



FOR IMMEDIATE RELEASE

Global Sources Press Contact in Asia

Camellia So

Tel: (852) 2555-5021

e-mail: cso@globalsources.com

Global Sources Investor Contact in Asia

Suzanne Wang

Tel: (852) 2555-4747

e-mail: investor@globalsources.com

Global Sources Press Contact in U.S.

James W.W. Strachan

Tel: (480) 664-8309

e-mail: strachan@globalsources.com

Global Sources Investor Contact in U.S.

Kirsten Chapman & Timothy Dien

Lippert/Heilshorn & Associates, Inc.

Tel: (415) 433-3777

e-mail: tdien@lhai.com

Global Sources reports first quarter 2010 results

- Posted first quarter 2010 revenue of \$33.9 million, GAAP EPS of \$0.06, and

Non-GAAP EPS of \$0.07 -

- Reinstates guidance: Expects second quarter 2010 revenue to grow by 5% to 6% compared to the second quarter of 2009 -

NEW YORK, May 19, 2010 – Global Sources Ltd. (NASDAQ: GSOL) (<http://www.globalsources.com>) reported financial results for the first quarter ended March 31, 2010.

Global Sources' chairman and CEO, Merle A. Hinrichs, said: "While first quarter revenue reflects the business conditions that carried over from 2009, we anticipate revenue growth for the second quarter. Our April *China Sourcing Fairs* were very successful, and the buying and selling activity demonstrated that business conditions have improved notably for many of our customers.

"In addition, the enhanced integration of our multi-channel offering of online, print and trade show media has been receiving enthusiastic feedback from buyers and suppliers. These initiatives are enhancing our sales effectiveness, and we are positioned to take advantage of the fact that more exporters are beginning to make more significant marketing commitments. All of this, plus the major expansion of our trade show schedule, makes us optimistic for revenue growth in the second half of the year."

Financial highlights – First quarter: 2010 compared to 2009

- Revenue was \$33.9 million, compared to \$34.8 million.
 - * Online revenue was \$21.8 million, compared to \$22.0 million.
 - * Exhibitions revenue was \$4.5 million, compared to \$4.5 million.
 - * Print revenue was \$6.5 million, compared to \$7.5 million.
 - * Revenue from mainland China was \$24.1 million, compared to \$23.4 million.
- GAAP net income, including a non-cash stock based compensation (SBC) expense of \$626,000, as well as \$115,000 of amortization of intangibles as it relates to certain equity compensation plans, was \$2.6 million, or \$0.06 per diluted share, compared to first quarter 2009 GAAP net income of \$1.2 million or \$0.03 per diluted share, which included a non-cash SBC expense of \$526,000.
- Non-GAAP net income was \$3.3 million, or \$0.07 per diluted share, compared to \$1.7 million, or \$0.04 per diluted share, for the first quarter of 2009.
- Total deferred income and customer prepayments were \$92.3 million as at March 31, 2010, compared to \$85.1 million as at March 31, 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.

Global Sources' CFO, David Gillan, said: "During the first quarter, we continued to manage our balance sheet effectively, increase our cash and securities and deliver profitability to our shareholders. We also ended the quarter with deferred revenue up by more than 8%, compared to the same time last year.

"Due to the healthier global economic environment and our own improved visibility, we are reinstating guidance and are optimistic about the second half of 2010. We expect 5% to 6% of revenue growth over the second quarter of 2009. However, the second quarter EPS projections are essentially flat for several reasons. First, the comparison is to the second quarter of 2009, which is when most of our cost reduction initiatives took effect. Also, during the second quarter of 2010, we project lower interest income on our treasury investments as well as project additional costs associated with M&A evaluation and with running a trade show in which we acquired an interest last fall."

Financial expectations for the second quarter 2010 ending Jun. 30, 2010

Management has decided to reinstate guidance this spring and, thus, is providing second quarter 2010 guidance in this press release. Going forward, management intends to provide semi-annual guidance for the second half of 2010.

- Revenue is expected to be between \$57.0 million and \$57.5 million, representing growth of 5% to 6% over the second quarter of 2009.
- GAAP EPS is expected to be between \$0.11 and \$0.12, as compared to \$0.11 per diluted share in the second quarter of 2009.
- Non-GAAP EPS is expected to be between \$0.14 and \$0.15, as compared to \$0.15 per diluted share in the second quarter of 2009.

Recent Corporate Highlights

- Held seven *China Sourcing Fairs* and one *India Sourcing Fair* in Hong Kong in April.
 - * *Electronics & Components* and *Security Products* featured over 2,650 booths.
 - * *Home Products, Gifts & Premiums, Baby & Children's Products, Fashion Accessories* and *Underwear & Swimwear* featured 3,200 booths.
 - * *India Sourcing Fair: Home Products* featured over 110 booths.
- Held three *China Sourcing Fairs* in January in Shanghai featuring over 840 booths, an increase of nearly 80% from last year's event. Announced expansion for 2011 of two additional shows.
- Announced the expansion of *China Sourcing Fairs* to Singapore in November 2010 and South Africa in December 2010.
- Announced the launch of *China Sourcing Fair: Garments & Textiles* in three locations in 2010.
- 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 Jan. 1 through the end of April 2010 for 80 sourcing teams from very large buying organizations including Auchan, Canadian Tire, Carrefour, El Corte Ingles, Li & Fung, Marks & Spencer, Office Depot, Otto International, RadioShack, Sears and Target. These events created more than 400 high quality one-on-one selling opportunities for Global Sources suppliers.
- Received IR Global Rankings Awards for the fifth consecutive year. 2010 awards were as follows:
 - * Certificate of Excellence for IR Websites in Asia-Pacific;
 - * Best IR Websites in China; and
 - * Certificate of Excellence for Corporate Governance in Greater China.

Conference call for Global Sources first quarter 2010 earnings

Chairman and CEO, Merle A. Hinrichs, and CFO, David Gillan, are scheduled to conduct a conference call at 8:00 a.m. ET on May 19, 2010 (8:00 p.m. on May 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) 941-2321, and international participants may dial (480) 629-9714. Investors in Hong Kong are required to provide the conference ID 4293154; 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 May 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 4293154. For those in the Hong Kong area, the replay dial-in number is (852) 3056-2777, and the pass code is 4293154.

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 888,000 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 256,000 suppliers annually through 14 online marketplaces, 13 monthly print and 15 digital magazines, over 80 sourcing research reports and 21 specialized trade shows which run 55 times a year across 9 cities.

Suppliers receive more than 136 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 1 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 March 31 2010 (Unaudited)	At December 31 2009
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents.....	\$ 129,460	\$ 91,553
Term deposits with banks.....	31,406	60,357
Available-for-sale securities.....	6,549	6,423
Accounts receivable, net.....	3,789	3,438
Receivables from sales representatives.....	8,436	5,607
Inventory	665	600
Prepaid expenses and other current assets.....	20,930	13,603
Deferred tax assets.....	26	13
Total Current Assets.....	201,261	181,594
Property and equipment, net.....	76,507	77,815
Intangible assets, net.....	8,507	8,770
Long term investments.....	100	100
Deferred tax assets.....	456	446
Other noncurrent assets.....	1,989	1,667
Total Assets.....	\$ 288,820	\$ 270,392
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payable.....	\$ 9,568	\$ 10,901
Deferred income and customer prepayments.....	89,103	73,841
Accrued liabilities.....	12,043	11,585
Income taxes payable.....	490	435
Total Current Liabilities.....	111,204	96,762
Deferred income and customer prepayments.....	3,156	2,516
Deferred tax liability	119	141
Total Liabilities.....	114,479	99,419
Shareholders' equity:		
Common shares, US\$0.01 par value; 75,000,000 shares authorized; 51,524,759 (2009: 51,427,642) shares issued and 44,649,759 (2009: 44,552,642) outstanding.....	515	514
Additional paid in capital	139,077	138,468
Treasury shares, at cost – 6,875,000 (2009: 6,875,000) shares.....	(50,000)	(50,000)
Retained earnings.....	73,958	71,369
Accumulated other comprehensive income	3,017	2,859
Total Company Shareholders' Equity.....	166,567	163,210
Non-controlling interest	7,774	7,763
Total Equity.....	\$ 174,341	\$ 170,973
Total Liabilities and Equity.....	\$ 288,820	\$ 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 March 31,	
	2010	2009
	(Unaudited)	(Unaudited)
Revenue:		
Online and other media services (Note 1)	\$ 28,314	\$ 29,495
Exhibitions.....	4,505	4,488
Miscellaneous.....	1,111	805
	33,930	34,788
Operating Expenses:		
Sales (Note 2)	13,131	13,738
Event production	1,184	821
Community (Note 2)	4,337	5,197
General and administrative (Note 2).....	10,962	11,595
Online services development (Note 2)	1,319	1,411
Amortization of intangibles and software costs	273	42
Total Operating Expenses	31,206	32,804
Income from Operations	2,724	1,984
Interest and dividend income	259	65
Foreign exchange gains (losses), net	61	(93)
Income before Income Taxes	3,044	1,956
Income Tax Expense	(104)	(138)
Net Income	\$ 2,940	\$ 1,818
Net income attributable to non-controlling interest	(351)	(621)
Net Income Attributable to the Company	\$ 2,589	\$ 1,197
Diluted net income per share attributable to the Company's shareholders .	\$ 0.06	\$ 0.03
Shares used in diluted net income per share calculations	46,135,941	45,671,181

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

	Three months ended March 31,	
	2010	2009
	(Unaudited)	(Unaudited)
Online services.....	\$ 21,781	\$ 21,970
Print services.....	6,533	7,525
	\$ 28,314	\$ 29,495

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:

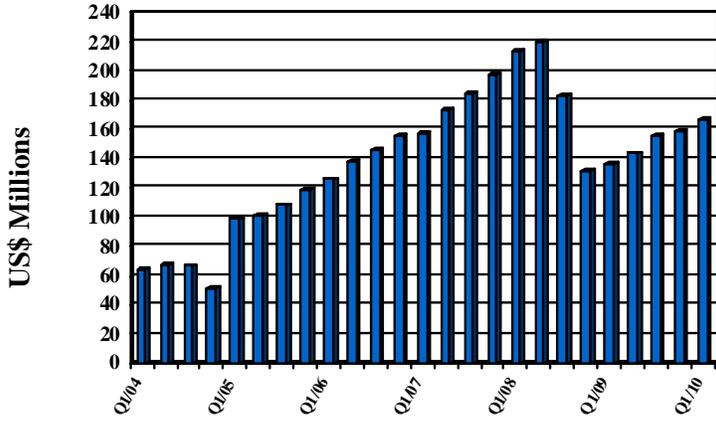
	Three months ended March 31,	
	2010	2009
	(Unaudited)	(Unaudited)
Sales.....	\$ 131	\$ 9
Community.....	60	7
General and administrative	355	436
Online services development	80	74
	\$ 626	\$ 526

GLOBAL SOURCES LTD. AND SUBSIDIARIES			
ACTUAL GAAP to NON-GAAP RECONCILIATION			
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)			
	Three months		Three months
	ended March 31,		ended March 31,
	2010		2009
GAAP EPS	\$ 0.06		\$ 0.03
GAAP Net Income	\$ 2,589		\$ 1,197
Non-cash stock based compensation expense (Note 1)	626		526
Amortization of intangibles (Note 2)	115		-
Non-GAAP Net Income	\$ 3,330		\$ 1,723
Non-GAAP diluted net income per share	\$ 0.07		\$ 0.04
Total shares used in non-GAAP diluted net income per share calculations	46,135,941		45,671,181
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.			

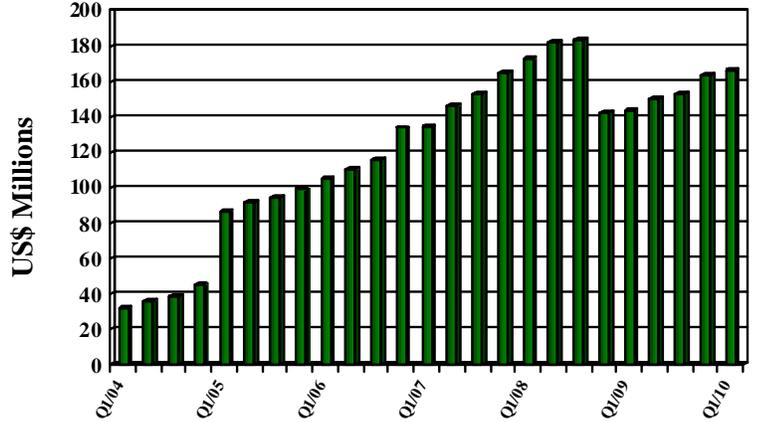
GLOBAL SOURCES LTD. AND SUBSIDIARIES				
GUIDANCE GAAP to NON-GAAP RECONCILIATION				
(In U.S. Dollars Million, Except Number of Shares and Per Share Data)				
	GUIDANCE			ACTUAL
	Three months ended June 30,			Three months ended June 30,
	2010			2009
Revenue	\$57.0	to	\$57.5	\$54.2
GAAP EPS	\$0.11	to	\$0.12	\$0.11
Non-cash stock based compensation expense (Note 1)	\$0.03		\$0.03	\$0.04
Amortization of intangibles (Note 2)	-		-	-
Non-GAAP diluted net income per share	\$0.14	to	\$0.15	\$0.15
Total shares used in non-GAAP diluted net income per share calculations	46,193,734		46,193,734	45,729,535
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

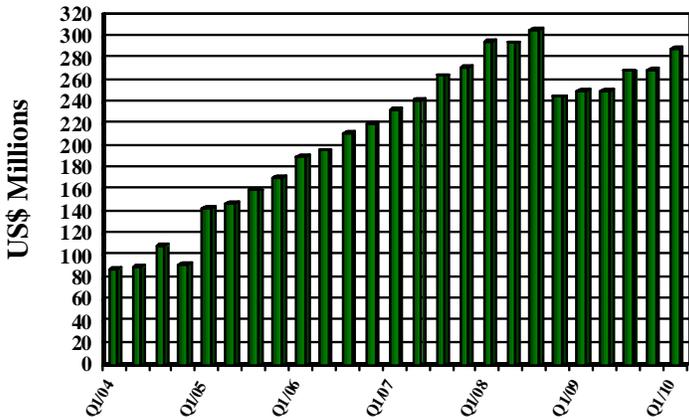
Total Cash and Securities



Total Shareholders' Equity



Total Assets



**Total Deferred Income
Customer Prepayments**

