



<http://www.gses.com>

AT THE COMPANY

John V. Moran
Chief Executive Officer

FOR IMMEDIATE RELEASE

GSE Systems Announces Over \$ 7 million of New Work in the Nuclear Power Simulation Sector Including a Major Upgrade to the Leningrad Nuclear Power Plant Simulator in Russia

GSE Participates in Commercial Nuclear Mission to India

Sykesville, Maryland, February 9, 2009-- GSE Systems, Inc. (GSE) (Amex – GVP), a leading global provider of real-time simulation and training solutions to the power, process, manufacturing and Government sectors, announced today it was recently awarded contracts to upgrade existing nuclear power plant simulators in Europe, Asia, and the United States. The total value of these new contracts exceeds \$7 million.

Of particular significance, the Company was awarded a multi-million dollar contract to perform a major upgrade to the Unit 3 simulator for the Leningrad Nuclear Power Plant in Russia. The Leningrad plant currently operates four 1000 megawatt (MWe) reactors. GSE has built two full scope control room simulators covering these four reactors, as well as two emergency shutdown control room simulators. The Leningrad Unit 3 simulator was initially delivered by GSE in 1996 and underwent an upgrade in 2002. Now the Unit 3 simulator will undergo a major modification including safety system upgrades.

The Unit 3 contract includes modernizing the simulation computers, updating plant models to reflect the plant safety system changes, upgrading the simulation tool set and providing a new hardware interface system. The upgrade will be complete in approximately eighteen months.

The Leningrad Nuclear Power Plant has also been selected as a site to build up to four next generation pressurized water reactors in Russia. In October, 2008 construction began on the building foundation for a new VVER-1200 megawatt (MWe) nuclear power plant.

John V. Moran, GSE's Chief Executive Officer said, "We continue to see a steady stream of major contract awards associated with upgrading, modifying and improving our installed base of nuclear plant simulators as well as those of our competitors. The awards we announced today are for upgrades for simulators that GSE previously delivered. There are currently 441 commercial nuclear reactors in operation in 31 countries and according to various government and trade publications, over 225 new reactors are currently planned during the next 20 years."

GSE also announced today that it recently participated in the first commercial nuclear trade mission to India since the opening of India to civilian nuclear trade with the U.S. The Historic five day event concluded Friday January 16th. The U.S.-India Business Council (USIBC) in partnership with Nuclear Energy Institute (NEI) and the U.S. Department of Commerce, and was led by Steve Hucik of GE-Hitachi Nuclear Energy. With more than 60 senior executives representing more than 30 world-leading commercial nuclear companies, the Mission was the first commercial nuclear trade mission to visit India since the Nuclear Suppliers Group (NSG) approved India for global commercial nuclear trade.

"The robust presence here of the U.S. commercial nuclear industry, so soon after the unfortunate events in Mumbai, speaks to the commitment of our companies to partner with India in the coming nuclear renaissance," said Ted Jones, Director for Policy Advocacy at USIBC.

The USIBC-NEI Mission met with key Government of India officials and the top executives of the Nuclear Power Corporation, the National Thermal Power Corporation, and other leading public-sector undertakings. They also met with their counterparts among India's rising global companies via the CII-USIBC Joint Task Force on Commercial Nuclear Cooperation, a group which has met since 2006 to identify and clear away obstacles to U.S.-Indian commercial nuclear trade.

The CII-USIBC Joint Task Force identified policy issues on both sides requiring attention in order for India to move toward its ambitious goals for expanding its nuclear generating capacity to 30,000MW by 2020 and 60,000 MW by 2030. To enable Indian and U.S. private-sector companies alike to take part in the expansion, issues relating to nuclear liability and intellectual property protection, among others, need attention in India. On the U.S. side, the group has previously discussed U.S. export licensing procedures and the potential for U.S. companies to enter into commercial relationships with Indian manufacturing, contracting and service firms.

The USIBC-NEI Mission arrived in India just months after the historic opening of India to civilian nuclear trade with the U.S. and the world. Announced on July 18, 2005 during the celebrated Washington visit of PM Manmohan Singh, the U.S.-India nuclear deal was finally consummated with the signing, on October 9, 2008,

of the U.S.-India 123 Agreement by Secretary of State Condoleezza Rice and Foreign Minister Pranab Mukherjee. The inking of the bilateral 123 Agreement capped a whirl of approvals - from the Indian Government's successful trust vote on July 20 to unanimous nods by the International Atomic Energy Agency and Nuclear Suppliers Group in September, to a final triumph in the U.S. Congress in early October.

GSE Systems, Inc. provides training simulators and educational solutions. The Company has over three decades of experience, over 349 installations, and 100 customers in more than 40 countries. Our software, hardware and integrated training solutions leverage proven technologies to deliver real-world business advantages to the energy, process, manufacturing and government sectors worldwide. GSE Systems is headquartered in Sykesville, Maryland located in the western suburbs of Baltimore, Maryland. Our global locations include offices in St. Marys, Georgia; Atlanta, Georgia; Sweden; and China. Information about GSE Systems is available via the Internet at <http://www.gses.com>.

AT THE COMPANY

John V. Moran
Chief Executive Officer
Phone: 410-970-7801

INVESTOR RELATIONS CONTACT

Feagans Consulting Inc.
Neal Feagans
Phone: 303-449-1184