

**For more information, contact:**

Linda Ford  
DynTek, Inc.  
949-271-6705  
[linda.ford@dyntek.com](mailto:linda.ford@dyntek.com)

**DynTek Announces Results for Fiscal Year 2009**  
*Company Realizes Increasing Margins and Positive EBITDA for 2009*

**Newport Beach, CA – October 12, 2009 – DynTek, Inc. (DYNE.PK)**, a leading provider of professional technology services, today announced results for its fiscal year ended June 30, 2009.

**Fiscal Year Results**

The company reported positive EBITDA of \$2,258,000 for the fiscal year ended June 30, 2009, as compared to negative EBITDA of \$2,300,000 for the prior fiscal year. DynTek reported revenue of approximately \$84,874,000 for the fiscal year ended June 30, 2009, as compared to \$88,674,000 in fiscal year 2008.

Gross profit increased to approximately \$16,360,000 for fiscal year 2009, as compared to \$15,000,000 for the prior fiscal year. The improvement in the gross profit is attributable to the company's continued focus on higher margin business and more favorable supplier discounts. General and administrative expenses decreased to \$4,600,000, as compared to \$5,000,000 during the prior fiscal year.

The company incurred a net loss of \$11,804,000 for the year ended June 30, 2009, which included a \$538,000 loss from discontinued operations, \$12,112,000 of non-cash charges resulting from \$419,000 of depreciation and amortization, \$831,000 of stock-based compensation, \$6,426,000 of non-cash interest and \$4,436,000 of goodwill impairment. The 2009 Consolidated Financial Statements and Report of our independent auditors are available under DYNE.PK.

“After several significant changes and divestitures in the prior fiscal year, this year has been focused on the growth and development of our core markets,” said Ron Ben-Yishay, DynTek's chief executive officer. “We have been working on developing our relationships with key manufacturers that intersect our need for higher margins with increasing market demand, especially in the areas of security and virtualization. As a result, every quarter in 2009 had positive EBITDA.”

**EBITDA**

The Company defines EBITDA as net income (loss) before interest, taxes, depreciation and amortization, stock-based compensation, 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.

**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.*

**DYNTEK, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
(in thousands, except share data)

EBITDA Presentation	Years Ended June 30,		
	2009	2008	2007
REVENUES			
Product Revenues	\$ 56,233	\$ 61,439	\$ 53,863
Service Revenues	28,641	27,235	20,882
TOTAL REVENUES	<u>84,874</u>	<u>88,674</u>	<u>74,745</u>
COST OF REVENUES			
Cost of Products	46,858	52,962	46,047
Cost of Services	21,656	20,712	15,061
TOTAL COST OF REVENUES	<u>68,514</u>	<u>73,674</u>	<u>61,108</u>
GROSS PROFIT	<u>16,360</u>	<u>15,000</u>	<u>13,637</u>

<b>OPERATING EXPENSES:</b>			
Selling	10,368	12,390	9,293
General and administrative	4,565	5,037	3,041
Depreciation and amortization	419	1,200	2,891
Impairment of goodwill and intangibles	4,436	7,908	—
<b>TOTAL OPERATING EXPENSES</b>	<u>19,788</u>	<u>26,535</u>	<u>15,225</u>
<b>LOSS FROM OPERATIONS</b>	<u>(3,428)</u>	<u>(11,535)</u>	<u>(1,588)</u>
<b>EBITDA (Earnings Before Interest, Depreciation &amp; Amortization)</b>	2,258	(2,333)	2,102
<b>OTHER INCOME (EXPENSE)</b>			
Interest expense	(7,811)	(7,872)	(8,118)
Interest income	--	15	77
Other income (expense), net	(27)	173	188
<b>TOTAL OTHER EXPENSE</b>	<u>(7,838)</u>	<u>(7,684)</u>	<u>(7,853)</u>
<b>LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES</b>	<u>(11,266)</u>	<u>(19,219)</u>	<u>(9,441)</u>
<b>INCOME TAX (BENEFIT) PROVISION</b>	--	(275)	331
<b>LOSS FROM CONTINUING OPERATIONS</b>	<u>(11,266)</u>	<u>(18,944)</u>	<u>(9,772)</u>
<b>DISCONTINUED OPERATIONS</b>			
Gain (Loss) on discontinued operations, net of tax	(538)	(10,781)	(1,344)
<b>TOTAL GAIN (LOSS) FROM DISCONTINUED OPERATIONS</b>	<u>(538)</u>	<u>(10,781)</u>	<u>(1,344)</u>
<b>NET LOSS</b>	<u>\$ (11,804)</u>	<u>\$ (29,725)</u>	<u>\$ (11,116)</u>
<b>NET LOSS PER SHARE:</b>			
Continuing operations	\$ (11.20)	\$ (323.61)	\$ (167.81)
Discontinued operations	(0.54)	(184.16)	(23.08)
<b>NET LOSS PER SHARE—basic and diluted</b>	<u>(\$11.74)</u>	<u>(\$507.77)</u>	<u>(\$190.89)</u>
<b>WEIGHTED AVERAGE NUMBER OF SHARES USED IN COMPUTATION OF BASIC AND DILUTED LOSS PER SHARE</b>			
<b>NET LOSS</b>	<u>1,005,532</u>	<u>58,540</u>	<u>58,234</u>
<b>OTHER COMPREHENSIVE GAIN, NET OF TAX</b>	<u>(\$11,804)</u>	<u>(\$29,725)</u>	<u>(\$11,116)</u>
Unrealized gain on foreign currency translation	--	--	67
<b>COMPREHENSIVE LOSS</b>	<u>\$ (11,804)</u>	<u>\$ (29,725)</u>	<u>\$ (11,049)</u>