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## **DynTek Announces First Quarter Results**

### ***Company Realizes Positive EBITDA from Continuing Operations for the First Fiscal Quarter***

**Irvine, CA – December 1, 2008 – DynTek, Inc. (DYNK.PK )**, a leading provider of professional technology services, today announced results for its first fiscal quarter ended September 30, 2008.

The company reported positive EBITDA of \$743,000 for the first fiscal quarter ended September 30, 2008, as compared to a loss of \$516,000 for the same period for continuing operations in the prior fiscal year. DynTek reported revenue of approximately \$22.5 million for the first quarter, down slightly from \$23.4 million in the same period of the prior fiscal year.

Gross profit increased to approximately \$4.4 million for the first quarter, as compared to \$4.1 million for the same period of the prior fiscal year. General and administrative expenses decreased to approximately \$0.9 million during the first fiscal quarter, as compared to \$1.5 million during the same period in the prior fiscal year.

Net income (loss) for the first quarter ended September 30, 2008 for continuing operations was (\$1.5) million as compared to a comparable net loss of (\$2.7) million for the same period of the prior fiscal year. The net loss includes non-cash adjustments of approximately (\$1.5) million attributable to the reduction of the payment in kind interest rate on loans, and depreciation and amortization expense of \$192,000.

“We have achieved many significant milestones over the past several quarters, marked by two consecutive quarters of positive EBITDA from continuing operations,” said Ron Ben-Yishay, DynTek’s chief executive officer. “This achievement signifies our ability to control costs, while driving healthy operating margins in the field, which are critical factors for the growth of our organization. Our focus is on driving sustainable organic growth in our key regions and core solution areas, driven by an enhanced focus on our strategic technology partners.”

#### **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.

**DYNTEK, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS and COMPREHENSIVE LOSS**  
**EBITDA Presentation**

*Unaudited - Restated prior year to reflect continuing operations*  
(in thousands, except per share data)

	Three months ended September	
	<u>2008</u>	<u>2007</u>
Total revenues	\$ 22,486	\$ 23,401
Total cost of revenues	18,084	19,313
<b>GROSS PROFIT</b>	<u>4,402</u>	<u>4,088</u>
<b>OPERATING EXPENSES:</b>		
Selling	2,730	3,058
General and Administrative	929	1,546
<b>Total Operating Expenses</b>	<u>3,659</u>	<u>4,604</u>
<b>EBITDA</b>	<u>743</u>	<u>(516)</u>
Depreciation and amortization	192	534
<b>INCOME (LOSS) FROM OPERATIONS</b>	<u>551</u>	<u>(1,050)</u>
<b>OTHER INCOME (EXPENSE):</b>		
Interest expense	(2,011)	(1,613)
Interest income	1	6
Other expense	0	0
<b>LOSS FROM CONTINUING OPERATIONS BEFORE TAX</b>	<u>(1,459)</u>	<u>(2,657)</u>
<b>INCOME TAX</b>	0	74
<b>LOSS FROM CONTINUING OPERATIONS</b>	<u>\$ (1,459)</u>	<u>\$ (2,731)</u>

**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. DynTek 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 <http://www.dyntek.com>.

**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 press 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 DynTek, 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 DynTek's government and commercial technology services; the continuation of general economic and business conditions that are conducive to outsourcing of IT services; and such other risks and uncertainties included in our Annual Report on Form 10-K filed on October 29, 2007, our Quarterly Report on Form 10-Q filed on November 19, 2007 and other SEC filings. DynTek 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.*