



FOR IMMEDIATE RELEASE

**GSE AWARDED TWO INTERNATIONAL PROJECTS TO MODERNIZE NUCLEAR SIMULATORS,
INCREASING COMPANY BACKLOG BY MORE THAN \$6 MILLION**

Sykesville, MD – September 6, 2016 – GSE Systems, Inc. (“GSE” or “the Company”) (NYSE MKT: GVP), the world leader in real-time high-fidelity simulation systems and training solutions to the power and process industries, today announced that it has been awarded contracts to provide mission-critical updates to multi-unit nuclear site simulator platforms for customers in the UK and Japan. The technical engineering and software solutions to be delivered by GSE provide nuclear power plant operators with modern simulation technology to train operators and provide assistance with complex engineering problems that require solutions. These two projects add over \$6 million to the Company’s backlog and include options that could grow backlog significantly further.

In the UK, the Company’s customer is committed to providing world-class, accredited training programs to its operators and engineers. The scope of GSE’s work includes deployment of a high-value, state-of-the-art nuclear plant simulation system to replace legacy simulation models and computer hardware delivered in the early 1990s. The project also includes modeling a second unit of the plant so that site-wide event training can be conducted, and providing greater access to a high-fidelity training environment to more operators and engineers at the plant.

In Japan, GSE will provide a key nuclear plant operator with a modern simulator so that the customer may deliver more comprehensive training to operators and engineers in the post-Fukushima environment. The scope of work includes replacing all existing models of the customer’s existing simulator. With this major upgrade, in addition to providing new simulation capabilities to operators and engineers, the customer will benefit from GSE’s long-term maintenance of the systems, allowing for swift future technology upgrades required to meet evolving post-Fukushima industry regulations.

Both projects utilize GSE’s JADE™ simulation software, the leading high-fidelity nuclear power plant simulation software used for plant design and operator training. JADE provides the global nuclear power industry with a state-of-art software platform that simplifies creating and maintaining accurate models of plant configuration as they exist today and as the plants evolve through capital improvements over the years.

Kyle J. Loudermilk, Chief Executive Officer and President of GSE, said, “We are thrilled and honored to serve our customers on these critical projects in the UK and Japan. These awards demonstrate the value we are able to provide to our customers in key markets across the globe and illustrate the growing importance of nuclear power as the world develops economically viable sources of carbon-free electricity.

“Nuclear power is an increasingly important part of the UK’s energy mix to satisfy the country’s demand for electricity while meeting environmental commitments. The UK is looking to build new reactors in the near and long term, including EPR, ABWR and SMR reactors. GSE technology is ideal to simulate these systems as the UK

develops a robust workforce development program to staff and safely operate its nuclear power assets.

“Japan, in turn, was heavily reliant on nuclear power prior to the Fukushima nuclear plant event in 2011. The country is now restarting its reactor fleet to generate carbon-free, economically efficient electricity and to do so requires updated simulation capabilities like those offered by GSE to reflect post-Fukushima design and operating requirements. GSE’s talented staff, proprietary software and technology platform, nuclear simulation know-how, creativity, and commitment to customer satisfaction underpin our ability to deliver excellent solutions in the UK, Japan and across the globe.”

ABOUT GSE SYSTEMS, INC.

GSE Systems, Inc. is a world leader in real-time high-fidelity simulation, providing a wide range of simulation, training and engineering solutions to the power and process industries. Its comprehensive and modular solutions help customers achieve performance excellence in design, training and operations. GSE’s products and services are tailored to meet specific client requirements such as scope, budget and timeline. The Company has over four decades of experience, more than 1,100 installations, and hundreds of customers in over 50 countries spanning the globe. GSE Systems is headquartered in Sykesville (Baltimore), Maryland, with offices in St. Marys, Georgia; Huntsville, Alabama; Chennai, India; Nyköping, Sweden; Stockton-on-Tees, UK; and Beijing, China. Information about GSE Systems is available at www.gses.com.

FORWARD LOOKING STATEMENTS

We make statements in this press release that are considered 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. These statements reflect our current expectations concerning future events and results. We use words such as “expect,” “intend,” “believe,” “may,” “will,” “should,” “could,” “anticipate,” and similar expressions to identify forward-looking statements, but their absence does not mean a statement is not forward-looking. These statements are not guarantees of our future performance and are subject to risks, uncertainties, and other important factors that could cause our actual performance or achievements to be materially different from those we project. For a full discussion of these risks, uncertainties, and factors, we encourage you to read our documents on file with the Securities and Exchange Commission, including those set forth in our periodic reports under the forward-looking statements and risk factors sections. We do not intend to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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