Fourth Quarter 2018 Investor Conference Call

March 18, 2019

Introductions

Scott N. Greenberg
Chief Executive Officer
GP Strategies®

Adam H. Stedham
President
GP Strategies®

Michael R. Dugan
Chief Financial Officer
GP Strategies®

Ann M. Blank
Director, Investor Relations
GP Strategies®

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Cautionary Note about Forward-looking Statements

This presentation contains 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 (the "Exchange Act"). The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward looking statements. Forward–looking statements are not statements of historical facts, but rather reflect our current expectations concerning future events and results. We use words such as "expects," "intends," "believes," "may," "will," "should," "could," "anticipates," "estimates," "plans" and similar expressions to indicate forward-looking statements, but their absence does not mean a statement is not forward-looking. Because these forward-looking statements are based upon management's expectations and assumptions and are subject to risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including, but not limited to, those factors set forth under Item 1A – Risk Factors of our most recent Form 10-K and those other risks and uncertainties detailed in our periodic reports and registration statements filed with the Securities and Exchange Commission ("SEC"). We caution that these risk factors may not be exhaustive. We operate in a continually changing business environment, and new risk factors emerge from time to time. We cannot predict these new risk factors, nor can we assess the effect, if any, of the new risk factors on our business or the extent to which any factor or combination of factors may cause actual results to differ from those expressed or implied by these forward-looking statements.

If any one or more of these expectations and assumptions proves incorrect, actual results will likely differ materially from those contemplated by the forward-looking statements. Even if all of the foregoing assumptions and expectations prove correct, actual results may still differ materially from those expressed in the forward-looking statements as a result of factors we may not anticipate or that may be beyond our control. While we cannot assess the future impact that any of these differences could have on our business, financial condition, results of operations and cash flows or the market price of shares of our common stock, the differences could be significant. We do not undertake to update any forward-looking statements made by us, whether as a result of new information, future events or otherwise. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this presentation.

Agenda

- Introductions – Ann Blank
- CEO Remarks – Scott Greenberg
- Operational Update – Adam Stedham
- Financial Review – Mike Dugan
- Q&A
- Closing

CEO Remarks

2018 a challenging and transformational year

Contract renewals with two largest clients

Record backlog of $327 million, up 22%

Awarded new multi-year outsourcing contracts

TTi Global acquisition being integrated, expect accretive after Q1

Expect significant revenue and EBITDA increases in 2019

Operational Update

Overall Items

Positive Current Financial Outlook:

- ~$12M of annual new outsourcings awarded (not in backlog or pipeline)
  - $5.4M estimated to be generated in 2019, with majority generated in H2
- $593.6M of sales pipeline (targeted close rate of 30%)
- Emerging opportunities associated with cross selling TTi

Workforce Excellence

Managed Learning Services (long sales cycle)

- Backlog (excluding Job Skills) up 4.5%
- Q1 2019 will be last negative comparison quarter for UK Job Skills
- Cost savings initiative, enabling off-shoring
  - Significant pipeline growth for digital learning

Engineering/Technical Services (short sales cycle)

- Record Pipeline
- EtaPro License sales up 11% in 2018 vs 2017
- Expect continued strong performance 2019

Business Transformation

Sales Enablement Services (long sales cycle)

- Backlog up 25%, excluding TTi
- Multiple RFPs with new organizations within our largest automotive client
- 3 currently active proposals with automotive customers outside of GP's top 20

Org Development Services (short sales cycle)

- Pipeline is up in all service lines
- New Offering: Leadership Essentials
  - Won 4, 16 more in pipeline, avg $250k

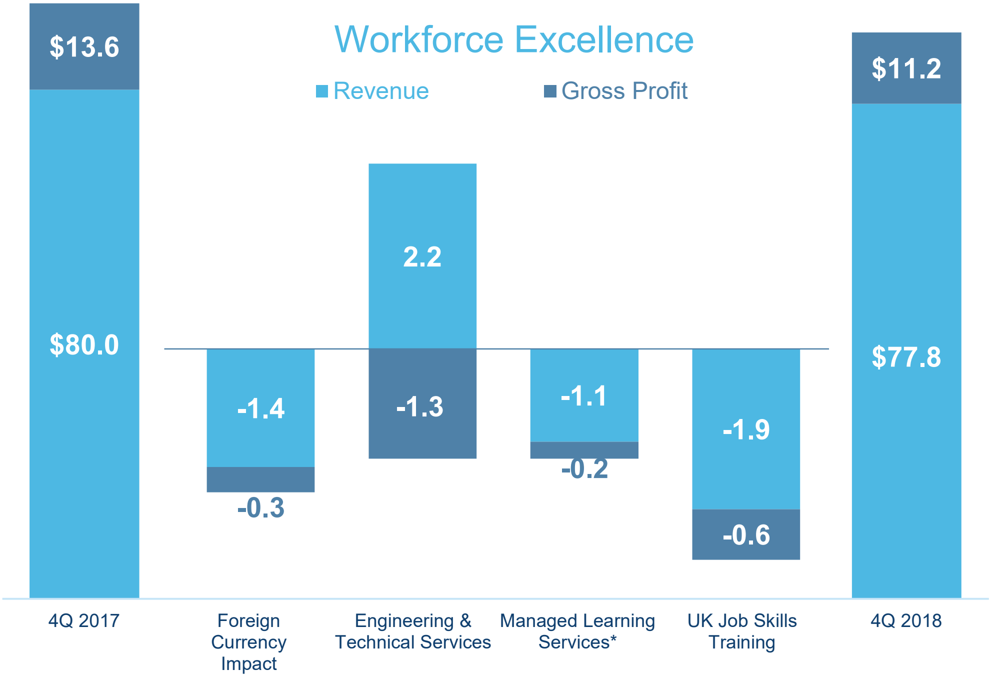
TTi Global

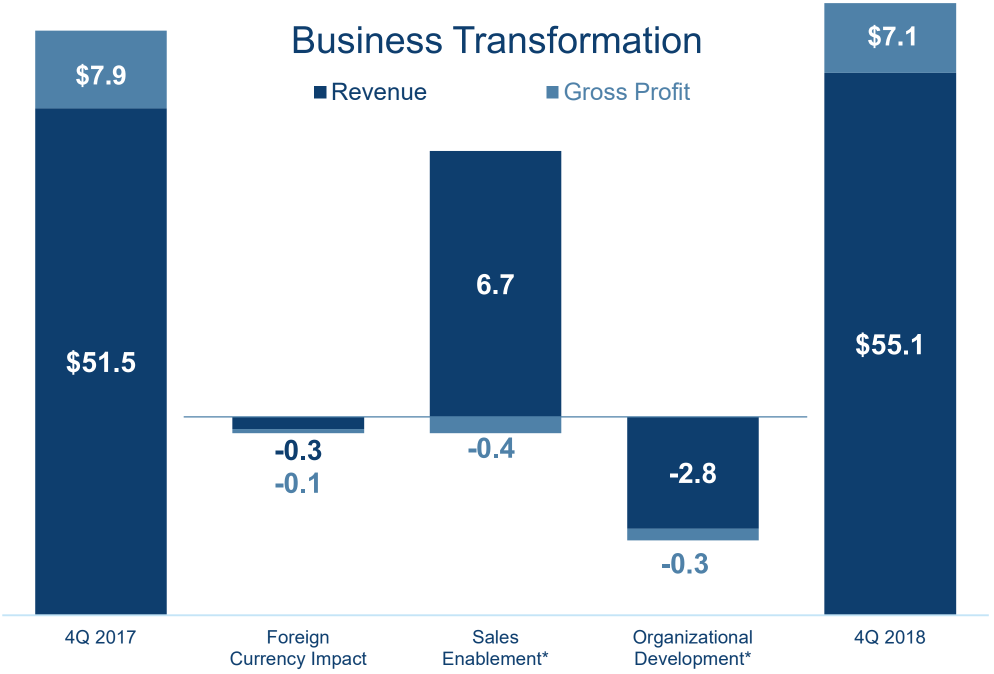
Significant effort associated with integration in Q1, multiple cross-selling opportunities already in pipeline

Financial Review

Revenue & Gross Profit by Segment – Fourth Quarter

($ in millions)	Quarter ended December 31, 2017			Quarter ended December 31, 2018			Revenue	Gross Profit
	Revenue	Gross Profit	% of Revenue	Revenue	Gross Profit	% of Revenue	Change	Change
Workforce Excellence	80.0	13.6	17.0%	77.8	11.2	14.4%	-2.8%	-17.9%
Business Transformation	51.5	7.9	15.4%	55.1	7.1	12.9%	7.0%	-10.4%
TOTAL	**131.5**	**21.6**	**16.4%**	**132.9**	**18.3**	**13.8%**	**1.0%**	**-15.2%**

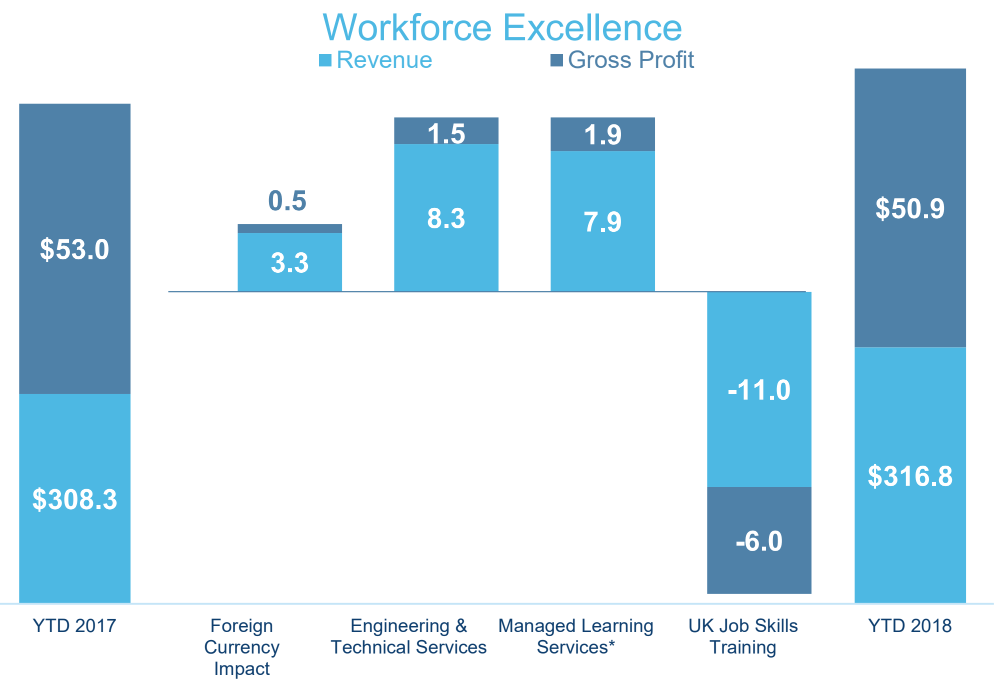


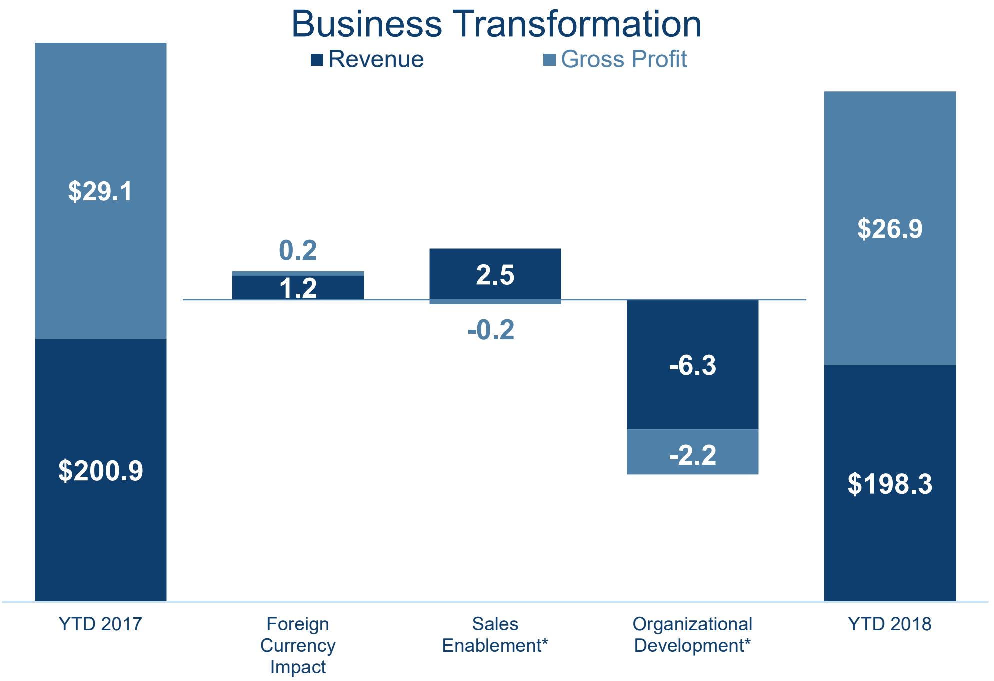


* Includes acquisition revenue of $2.9M in Managed Learning Services, $5.8M in Sales Enablement and $1.6M in Organizational Development.

Revenue & Gross Profit by Segment – Fiscal Year 2018

($ in millions)	Year ended December 31, 2017			Year ended December 31, 2018			Revenue	Gross Profit
	Revenue	Gross Profit	% of Revenue	Revenue	Gross Profit	% of Revenue	Change	Change
Workforce Excellence	308.3	53.0	17.2%	316.8	50.9	16.1%	2.8%	-3.9%
Business Transformation	200.9	29.1	14.5%	198.3	26.9	13.5%	-1.3%	-7.6%
TOTAL	**509.2**	**82.0**	**16.1%**	**515.2**	**77.7**	**15.1%**	**1.2%**	**-5.2%**





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* Includes acquisition revenue of $10.8M in Managed Learning Services, $6.3M in Sales Enablement and $8.6M in Organizational Development.

SG&A Expenses

	($ in millions)							
	Q4 2018	Q4 2017	$ Inc. (Dec.)	% Change	YTD 2018	YTD 2017	$ Inc. (Dec.)	% Change
General & Administrative Expenses	14.6	16.2	(1.6)	(9.7%)	54.8	55.8	(0.9)	(1.6%)
Sales & Marketing Expenses	1.7	0.4	1.3	300.5%	4.8	1.7	3.1	188.0%

GENERAL & ADMINISTRATIVE – Q4 2018 vs. Q4 2017

- $0.6 million decrease in ERP implementation costs (consisting of $0.6 million decrease in third party implementation costs and a net $0.3 million decrease in internal labor offset by a $0.3M increase in Audit Fees to audit new system)
- $1.6 million decrease in bad debt expense (primarily due to a $1.3 million bad debt reserve in Q4 2017 on a terminated contract with a foreign oil and gas client which did not recur in 2018)
- $0.4 million net decrease in miscellaneous other G&A expenses
- $0.5 million increase in legal expenses relating to acquisitions
- $0.5 million increase in G&A related to the TTI Acquisition

SALES & MARKETING EXPENSES

- Investments in Chief Sales Officer, inside sales, corporate account management program and centralizing marketing resources previously in cost of revenue

Other P&L Items

	($ in millions)			
	Q4 2018	**Q4 2017**	**YTD 2018**	**YTD 2017**
Gain on change in fair value of contingent consideration	0.5	1.3	4.4	1.6
Interest expense	1.3	1.6	2.9	3.1
Other income (expense)	<0.1	<0.1	(1.9)	(0.1)
Income tax expense	0.8	1.6	4.9	6.8
Effective income tax rate	66.5%	127.6%	33.4%	34.5%

GAIN ON CONTINGENT CONSIDERATION: +$0.5 million gain on change in fair value of acquisition related contingent consideration for IC Axon ($0.4M) and McKinney Rogers ($0.1M)

INTEREST EXPENSE: -$0.3M decrease due to $1.1M non-recurring interest accrual on unremitted VAT payments in Q4 2017 offset by a $0.8 million increase due to higher borrowings and interest rates under the credit facility

OTHER EXPENSE: immaterial in Q4 2018 and 2017; primarily includes income from a joint venture, offset by foreign currency losses, primarily due to revaluation of intercompany AR / AP balances

INCOME TAX EXPENSE: 2018 tax rate includes tax effect of non-deductible acquisition costs, true-up of one-time mandatory repatriation tax, and tax effect of shortfall on vested stock compensation – Total impact on ETR of these items was 6.6%

Q4 2018 Earnings Summary

($ in millions, except per share data)	Q4 2018	Q4 2017	YTD 2018	YTD 2017
Net income (loss)	$0.4	($0.3)	$9.8	$12.9
Earnings (loss) per share – diluted	$0.02	($0.02)	$0.59	($0.76)
Adjusted EPS (1)	$0.11	$0.39	$0.89	$1.44
Adjusted EBITDA (1)	$7.5	$12.2	$37.9	$49.3

(1) The terms Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization) and Adjusted EPS are non-GAAP financial measures that the Company believes are useful to investors in evaluating its results. For a reconciliation of these non-GAAP financial measures to the most comparable GAAP equivalents, see the Non-GAAP Reconciliations, along with related footnotes, in the Appendices to this report.

Balance Sheet & Cash Flow Highlights

as of December 31, 2018:			
Cash balance $13.4 million	Short-term borrowings outstanding $116.5 million	Available borrowings: $16.8 million*	Cash flow from operations for full year 2018: $11.2 million

Significant cash uses in 2018:		
Acquisitions $55.3 million	Share repurchases YTD $8.5 million	Capitalized ERP and other software development Costs $3.5 Million

*Based on our maximum leverage ratio of 3.25 as of 12/31/18.

Balance Sheet

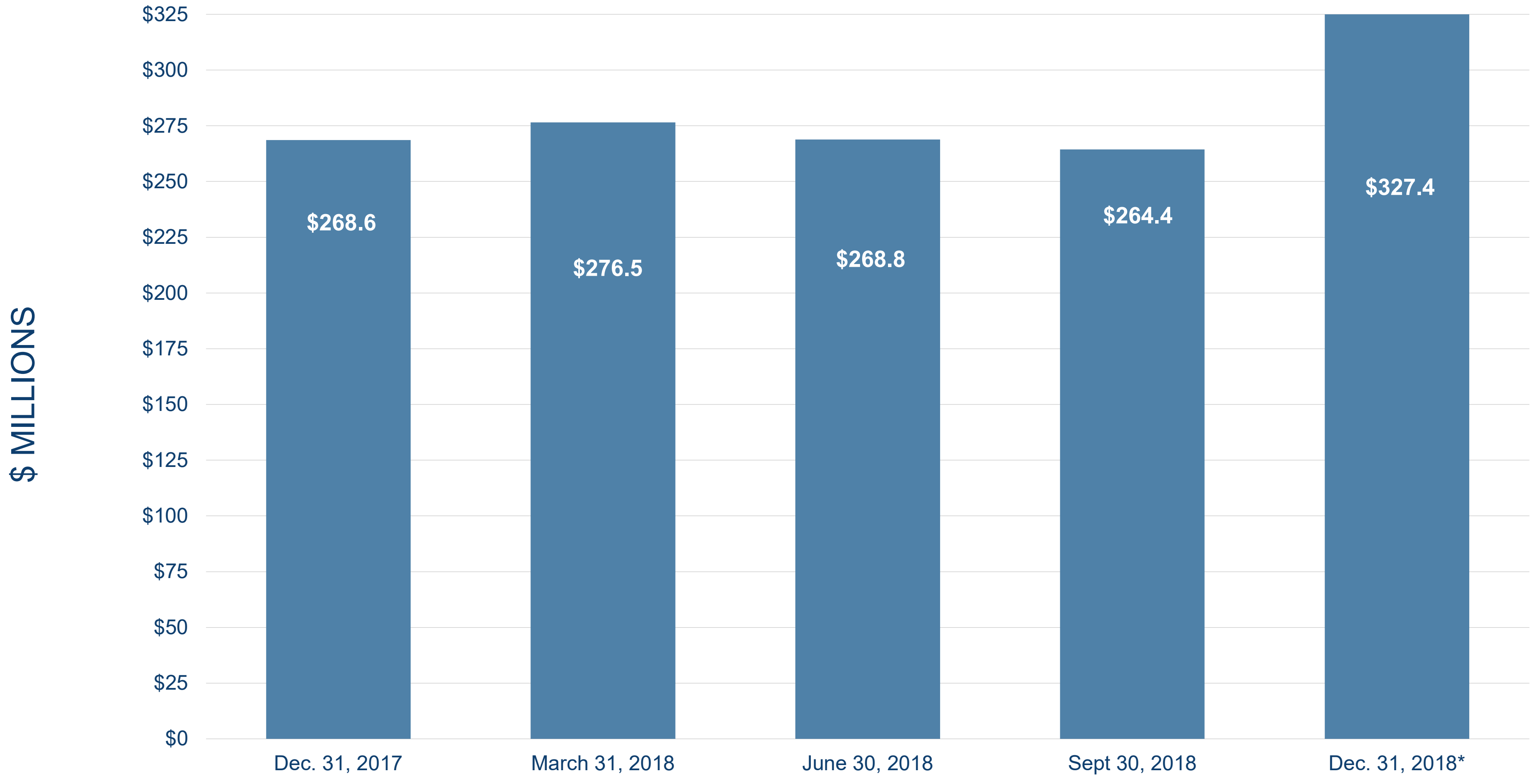
Significant Drivers

- **Working Capital up $54.2M –** primarily due to debt under our new credit facility is all classified as LTD where under old credit facility only the Term Loan amount outstanding >12 months was in LTD
- **AR net Unbilled/Deferred (**excluding TTI AR of $10.1M) is up $14.4M – approx. 1.5 week delay in Billings due to new system – (clearing up in Q1)
- **AP/Accrued AP (**excluding TTI) – up $13.8M – new system processes – (clearing up in Q1)

(unaudited)

($ in thousands)	December 31, 2017	December 31, 2018
Cash	**$ 23,612**	**$ 13,417**
Accounts Receivable	**119,335**	**108,471**
Unbilled revenue	42,958	81,044
Prepaid Expenses & Other	14,212	19,362
Total Current Assets	200,117	222,294
Property, Plant & Equip.	**5,123**	**5,859**
Goodwill & Intangibles	153,198	197,057
Other Assets	6,569	10,920
Total Assets	$ 365,007	$ 436,130
Short Term Borrowings	**$ 37,696**	**$ -**
Current Portion of LT Debt	**12,000**	**-**
Accounts Payable	78,280	93,734
Deferred revenue	22,356	24,616
Total Current Liabilities	150,332	118,350
Long-Term Debt	16,000	116,500
Other Non-Current Liabilities	10,621	14,711
Stockholders' Equity	188,054	186,569
Total	$ 365,007	$ 436,130

Backlog Trending



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* Includes $30.7M of backlog from the TTi Global acquisition in the fourth quarter of 2018.

2018 SOX Audit Results – Material Weakness Findings

We identified material weaknesses in our internal control over financial reporting in connection with the implementation of the new Oracle ERP system in the fourth quarter of 2018.

What Went Wrong	Sox Control Finding	Financial Audit Mitigation (applies to all areas)
- Documentation to evidence that testing was completed and conversions were validated timely was not maintained	- Material weakness finding in the area of program development	- Management completed conversion validations prior to close of Q4 - Management performed extensive and detailed review and analysis of the Q4 results, including contract by contract validations and all of our normal reconciliations in order to validate the results being reported. - Increased financial statement audit sampling, should mitigate the increased risk associated with the material weaknesses identified, and should allow for an unqualified financial statement audit opinion when the financial audit is completed
- GP staff and implementation partner staff were making changes into production environment without going through formal review/approval process	- Material weakness finding in the area of change management controls	
- GP staff and implementation partner staff had roles with security access that allowed them to perform their duties to support the go live but had not been fully evaluated for segregation of duties	- Material weakness finding in the area of user access controls	

Closing – Growth Strategy

Focus on margin improvement and expansion

Recharge organic revenue growth

- Increase share of wallet with diverse, long-term customer base

Turn around declining business units

Integrate acquisitions and focus on cross-selling opportunities

GP Strategies is strongly positioned in 2019 and beyond

Q&A

Appendices

Non-GAAP Reconciliation – Adjusted EBITDA(1)

($ in thousands) (Unaudited)	Quarters Ended December 31		12 Months Ended December 31	
	2018	2017	2018	2017
Net Income	385	(339)	9,836	12,891
Interest Expense	1,314	1,649	2,945	3,132
Income Tax Expense	763	1,566	4,927	6,798
Depreciation & Amortization	2,251	1,821	7,921	6,974
EBITDA	**4,713**	**4,697**	**25,629**	**29,795**
ADJUSTMENTS:				
Non-Cash Stock Compensation	809	1,438	4,310	6,314
Restructuring Charges	–	3,317	2,930	3,317
Severance Expense	515	–	515	–
Gain on Contingent Consideration	(466)	(1,251)	(4,438)	(1,620)
ERP Implementation Costs	1,081	1,695	4,037	4,916
Foreign Currency Transaction Losses	274	131	2,298	334
Legal Acquisition Costs	569	97	1,680	459
Loss on Divested Business	–	337	956	1,368
Loss on a Contract with Foreign Oil & Gas Client	–	1,750	–	4,383
Adjusted EBITDA	**7,495**	**12,211**	**37,917**	**49,266**

(1) Adjusted earnings before interest, income taxes, depreciation and amortization (Adjusted EBITDA) is a widely used non-GAAP financial measure of operating performance. It is presented as supplemental information that the Company believes is useful to investors to evaluate its results because it excludes certain items that are not directly related to the Company's core operating performance. Adjusted EBITDA is calculated by adding back to net income interest expense, income tax expense, depreciation and amortization, non-cash stock compensation expense, gain or loss on the change in fair value of contingent consideration and other unusual or infrequently occurring items. For the periods presented, these other items are restructuring charges, ERP implementation costs, foreign currency transaction losses, legal acquisition costs, loss on a divested business and a significant loss on a contract with a foreign oil and gas client in the fourth quarter of 2017. We added legal acquisition costs as an adjustment in the Adjusted EBITDA calculation during the third quarter of 2018 as these costs became significant based on increased acquisition activity during 2018 and we believe it will assist investors in better understanding our results as these acquisition-related expenses are likely to vary significantly from period-to-period based on the size, number and complexity and timing of our acquisitions. Adjusted EBITDA should not be considered as a substitute either for net income, as an indicator of the Company's operating performance, or for cash flow, as a measure of the Company's liquidity. In addition, because Adjusted EBITDA may not be calculated identically by all companies, the presentation here may not be comparable to other similarly titled measures of other companies.

Non-GAAP Reconciliation – Adjusted EPS[1] Q4

($ in thousands, except per share amounts) (Unaudited)	Quarters Ended December 31					
	2018			2017		
	Gross	Net of Tax	EPS	Gross	Net of Tax	EPS
			$ 0.02			$ (0.02)
ADJUSTMENTS:						
Restructuring Charges	$ -	$ -	-	$ 3,317	$ 2,035	0.12
Severance Expense	515	381	0.02	-	-	-
Gain Loss on Contingent Consideration	(466)	(344)	(0.02)	(1,251)	(1,251)	(0.07)
U.S. Tax Cuts & Jobs Act of 2017	-	-	-	3,201	3,201	0.19
ERP Implementation Costs	1,081	799	0.05	1,695	1,040	0.06
Foreign Currency Transaction Losses	274	203	0.01	131	80	-
Legal Acquisition Costs	569	421	0.03	97	60	-
Loss on Divested business	-	-	-	337	207	0.01
Loss on a Contract with Foreign Oil & Gas Client	-	-	-	1,750	1,074	0.06
Contingent Interest Accrual on Unremitted VAT	-	-	-	1,094	671	0.04
Adjusted EPS			**$ 0.11**		**-**	**$ 0.39**

(1) Adjusted Earnings per Diluted Share ("Adjusted EPS"), is a widely used non-GAAP financial measure of operating performance. It is presented as supplemental information that the Company believes is useful to investors to evaluate its results because it excludes certain items that are not directly related to the Company's core operating performance. Adjusted EPS is calculated by adding back to earnings per share gain or loss on the change in fair value of contingent consideration and other unusual or infrequently occurring items. For the periods presented, these other items are restructuring charges, ERP implementation costs, foreign currency transaction losses, legal acquisition costs, loss on a divested business and a significant loss on a contract with a foreign oil and gas client in the fourth quarter of 2017. We added legal acquisition costs as an adjustment in the Adjusted EPS calculation during the third quarter of 2018 as these costs became significant based on increased acquisition activity during 2018 and we believe it will assist investors in better understanding our results as these acquisition-related expenses are likely to vary significantly from period-to-period based on the size, number and complexity and timing of our acquisitions. Management uses Adjusted EPS to assess total Company operating performance on a consistent basis. We believe that this non-GAAP financial measure, which excludes the gain or loss on the change in fair value of acquisition-related contingent consideration and other special charges, when considered together with our GAAP financial results, provides management and investors with an additional understanding of our business operating results, including underlying trends.

Non-GAAP Reconciliation – Adjusted EPS(1) YTD

($ in thousands, except per share amounts) (Unaudited)	Years Ended December 31					
	2018			2017		
	Gross	Net of Tax	EPS	Gross	Net of Tax	EPS
			$ 0.59			$ 0.76
ADJUSTMENTS:						
Restructuring Charges	$ 2,930	$ 2,166	0.13	$ 3,317	$ 2,035	0.12
Severance Expense	515	381	0.02	-	-	-
Gain Loss on Contingent Consideration	(4,438)	(3,281)	(0.20)	(1,620)	(1,620)	(0.10)
U.S. Tax Cuts & Jobs Act of 2017	275	275	0.02	3,201	3,201	0.19
ERP Implementation Costs	4,037	2,984	0.18	4,916	3,016	0.18
Foreign Currency Transaction Losses	2,298	1,699	0.10	334	205	0.01
Legal Acquisition Costs	1,680	1,242	0.07	459	282	0.02
Loss on Divested business	956	707	0.04	1,368	839	0.05
Loss on a Contract with Foreign Oil & Gas Client	-	-	-	4,383	2,689	0.16
Contingent Interest Accrual on Unremitted VAT	(1,094)	(808)	(0.05)	1,094	671	0.04
Adjusted EPS			**$ 0.90**		**-**	**$ 1.43**

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We're at our best when helping our clients achieve their best.

Making a meaningful impact on the world together.

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