



FOR IMMEDIATE RELEASE

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Global Sources reports second quarter 2010 results

- Grew revenue 8% to \$58.4 million, as compared to the same period a year ago -
- Posted GAAP EPS of \$0.16 and Non-GAAP EPS of \$0.18 -
- Expects 13% to 15% revenue growth in the second half of 2010 -

NEW YORK, August 19, 2010 – Global Sources Ltd. (NASDAQ: GSOL)

(<http://www.globalsources.com>) reported financial results for the second quarter ended June 30, 2010.

Global Sources' chairman and CEO, Merle A. Hinrichs, said: "Revenue grew by 8% for the second quarter, and we expect higher growth in the second half, as compared to the same respective periods a year ago. Our performance is being driven by the positive market reaction to our increasingly integrated offering of online, exhibitions and magazines, and by the continued rapid expansion of our trade show business, where we now have over 60 trade shows scheduled for 2011, up from 30 in 2009.

"We believe our shows attract the top-tier of the import buying community, since virtually all of the attendees have clearly demonstrated that they are actively looking for products and suppliers. More than 100,000 buyers attended our *China Sourcing Fairs* in 2009, and we expect to substantially exceed that this year, to the benefit of all of our advertisers and exhibitors. In addition, our value proposition for exhibitors is increasingly 'digital', with buyers now able to search online for exhibitors, view their products and make inquiries."

Financial highlights – Second quarter: 2010 compared to 2009

- Revenue was \$58.4 million, as compared to \$54.2 million.
 - * Online revenue was \$22.4 million, as compared to \$22.1 million.

- * Exhibitions revenue was \$27.4 million, as compared to \$24.0 million.
- * Print revenue was \$7.4 million, as compared to \$7.1 million.
- * Revenue from mainland China was \$43.4 million, as compared to \$39.3 million.
- GAAP net income, including a non-cash stock based compensation (SBC) expense of \$1.1 million, and amortization of intangibles as it relates to certain equity compensation plans of \$102,000, was \$7.3 million, or \$0.16 per diluted share, as compared to second quarter 2009 GAAP net income of \$5.1 million or \$0.11 per diluted share, which included a non-cash SBC expense of \$1.7 million.
- Non-GAAP net income was \$8.5 million, or \$0.18 per diluted share, as compared to \$6.8 million, or \$0.15 per diluted share, for the second quarter of 2009.
- Adjusted EBITDA was \$10.1 million, as compared to \$8.0 million for the second quarter of 2009.
- Total deferred income and customer prepayments were \$84.6 million as at June 30, 2010, as compared to \$72.8 million as at June 30, 2009.

Financial highlights – Six Months Ended June 30: 2010 compared to 2009

- Revenue was \$92.4 million, as compared to \$89.0 million.
- GAAP net income was \$9.8 million, or \$0.21 per diluted share, as compared to \$6.3 million, or \$0.14 per diluted share.
- Non-GAAP net income was \$11.8 million, or \$0.26 per diluted share, as compared to \$8.5 million, or \$0.19 per diluted share, for the six months ended June 30, 2009.
- Adjusted EBITDA was \$15.1 million, as compared to \$12.2 million for the six months ended June 30, 2009.

Global Sources' non-GAAP metrics

Management believes non-GAAP metrics are useful measures of operations and provides GAAP to non-GAAP reconciliation tables at the end of this press release. Global Sources defines non-GAAP net income as net income excluding non-cash, SBC expense or credit, amortization of intangibles as it relates to certain equity compensation plans, gains or losses on acquisitions and investments, and/or impairment charges, for all historical and future references to non-GAAP metrics. Non-GAAP EPS is defined as non-GAAP net income divided by the weighted average of diluted common shares outstanding. Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, stock-based compensation and impairment of goodwill and intangible assets.

Global Sources' CFO, Connie Lai, said: "We expect revenue growth of 13% to 15% in the second half of 2010, as compared to the second half of 2009. However, to support our growth objectives, we are

investing in marketing, technology and the expansion of our trade show business. This, along with the rising cost of doing business in China, is expected to increase operating expenses.”

Financial expectations for the second half of 2010

- For the second half of 2010 ending Dec. 31, 2010:
 - * Revenue is expected to be in the range of \$97.0 million to \$98.0 million, representing an increase of 13% to 15%, as compared to \$85.5 million for the second half of 2009.
 - * GAAP EPS is expected to be in the range of \$0.23 to \$0.25, as compared to \$0.21 per diluted share in the second half of 2009. Using the stock price of \$7.57 on Aug. 6, 2010, SBC and the amortization of intangibles as it relates to certain equity compensation plans are estimated to be an expense of \$0.05 per diluted share.
 - * Non-GAAP EPS is expected to be in the range of \$0.28 to \$0.30, as compared to \$0.23 per diluted share for the same period in 2009.
 - * Adjusted EBITDA is expected to be \$16.0 million, as compared to \$13.1 million in the second half of 2009.

Recent Corporate Highlights

- Appointed Connie Lai as Chief Financial Officer effective Aug. 1, 2010.
- Announced planned launch of five *China Sourcing Fairs* in Miami in July 2011, enabling Asian exporters to meet face-to-face with American, Canadian, and Latin American buyers.
- Conducted a tender offer, which commenced on June 30, 2010 and expired on July 28, 2010, for the purchase of 11,121,000 outstanding common shares of the company at a purchase price of \$9.00 per share or \$100,089,000 in total.
- Held 14 *China Sourcing Fairs* and two *India Sourcing Fairs*:
 - * In Dubai in June, the *Electronics, Fashion Accessories, Gifts & Premiums, Home Products, Baby & Children's Products* and *Hardware & Building Materials* shows and the *India Sourcing Fair* featured over 1,310 booths.
 - * In Shanghai in June, the 1st *Electronics* show featured more than 460 booths.
 - * In Hong Kong in April, the *Electronics & Components* and *Security Products* shows featured over 2,650 booths; while the *Home Products, Gifts & Premiums, Baby & Children's Products, Fashion Accessories* and *Underwear & Swimwear* shows featured 3,200 booths.
 - * In Hong Kong in April, the *India Sourcing Fair: Home Products* featured over 110 booths.
- In March, the 15th *IIC-China Conference & Exhibition* spring edition was held in Shenzhen, Shanghai and Chengdu. Exhibitors included top China semiconductor companies, as well as international vendors including Fairchild Semiconductor, Fujitsu Microelectronics, Intel and Microsoft.

- *Private Sourcing Events* were held from April 1 through to July 22, 2010 for more than 60 sourcing teams from very large buying organizations including Brookstone, Carrefour, Casino, El Corte Ingles, Primark, Kmart Australia, WHSmith, Staples and Target Australia. These events created more than 250 high quality, one-on-one selling opportunities for Global Sources suppliers.
- Renewed contracts with AsiaWorld-Expo Management to host *China Sourcing Fairs* in Hong Kong for 2013 and 2014. The renewal contracts represent a total gross value of approximately US\$16.7 million.
- Generated over 192 million requests for information (RFIs) from buyers to suppliers through *Global Sources Online* during the 12 months ended June 30, 2010, up 137% compared to the same period last year.
- Increased Global Sources' independently certified community of active buyers to more than 967,000 at the end of the second quarter, 16.5% higher than the same time last year.

Conference call for Global Sources second quarter 2010 earnings

Chairman and CEO, Merle A. Hinrichs, and CFO, Connie Lai, are scheduled to conduct a conference call at 8:00 a.m. ET on August 19, 2010 (8:00 p.m. on August 19, 2010 in Hong Kong) to review these results in more detail. To participate, please call at least 10 minutes in advance to ensure all callers are placed into the call at the start time. Investors in the United States may participate by dialing (877) 941-4774, and international participants may dial (1-480) 629-9760. Investors in Hong Kong are required to provide the conference ID 4330799; are encouraged to dial into the call 10 to 15 minutes prior to the call to prevent delay in joining; and may participate by dialing (852) 3009-5027. A live webcast of the conference call is scheduled to be available on Global Sources' corporate site at <http://www.investor.globalsources.com>.

For those who cannot listen to the live broadcast, a webcast replay of the call is scheduled to be available on the company's corporate site for at least 30 days. A telephone replay of the call is also scheduled to be available through August 26, 2010. To listen to the telephone replay, dial (800) 406-7325, or dial (303) 590-3030 outside the United States, and enter pass code 4330799. For those in the Hong Kong area, the replay dial-in number is (852) 3056-2777, and the pass code is 4330799.

About Global Sources

Global Sources is a leading business-to-business media company and a primary facilitator of trade with Greater China. The core business uses English-language media to facilitate trade from Greater China to the world. The other business segment utilizes Chinese-language media to enable companies to sell to, and within Greater China.

The company provides sourcing information to volume buyers and integrated marketing services to suppliers. It helps a community of over 967,000 active buyers source more profitably from complex overseas supply markets. With the goal of providing the most effective ways possible to advertise, market and sell, Global Sources enables suppliers to sell to hard-to-reach buyers in over 240 countries.

The company offers the most extensive range of media and export marketing services in the industries it serves. It delivers information on 4.5 million products and more than 262,000 suppliers annually through 14 online marketplaces, 13 monthly print and 16 digital magazines, over 80 sourcing research reports and 20 specialized trade shows which run 57 times a year across 9 cities.

Suppliers receive more than 192 million sales leads annually from buyers through *Global Sources Online* (<http://www.globalsources.com>) alone.

Global Sources has been facilitating global trade for nearly 40 years. Global Sources' network covers more than 60 cities worldwide. In mainland China, Global Sources has about 2,500 team members in more than 40 locations, and a community of over 2 million registered online users and magazine readers for its Chinese-language media.

Safe Harbor Statement

This news release contains forward-looking statements within the meaning of Section 27-A of the Securities Act of 1933, as amended and Section 21-E of the Securities Exchange Act of 1934, as amended. The company's actual results could differ materially from those set forth in the forward-looking statements as a result of the risks associated with the company's business, changes in general economic conditions, and changes in the assumptions used in making such forward-looking statements.

– Tables Follow –

GLOBAL SOURCES LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	At June 30 2010 (Unaudited)	At December 31 2009
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents.....	\$ 173,666	\$ 91,553
Term deposits with banks.....	1,519	60,357
Available-for-sale securities.....	6,476	6,423
Accounts receivable, net.....	4,054	3,438
Receivables from sales representatives.....	5,795	5,607
Inventory	591	600
Prepaid expenses and other current assets.....	12,692	13,603
Deferred tax assets.....	98	13
Total Current Assets.....	204,891	181,594
Property and equipment, net.....	76,854	77,815
Goodwill.....	2,497	-
Intangible assets, net.....	6,947	8,770
Long term investments.....	100	100
Deferred tax assets.....	421	446
Other noncurrent assets.....	2,369	1,667
Total Assets.....	\$ 294,079	\$ 270,392
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payable.....	\$ 10,192	\$ 10,901
Deferred income and customer prepayments.....	81,661	73,841
Accrued liabilities.....	14,675	11,585
Income taxes payable.....	439	435
Total Current Liabilities.....	106,967	96,762
Deferred income and customer prepayments.....	2,935	2,516
Deferred tax liability	1,523	141
Total Liabilities.....	111,425	99,419
Shareholders' equity:		
Common shares, US\$0.01 par value; 75,000,000 shares authorized; 51,529,794 (2009: 51,427,642) shares issued and 44,654,794 (2009: 44,552,642) outstanding.....	515	514
Additional paid in capital	140,225	138,468
Treasury shares, at cost – 6,875,000 (2009: 6,875,000) shares.....	(50,000)	(50,000)
Retained earnings.....	81,208	71,369
Accumulated other comprehensive income	3,247	2,859
Total Company Shareholders' Equity.....	175,195	163,210
Non-controlling interests.....	7,459	7,763
Total Equity.....	\$ 182,654	\$ 170,973
Total Liabilities and Equity.....	\$ 294,079	\$ 270,392

GLOBAL SOURCES LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue:				
Online and other media services (Note 1)	\$ 29,786	\$ 29,156	\$ 58,100	\$ 58,651
Exhibitions	27,375	23,983	31,880	28,471
Miscellaneous.....	1,284	1,081	2,395	1,886
	58,445	54,220	92,375	89,008
Operating Expenses:				
Sales (Note 2).....	20,217	19,995	33,348	33,733
Event production	9,757	8,892	10,941	9,713
Community (Note 2).....	7,127	7,892	11,464	13,089
General and administrative (Note 2).....	12,429	11,323	23,391	22,918
Online services development (Note 2)	1,319	1,353	2,638	2,764
Amortization of intangibles and software costs	314	38	587	80
Total Operating Expenses	51,163	49,493	82,369	82,297
Income from Operations	7,282	4,727	10,006	6,711
Interest and dividend income.....	100	348	359	413
Foreign exchange gains (losses), net	(73)	66	(12)	(27)
Income before Income Taxes	\$ 7,309	\$ 5,141	\$ 10,353	\$ 7,097
Income Tax Expense	(125)	(36)	(229)	(174)
Net Income	\$ 7,184	\$ 5,105	\$ 10,124	\$ 6,923
Net income attributable to non-controlling interests.....	66	(13)	(285)	(634)
Net Income Attributable to the Company.....	\$ 7,250	\$ 5,092	\$ 9,839	\$ 6,289
Diluted net income per share attributable to the Company's shareholders.....	\$ 0.16	\$ 0.11	\$ 0.21	\$ 0.14
Shares used in diluted net income per share calculations	46,090,605	45,729,535	46,113,290	45,700,362

Note : 1. Online and other media services consists of:

	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Online services	\$ 22,393	\$ 22,054	\$ 44,174	\$ 44,024
Print services.....	7,393	7,102	13,926	14,627
	\$ 29,786	\$ 29,156	\$ 58,100	\$ 58,651

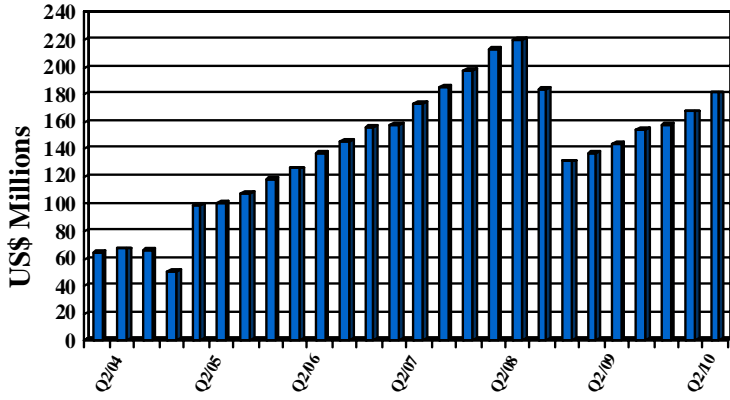
Note : 2. Non-cash compensation expenses associated with the employee and team member equity compensation plans and Global Sources Directors Share Grant Award Plan included under various categories of expenses are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales.....	\$ 381	\$ 831	\$ 512	\$ 840
Community.....	101	142	161	149
General and administrative	568	640	923	1,076
Online services development	74	102	154	176
	\$ 1,124	\$ 1,715	\$ 1,750	\$ 2,241

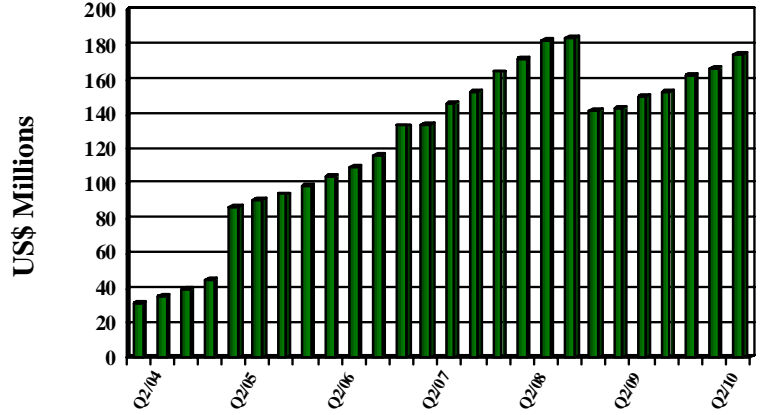
GLOBAL SOURCES LTD. AND SUBSIDIARIES				
GUIDANCE GAAP to NON-GAAP RECONCILIATION				
(In U.S. Dollars Millions, Except Number of Shares and Per Share Data)				
	GUIDANCE			ACTUAL
	Six months			Six months
	ended December 31,			ended December 31,
	2010			2009
Revenue	\$97.0	to	\$98.0	\$85.5
GAAP EPS	\$0.23	to	\$0.25	\$0.21
Non-cash stock based compensation expense (Note 1)	\$0.04		\$0.04	(\$0.01)
Amortization of intangibles (Note 2)	\$0.01		\$0.01	\$0.03
Non-GAAP diluted net income per share	\$0.28	to	\$0.30	\$0.23
Total shares used in non-GAAP diluted net income per share calculations	37,388,141		37,388,141	45,794,197
Notes:				
(1) Actual SBC is calculated based on actual share price on date of the awards for employees and revaluation based on the share price of the last day of the quarter for consultants.				
(2) Amortization of intangible assets relating to certain non-compete agreements.				

GLOBAL SOURCES LTD. AND SUBSIDIARIES

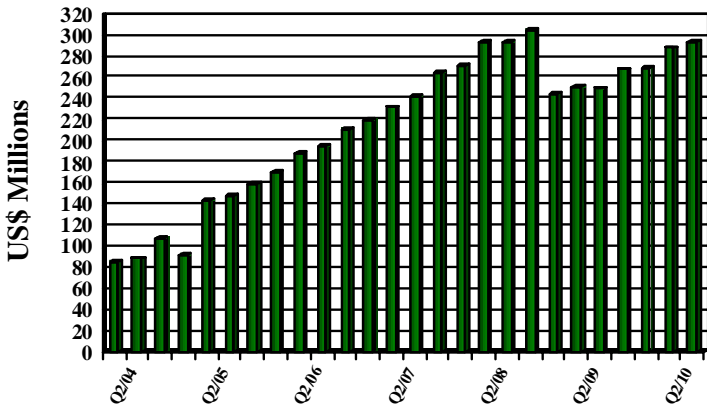
Total Cash and Securities



Total Shareholders' Equity



Total Assets



**Total Deferred Income
Customer Prepayments**

