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DynTek Announces Results for Third Fiscal Quarter 2011
*Company Achieves 68% Growth in Revenues, 214% Growth in EBITDA,
and Record Net Income in the Third Quarter*

Newport Beach, CA – April 29, 2011 – [DynTek, Inc. \(DYNE.PK\)](#), a leading provider of [professional technology services](#), today announced results for its third fiscal quarter ended March 31, 2011.

DynTek reported revenues of \$34,149,000 for the third fiscal quarter ended March 31, 2011, an increase of \$13,834,000 or 68% from \$20,315,000 in the third fiscal quarter of 2010. Gross profit increased to \$6,032,000 for the third fiscal quarter ended March 31, 2011, an increase of \$2,255,000 or 60% from \$3,777,000 for the prior third fiscal quarter. Total operating expenses increased to \$4,282,000 during the period, compared to \$3,263,000 in the prior third fiscal quarter, but decreased over 3% as a percentage of revenues.

DynTek reported positive EBITDA of \$1,809,000 for the third fiscal quarter ended March 31, 2011, an improvement of \$1,232,000 and 214% as compared to \$577,000 for the third fiscal quarter of 2010. Net income was \$1,101,000 for the third fiscal quarter of 2011, an improvement of \$1,084,000 as compared to net income of \$17,000 for the third fiscal quarter of 2010.

“Over the past several quarters we have been fine-tuning the business to run at optimum performance levels, and this quarter we are seeing our strategic and tactical changes directly impact the bottom line,” said Ron Ben-Yishay, DynTek’s chief executive officer. “Achieving \$1M plus in net income for a quarter is a significant milestone for our business. Financially and culturally, our DynTek team is in peak condition, but as a group, we continue to push ourselves to new levels of success -- new financial performance records, new contracts, new technical innovations, new personal achievements -- which makes our work rewarding and fun.”

EBITDA

The Company defines EBITDA as net income from operations before interest, taxes, depreciation and amortization, and stock-based compensation. 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. From [virtualization](#) and [cloud computing](#) to [unified communications](#) and [collaboration](#), DynTek provides professional technology solutions across the three core areas of our customers’ technical environment: [Infrastructure/Data Center](#), [Microsoft Platform](#), [End Point Computing](#). 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>.

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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 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
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(EBITDA presentation, Unaudited, in thousands)

	Quarter Ended March 31, <u>2011</u>	Nine Months Ended March 31, <u>2011</u>	Quarter Ended March 31, <u>2010</u>	Nine Months Ended March 31, <u>2010</u>
REVENUES				
Product revenues	\$26,548	\$63,029	\$13,200	\$39,005
Service revenues	<u>7,601</u>	<u>22,919</u>	<u>7,115</u>	<u>23,173</u>
TOTAL REVENUES	<u>34,149</u>	<u>85,948</u>	<u>20,315</u>	<u>62,178</u>
COST OF REVENUES				
Cost of products	22,318	52,972	11,010	32,997
Cost of services	<u>5,800</u>	<u>17,923</u>	<u>5,528</u>	<u>17,337</u>
TOTAL COST OF REVENUES	<u>28,118</u>	<u>70,895</u>	<u>16,538</u>	<u>50,334</u>
GROSS PROFIT	<u>6,032</u>	<u>15,053</u>	<u>3,777</u>	<u>11,844</u>
OPERATING EXPENSES				
Selling	3,192	8,168	2,466	7,410
General and administrative	1,058	3,264	764	2,585
Depreciation and amortization	<u>32</u>	<u>100</u>	<u>33</u>	<u>130</u>
TOTAL OPERATING EXPENSES	<u>4,282</u>	<u>11,531</u>	<u>3,263</u>	<u>10,125</u>
INCOME FROM OPERATIONS	1,750	3,521	514	1,719
EBITDA	1,809	3,687	577	1,940
OTHER INCOME (EXPENSE)				
Interest expense	(528)	(1,584)	(488)	(1,569)
Other expense, net	<u>(14)</u>	<u>(14)</u>	<u>-</u>	<u>(24)</u>
TOTAL OTHER EXPENSE	<u>(542)</u>	<u>(1,598)</u>	<u>(488)</u>	<u>(1,593)</u>
Income tax provision	<u>(106)</u>	<u>(122)</u>	<u>-</u>	<u>-</u>
DISCONTINUED OPERATIONS				
Loss on discontinued operations, net of tax	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>(20)</u>
TOTAL LOSS FROM DISCONTINUED OPERATIONS	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>(20)</u>
NET INCOME	<u>\$1,101</u>	<u>\$1,801</u>	<u>\$17</u>	<u>\$106</u>