



PRESS RELEASE

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FOR IMMEDIATE RELEASE

MathStar Collaborates with LG Electronics on Technology Solution for Delivery of HD Programming to Hotel HDTVs

HILLSBORO, Ore., March 20, 2007 – MathStar, Inc. (NASDAQ: MATH), a fabless semiconductor company specializing in high-performance programmable logic, announced today that it is working with LG Electronics (LGE) on a solution that supports the migration to MPEG-4 high-definition (HD) video technology in the lodging industry. MPEG-4 is a multimedia standard produced by the Moving Picture Experts Group (MPEG).

After an exhaustive evaluation process, LGE selected MathStar's Arrix™ field programmable object array (FPOA) technology for high-definition "transcoders" that deliver satellite HD programming to hotel rooms. Specifically, the MathStar chipset in LG's transcoder reformats H.264 MPEG-4 satellite signals so they may be displayed on existing MPEG-2 receivers.

"MathStar's FPOA technology combines the high performance and re-programmability needed to effectively deploy high-definition video," said Doug Pihl, MathStar CEO. "We are pleased to be working with LG Electronics, a long-time HD advocate, the lodging industry's market leader and a company that has always been at the forefront of video technology."

Richard M. Lewis, senior vice president, technology and research, for LG's U.S. R&D subsidiary, said, "Programmable logic technology from MathStar was critical to allowing our satellite transcoders to support a large installed base of legacy TV receivers. In turn, these transcoders are important components in LG's end-to-end solution for bringing HD content to guest rooms."

MathStar's investment in the professional video market includes a Professional Video Library of IP cores, FPOA development software and an FPOA evaluation system for application development. The Arrix family is MathStar's second generation of high performance, re-programmable FPOAs.

About MathStar, Inc.

MathStar (NASDAQ: MATH) is a fabless semiconductor company offering best-in-class, high performance programmable logic solutions. MathStar's field programmable object array (FPOA) can process arithmetic and logic operations at clock rates of 1-gigahertz, which is up to four times faster than even the most advanced FPGA architectures in many applications. MathStar's Arrix family of FPOAs are high-performance programmable solutions that enable customers in the machine vision, high-performance video, medical imaging, security & surveillance and military markets to rapidly and cost effectively innovate and differentiate their products. FPOAs are available now and are supported by development tools, IP libraries, application notes and technical documentation. For more information, please visit www.mathstar.com.

About LG Electronics USA, Inc.

LG Electronics USA, Inc. is the North American subsidiary of LG Electronics, Inc., a \$48.5-billion global force in consumer electronics, home appliances and mobile communications. In the United States, LG Electronics sells a wide range of digital display and digital media products, digital appliances and mobile phones under LG's "Life's Good" marketing theme. LG's Commercial Products division, based in Lincolnshire, Ill., serves the lodging, education, business, industrial, healthcare and government markets. For more information, please visit www.LGcommercial.com.

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Statements in this press release, other than historical information, may be "forward-looking" in nature within the meaning of Section 21E the Private Securities Litigation Reform Act of 1995 and are subject to various risks, uncertainties and assumptions. These statements are based on management's current expectations, estimates and projections about MathStar and its industry and include, but are not limited to, those set forth in the section of MathStar's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2006 under the heading "Risk Factors." MathStar undertakes no obligation to update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.