



GP STRATEGIES CORPORATION AND SUBSIDIARIES
Non-GAAP Reconciliation – EBITDA

(In thousands)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Net income	\$ 2,936	\$ 2,544	\$ 8,768	\$ 6,945
Interest expense	138	296	621	955
Income tax expense	2,116	1,690	6,243	4,882
Depreciation and amortization	812	918	2,469	2,718
EBITDA ⁽¹⁾	<u>\$ 6,002</u>	<u>\$ 5,448</u>	<u>\$ 18,101</u>	<u>\$ 15,500</u>

⁽¹⁾ Earnings before interest, income taxes, depreciation and amortization (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. EBITDA is calculated by adding back interest expense, income tax expense, and depreciation and amortization to net income. EBITDA should not be considered a substitute 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 EBITDA may not be calculated identically by all companies, the presentation here may not be comparable to other similarly titled measures of other companies.

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