



FOR IMMEDIATE RELEASE

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Global Sources reports second quarter 2011 results

- Grew revenue by 13% -

- Posted IFRS EPS of \$0.28 and Non-IFRS EPS of \$0.31 -

- Provides guidance for the second half of 2011, expects 12% to 14% revenue growth -

NEW YORK, August 18, 2011 – [Global Sources Ltd.](http://www.globalsources.com) (NASDAQ: GSOL) reported financial results for the second quarter ended June 30, 2011.

“Our revenue for the second quarter grew by 13% from a year ago, driven by strong growth in our online business,” said Global Sources’ executive chairman, Merle A. Hinrichs. “In July, we executed on our strategy to help customers increase their penetration into developing markets with the launch our first trade show in Miami. In addition to attracting U.S. buyers, a primary objective was to draw buyers from or selling to Latin America. We were very pleased with the results and anticipate a bigger show in 2012.

“Our focus is to be the leading and most trusted provider of services to professional buyers. We do this in part by offering the broadest range of services in the industry, which enables buyers to access our content and engage with suppliers – when, where and how they choose. Looking forward, we expect to have a solid second half of 2011, despite growing uncertainty around consumer demand on a global level, as well as cost and borrowing pressures on suppliers in mainland China. We have a healthy pipeline of contracts in place, including expectations to have more than 7,000 booths at our October shows in Hong Kong.”

Financial highlights – Second quarter: 2011 compared to 2010 – in accordance with IFRS

- Revenue was \$66.5 million, as compared to \$58.6 million.

- * Online revenue was \$29.9 million, as compared to \$22.6 million.
 - * Exhibitions revenue was \$29.1 million, as compared to \$27.4 million.
 - * Print revenue was \$6.1 million, as compared to \$7.4 million.
 - * Revenue from mainland China was \$52.5 million, as compared to \$43.6 million.
- IFRS net income, including a non-cash stock based compensation (SBC) expense of \$853,000, and amortization of intangibles as it relates to certain equity compensation plans of \$191,000, was \$10.1 million, or \$0.28 per diluted share, as compared to second quarter 2010 IFRS net income of \$8.2 million, or \$0.18 per diluted share, which included a non-cash SBC expense of \$793,000, and amortization of intangibles as it relates to certain equity compensation plans of \$102,000.
 - Non-IFRS net income was \$11.1 million, or \$0.31 per diluted share, as compared to \$9.1 million, or \$0.20 per diluted share, for the second quarter of 2010.
 - Adjusted EBITDA was \$12.9 million, as compared to \$10.6 million for the second quarter of 2010.
 - Total deferred income and customer prepayments were \$116.6 million as at June 30, 2011, as compared to \$81.9 million as at June 30, 2010.

Financial highlights – Six Months Ended June 30: 2011 compared to 2010 – in accordance with IFRS

- Revenue was \$104.1 million, as compared to \$94.2 million.
- IFRS net income was \$13.6 million, or \$0.38 per diluted share, as compared to \$11.9 million, or \$0.26 per diluted share.
- Non-IFRS net income was \$15.2 million, or \$0.43 per diluted share, as compared to \$13.2 million, or \$0.29 per diluted share, for the six months ended June 30, 2010.
- Adjusted EBITDA was \$18.4 million, as compared to \$16.5 million for the six months ended June 30, 2010.

Global Sources' non-IFRS metrics

Management believes non-IFRS metrics are useful measures of operations and provides IFRS to non-IFRS reconciliation tables at the end of this press release. Global Sources defines non-IFRS 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-IFRS metrics. Non-IFRS EPS is defined as non-IFRS 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: "Looking to the second half of 2011, top-line growth is expected to increase in the range of 12% and 14%. However, net income is expected to be impacted by our planned investments in IT, content and community development, sales and marketing, and trade show expansion. Also, our third quarter cash position will reflect the \$51.0 million in costs associated with the acquisition of our new Shanghai office space, leaving us with a healthy cash balance of more than \$80 million.

"While online revenue growth is expected to moderate from the second quarter's performance, we expect continued healthy growth in online revenue in the second half of 2011. We anticipate the following revenue mix in the second half of 2011: 51% to 52% for online; 36% to 37% for exhibitions; 10% to 11% for print; and approximately 2% for miscellaneous. This is as compared to the revenue mix in the second half of 2010 of approximately 49% for online, 37% for exhibitions, 12% for print and 2% for miscellaneous."

Financial expectations for the second half of 2011 under IFRS

- For the second half of 2011 ending December 31, 2011:
 - * Revenue is expected to be in the range of \$115 million to \$117 million, representing an increase of 12% to 14%, as compared to \$102.5 million for the second half of 2010.
 - * IFRS EPS is expected to be in the range of \$0.36 to \$0.39, as compared to \$0.36 per diluted share in the second half of 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 for the second half of 2011.
 - * Non-IFRS EPS is expected to be in the range of \$0.41 to \$0.44, as compared to \$0.39 per diluted share for the same period in 2010.
 - * Adjusted EBITDA is expected to be \$20.8 million, as compared to \$17.9 million in the second half of 2010.

Recent Corporate Highlights

- Announced CEO Merle A. Hinrichs has moved into a new role as Executive Chairman of the Board, overseeing the company's mergers and acquisitions, as well as investor relations functions, and Deputy CEO Spenser Au has assumed the role of CEO.
- Purchased office space in Shanghai for approximately \$51 million, to provide for continuing expansion of operations in mainland China.
- Held the first *China Sourcing Fairs* in Miami in July for buyers in the U.S.A. and Latin America. More than 7,600 buyers attended and viewed over 550 exhibitor booths. Immediately after the show,

all of the exhibitor's booths were available to buyers for online viewing through the company's [Online Sourcing Fairs](#) initiative.

- Exhibitor booths at the electronics trade shows, scheduled to run Oct. 12-15 at the AsiaWorld-Expo in Hong Kong, have been sold out. The co-located *China Sourcing Fairs: Electronics & Components, Security Products, Solar & Energy Saving Products* and *Korea Sourcing Fair: Electronics & Components* will feature over 3,800 booths, a 15% increase from last fall.

Second Quarter 2011 Highlights

- Through its eMedia Asia Limited joint venture between Global Sources (60.1%) and United Business Media (39.9%), acquired *EDN-China, EDN-Asia* and certain associated titles, from Canon Communications LLC, a subsidiary of United Business Media Limited (LSE: UBM.L), for a cash consideration of US\$4 million.
- Held 10 [China Sourcing Fairs](#), two *India Sourcing Fairs* and two *Korea Sourcing Fairs* in Hong Kong featuring approximately 6,500 booths from 14 countries and regions. Total attendance exceeded 60,200, and included buyers from more than 178 countries and territories.
- Scheduled the launch of the *Global Sources Machinery & Industrial Supplies Fair*, to be held from Nov. 23 through Nov. 25 in Mumbai, India.
- Launched the industry's first [Online Sourcing Fairs](#) for security products, Christmas and seasonal products, and garments and textiles in conjunction with the *China Sourcing Fairs* held in Hong Kong in April.
- [Private Sourcing Events](#) were held from April 1, 2011 through the end of July 2011, for more than 150 sourcing teams from very large buying organizations including Adeo, AEON, E.Leclerc, Elisa, Halfords, IKEA, Mothercare Group, Shop Direct, and TJX. These events created more than 680 high-quality, one-on-one selling opportunities for Global Sources suppliers.
- Peter Yam was appointed to the board of directors by the company's shareholders at its annual general meeting held on June 22, 2011. Yam is a seasoned executive who has conducted business throughout China for over 25 years, including more than two decades of experience in leading Emerson's investments in China. Yam joined Emerson (NYSE: EMR) in 1986 and is currently an advisor to Emerson after retiring as president of Emerson Greater China and chairman of Emerson Electric (China) Holdings Co. Ltd. in April 2008.
- Robert Lees retired as a member of the board of directors at the company's annual general meeting held on June 22, 2011.

Conference call for Global Sources second quarter 2011 earnings

Executive chairman Merle A. Hinrichs and CFO Connie Lai are scheduled to conduct a conference call at 8:00 a.m. ET on August 18, 2011 (8:00 p.m. on August 18, 2011 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) 941-1427, and international participants may dial (1-480) 629-9664. Investors in Hong Kong may participate by dialing (852) 3009-5027. The conference ID is 4458398 and participants are encouraged to dial 10 minutes prior to the call to prevent a delay in joining. 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 25, 2011. To listen to the telephone replay, please dial (800) 406-7325, or (1-303) 590-3030 outside the United States, and enter pass code 4458398. For those in Hong Kong, the replay dial-in number is (852) 3056 2777, and the pass code is 4458398.

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 facilitates trade between Asia and the world using English-language media such as online marketplaces (<http://www.globalsources.com>), print and digital magazines, sourcing research reports, private sourcing events, trade shows, and online sourcing fairs.

Over 1 million international buyers, including 85 of the world's top 100 retailers, use these services to obtain product and company information to help them source more profitably from overseas supply markets. These services also provide suppliers with integrated marketing solutions to build corporate image, generate sales leads and win orders from buyers in more than 240 countries and territories.

Global Sources' other businesses provides Chinese-language media to companies selling to and within Greater China. These services include online web sites, print and digital magazines, seminars and trade shows. In mainland China, Global Sources has a network of more than 40 office locations and a community of nearly 3 million registered online users and magazine readers of its Chinese-language media.

Now in its fifth decade, Global Sources has been publicly listed on the NASDAQ since 2000.

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)

	As at June 30,	As at December 31,
	2011	2010
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents.....	\$ 132,911	\$ 101,298
Term deposits with banks.....	1,032	1,411
Accounts receivables.....	4,548	3,919
Receivables from sales representatives.....	4,755	8,248
Inventories.....	377	435
Prepaid expenses and other current assets.....	20,954	20,269
	164,577	135,580
Non-current assets		
Property and equipment.....	77,311	76,514
Intangible assets.....	13,571	10,449
Long term investment.....	100	100
Deferred income tax assets.....	383	504
Other non-current assets.....	3,187	2,556
	94,552	90,123
Total assets.....	\$ 259,129	\$ 225,703
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable.....	\$ 6,126	\$ 9,600
Deferred income and customer prepayments.....	105,909	90,617
Accrued liabilities.....	15,475	14,269
Income tax liabilities.....	951	650
	128,461	115,136
Non-current liabilities		
Deferred income and customer prepayments.....	10,714	6,710
Deferred income tax liabilities.....	1,990	1,397
	12,704	8,107
Total liabilities.....	141,165	123,243
Equity attributable to Company's shareholders		
Common shares.....	517	516
Treasury shares.....	(150,089)	(150,089)
Other reserves.....	149,128	146,691
Retained earnings.....	110,801	97,177
Total Company shareholders' equity.....	110,357	94,295
Non-controlling interests.....	7,607	8,165
Total equity.....	\$ 117,964	\$ 102,460
Total liabilities and equity.....	\$ 259,129	\$ 225,703

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

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue:				
Online and other media services (Note 1).....	\$ 35,961	\$ 29,984	\$ 67,943	\$ 59,905
Exhibitions	29,111	27,375	33,492	31,880
Miscellaneous	1,470	1,283	2,643	2,394
	\$ 66,542	\$ 58,642	\$ 104,078	\$ 94,179
Operating Expenses:				
Sales (Note 2)	23,370	20,034	37,809	32,994
Event production.....	9,696	9,757	10,748	10,941
Community and content (Note 2).....	9,767	9,108	16,789	16,425
General and administrative (Note 2).....	10,381	8,656	18,624	15,992
Information and technology (Note 2).....	3,070	2,961	6,243	5,810
Total Operating Expenses.....	\$ 56,284	\$ 50,516	\$ 90,213	\$ 82,162
Profit from Operations.....	\$ 10,258	\$ 8,126	\$ 13,865	\$ 12,017
Interest income.....	68	99	116	358
Profit before Income Taxes	\$ 10,326	\$ 8,225	\$ 13,981	\$ 12,375
Income Tax Expense	(469)	(125)	(524)	(229)
Net Profit	\$ 9,857	\$ 8,100	\$ 13,457	\$ 12,146
Net profit attributable to non-controlling interests.....	231	65	167	(286)
Net profit attributable to the Company's shareholders	\$ 10,088	\$ 8,165	\$ 13,624	\$ 11,860
Diluted net profit per share attributable to the Company's shareholders.....	\$ 0.28	\$ 0.18	\$ 0.38	\$ 0.26
Shares used in diluted net profit per share calculations.....	35,508,534	46,090,605	35,424,395	46,069,180

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

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Online services	\$ 29,863	\$ 22,612	\$ 57,102	\$ 45,842
Print services	6,098	7,372	10,841	14,063
	\$ 35,961	\$ 29,984	\$ 67,943	\$ 59,905

Note: 2. Non-cash compensation expenses associated with the several employee 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,	
	2011	2010	2011	2010
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales	\$ 226	\$ 198	\$ 344	\$ 159
Community and content	90	85	117	132
General and administrative.....	473	447	619	729
Information and technology	64	63	143	139
	\$ 853	\$ 793	\$ 1,223	\$ 1,159

GLOBAL SOURCES LTD. AND SUBSIDIARIES
ACTUAL IFRS to NON-IFRS RECONCILIATION
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
IFRS EPS	\$ 0.28	\$ 0.18	\$ 0.38	\$ 0.26
IFRS Net Profit	\$ 10,088	\$ 8,165	\$ 13,624	\$ 11,860
Non-cash stock based compensation expense (Note 1)	853	793	1,223	1,159
Amortization of intangibles (Note 2)	191	102	381	217
Non-IFRS Net Profit	\$ 11,132	\$ 9,060	\$ 15,228	\$ 13,236
Non-IFRS diluted net profit per share	\$ 0.31	\$ 0.20	\$ 0.43	\$ 0.29
Total shares used in non-IFRS diluted net profit per share calculations	35,508,534	46,090,605	35,424,395	46,069,180

Notes:

- (1) Actual SBC is calculated based on actual share price on date of the awards.
(2) Amortization of intangible assets relating to certain non-compete agreements.

GLOBAL SOURCES LTD. AND SUBSIDIARIES
ADJUSTED EBITDA RECONCILIATION
(In U.S. Dollars Thousands)

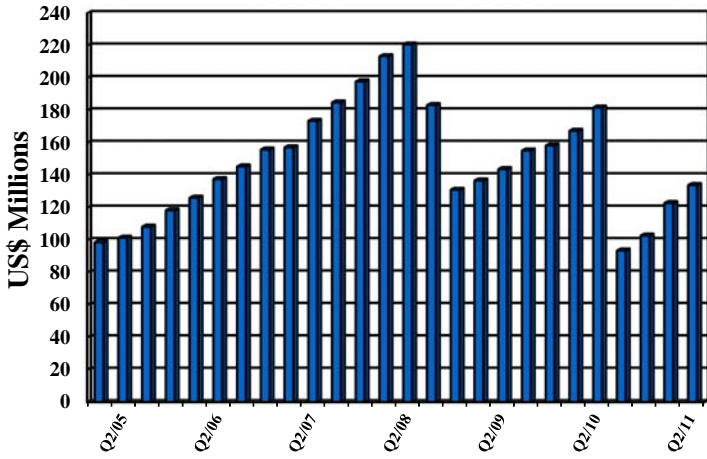
	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
IFRS profit from operations	\$ 10,258	\$ 8,126	\$ 13,865	\$ 12,017
Depreciation and amortization	1,816	1,723	3,337	3,357
EBITDA	12,074	9,849	17,202	15,374
Non-cash stock based compensation expense	853	793	1,223	1,159
Adjusted EBITDA	\$ 12,927	\$ 10,642	\$ 18,425	\$ 16,533

GLOBAL SOURCES LTD. AND SUBSIDIARIES
GUIDANCE IFRS to NON-IFRS RECONCILIATION
(In U.S. Dollars Million, Except Number of Shares and Per Share Data)

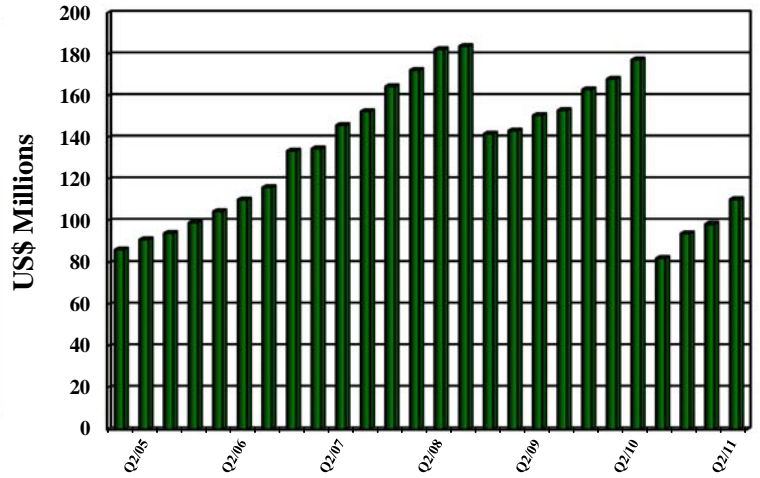
	GUIDANCE		ACTUAL
	Six months ended December 31, 2011		Six months ended December 31, 2010
Revenue	\$115.0	to	\$117.0
			\$102.5
IFRS EPS	\$0.36	to	\$0.39
			\$0.36
Non-cash stock based compensation expense (Note 1)	\$0.04		\$0.04
			\$0.03
Amortization of intangibles (Note 2)	\$0.01		\$0.01
			\$0.00
Non-IFRS diluted net income per share	\$0.41	to	\$0.44
			\$0.39
Total shares used in non-IFRS diluted net income per share calculations	35,500,000		35,500,000
			37,490,314
Notes:			
(1) Actual SBC is calculated based on actual share price on date of the awards.			
(2) Amortization of intangible assets relating to certain non-compete agreements.			

GLOBAL SOURCES LTD. AND SUBSIDIARIES

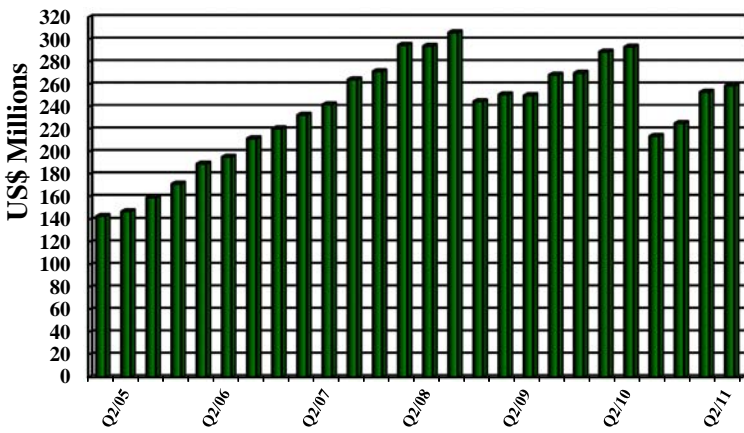
Total Cash and Securities



Total Shareholders' Equity



Total Assets



**Total Deferred Income
Customer Prepayments**

