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DynTek Announces Third Quarter Results
Company Realizes 11.2% Increase in Revenue for Third Fiscal Quarter

Irvine, CA – May 23, 2008 – DynTek, Inc. (DYNK.PK), a leading provider of professional technology services, today announced results for its third fiscal quarter ended March 31, 2008.

Q3 Results

DynTek reported revenue of approximately \$22.8 million for the third quarter, up from \$20.5 million in the same period of the prior fiscal year, an increase of 11.2%. The company reported an EBITDA loss of \$2.5 million for the third fiscal quarter ended March 31, 2008, as compared to a positive EBITDA of \$20,000 for the same period in the prior fiscal year. Excluding non-cash stock compensation expense charges, and one time charges for restructuring and divestiture expenses, the adjusted EBITDA loss was approximately \$1.9 million for the third quarter, as compared to positive adjusted EBITDA of \$109,400 for the same period in the prior fiscal year.

Gross profit decreased to approximately \$3.3 million for the third quarter, as compared to \$4.0 million for the same period of the prior fiscal year. General and administrative expenses were approximately \$1.7 million during the third fiscal quarter, as compared to \$1.0 million during the same period in the prior fiscal year.

Net loss from continuing operations for the third quarter was \$4.3 million, as compared to a net loss of \$2.3 million for the same period of the prior fiscal year. Loss from continuing operations during the three months ended March 31, 2008 includes depreciation and amortization expense of \$324,000, non-cash stock based compensation expense of \$10,000, and interest expense of \$2.0 million (including non-cash interest of \$1.6 million).

“Our Q3 EBITDA results were primarily impacted by an increasing G&A cost structure that was disproportionate to our overall revenue growth,” said Ron Ben-Yishay, DynTek’s president and chief operating officer. “When I started my new role on March 19th, my first initiative was to quickly create a lean and highly productive operating structure. Our cost control plan was implemented at the end of March and beginning of April and will begin to produce visible results over the next few quarters. We have completed the divestiture of our non-core offices (Virginia & Michigan), which was culminated in the sale our Canadian division in early May. Our company is now comprised of regions with the critical mass required to drive profitable returns – our focus now is on execution and performance.”

Subsequent Event

On May 8, 2008, DynTek completed the sale of its Canadian operations to Sensible Security Solutions. This sale was driven by the company’s desire to focus on its key geographies with the greatest

profitability and sales density. DynTek and Sensible Security Solutions have developed a teaming agreement to pursue joint security opportunities in the future.

EBITDA

The Company defines EBITDA as net income (loss) before interest, taxes, depreciation and amortization, and goodwill impairment charges. Other companies may calculate EBITDA differently. Although EBITDA is a widely used financial indicator of a company's ability to service debt, it is not a recognized measure for financial statement presentation under generally accepted accounting procedures (GAAP). EBITDA should not be considered in isolation or as superior or as an alternative to net income (loss) or to cash flows from operating activities as determined in accordance with GAAP. Nonetheless, the Company believes that EBITDA provides useful supplemental information for investors and others to measure operating performance, especially in situations where a company has significant non-cash operating expenses that are not indicative of core business operating results. EBITDA is widely used in the IT services industry to analyze comparable company performance, and management of the Company also uses EBITDA, in addition to GAAP information, as a measure of operating performance for assessing its business units as well as completed and potential acquisitions.

DYNTEK, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS and COMPREHENSIVE LOSS

EBITDA Presentation

(in thousands)

	<u>Three Months Ended March</u>	
	<u>2008</u>	<u>2007</u>
Total revenues	\$ 22,760	\$ 20,487
Total cost of revenues	19,417	16,456
GROSS PROFIT	3,343	4,031
OPERATING EXPENSES:		
Selling	4,065	3,083
General and administrative	1,737	928
Total operating expenses	5,802	4,011
EBITDA	(2,459)	20
Depreciation and amortization	324	805
LOSS FROM OPERATIONS	(2,783)	(785)
OTHER INCOME (EXPENSE):		
Interest expense	(2,025)	(1,473)
Other income (expense)	(5)	(38)
Interest income	3	24
Realized FX gains (losses)	(75)	0
Gain (Loss) on Sale of Assets	572	0
Total other income (expense)	(1,530)	(1,487)
LOSS FROM CONTINUING OPERATIONS	(4,313)	(2,272)

About DynTek

DynTek is a leading provider of professional technology services to mid-market companies, such as state and local governments, educational institutions and commercial entities in the largest IT markets nationwide. The company provides a broad range of IT security, unified communication, virtualization, Microsoft Information Worker, and application infrastructure and delivery solutions. DynTek's multidisciplinary approach allows our clients to turn to a single source for their most critical technology requirements. For more information, visit www.dyntek.com.

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Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Investors are cautioned that certain statements in this release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and involve known and unknown risks, uncertainties and other factors. Such uncertainties and risks include, among others, success in reaching target markets for services and products in a highly competitive market and the ability to maintain existing and attract future customers; our ability to finance and sustain operations, including our ability to comply with the terms of working capital facilities and/or other term indebtedness of the Company, and to extend such obligations when they become due, or to replace them with alternative financing; our ability to raise equity capital in the future; our ability to achieve profitability despite historical losses from operations; our ability to maintain business relationships with IT product vendors and our ability to procure products as necessary; the size and timing of additional significant orders and their fulfillment; the continuing desire of and available budgets for state and local governments to outsource to private contractors; our ability to successfully identify and integrate acquisitions; the retention of skilled professional staff and certain key executives; the performance of the Company's government and commercial technology services; the continuation of general economic and business conditions that are conducive to outsourcing of IT services; our ability to maintain trading on the NASD OTC Bulletin Board or other markets in the future; and such other risks and uncertainties included in our Annual Report on Form 10-K filed on October 11, 2007 and our Quarterly Report on Form 10-Q filed on November 19, 2007 and other SEC filings. The Company has no obligation to publicly revise any forward-looking statements to reflect anticipated or unanticipated events or circumstances occurring after the date of such statements.