 2,622,968
Notes and capital leases payable, current portion	176,551	174,996
Total current liabilities	2,334,637	2,797,964
Long-Term Liabilities:		
Notes and capital leases payable	124,755	171,983
Deferred revenue	420,000	420,000
Stock warrants	980,065	2,771,090
Total long-term liabilities	1,524,820	3,363,073
Commitments and Contingencies		
Stockholders' Equity:		
Preferred stock, \$.01 par value; 3,000,000 shares authorized; 0 shares issued and outstanding	—	—
Common stock, \$.01 par value; 60,000,000 shares authorized; 32,817,012 and 32,621,262 shares issued and outstanding at March 31, 2008 and December 31, 2007, respectively.	328,170	326,213
Additional paid-in capital	136,887,969	135,387,049
Accumulated deficit	(10,145,391)	(10,145,391)
Deficit accumulated during the development stage	(64,972,710)	(60,488,213)
Accumulated other comprehensive income	102,241	—
Total stockholders' equity	62,200,279	65,079,658
Total Liabilities and Stockholders' Equity	\$ 66,059,736	\$ 71,240,695

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STATEMENTS OF OPERATIONS

	For the Three Months Ended	
	March 31,	
	2008	2007
Revenue:	\$ -	\$ -
Costs and Expenses:		
Research and development	2,980,223	2,293,632
Selling, general and administrative	2,737,286	1,401,079
Restructuring	-	1,382,801
Depreciation and amortization	753,947	694,391
Total costs and expenses	6,471,456	5,771,903
Other Income (Expense):		
Other income	208,385	43,214
Interest expense	(12,451)	(88,058)
Amortization of note discount and financing costs	-	(3,800,588)
Gain (loss) on derivative liabilities	1,791,025	(2,206,754)
Loss on extinguishment of debt	-	(6,091,469)
Total other income (expense)	1,986,959	(12,143,655)
Net Loss	\$ (4,484,497)	\$ (17,915,558)
Weighted Average Common Shares Outstanding (Basic And Diluted)	32,760,465	12,570,489
Net Loss Per Share (Basic and Diluted)	\$ (0.14)	\$ (1.43)