



FOR IMMEDIATE RELEASE

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**Global Sources reports fourth quarter and year-end 2008
results**

- Achieved 7% total revenue increase; 22% online revenue growth and \$0.14 GAAP EPS for the fourth quarter of 2008 compared to fourth quarter 2007 –
- Achieved 14% total revenue growth; 24% online revenue growth and \$0.51 GAAP EPS for the full year 2008 compared to 2007 -
- Maintained strong balance sheet with \$131 million in cash and securities and no debt –

NEW YORK, March 12, 2009 – Global Sources Ltd. (NASDAQ: GSOL)

(<http://www.globalsources.com>) reported financial results for the fourth quarter and year ended Dec. 31, 2008.

Global Sources' chairman and CEO, Merle A. Hinrichs, said: "Fourth quarter revenue grew by 7% to \$65.0 million, driven by continued strength in online revenue, which increased by 22% from the fourth quarter of 2007. For 2009, the difficult economic environment will impact revenue and profitability. However, we have overcome many challenges in our 38-year history, and we are committed to profitability. We have excellent product positioning, a very experienced management team, a solid customer base of professional buyers and suppliers, and a strong balance sheet. Our objectives are to enhance our competitive position and be well positioned to thrive when the economy improves."

Financial highlights - Fourth quarter: 2008 compared to 2007

- Revenue was \$65.0 million, up 7% from \$60.8 million.
 - * Online revenue was \$25.0 million, up 22% from \$20.5 million.
 - * Exhibitions revenue was \$26.4 million, up 4% from \$25.5 million.
 - * Print revenue was \$11.4 million, down 15% from \$13.5 million.
 - * Revenue from mainland China was \$45.4 million, up 18% from \$38.6 million.
- GAAP net income was \$7.5 million, or \$0.14 per diluted share, which included a \$939,000 write-down on the fair value of securities, and a credit of \$420,000 for non-cash stock based compensation expense (SBC) based on the Dec. 31, 2008 stock price of \$5.45. For the fourth quarter of 2007, GAAP net income was \$8.1 million, or \$0.16 per diluted share, which included a \$2.4 million gain from the sale of equity interests in HC International, Inc.; a \$3.1 million write-down on the investment in Blue Bamboo; and a \$3.6 million non-cash SBC expense based on the Dec. 31, 2007 stock price of \$28.22.
- Non-GAAP net income was \$8.0 million, or \$0.15 per diluted share, compared to \$12.5 million, or \$0.24 per diluted share, for the fourth quarter of 2007.
- Total deferred income and customer prepayments were \$76.7 million as at Dec. 31, 2008, compared to \$83.1 million as at Dec. 31, 2007.
- Cash, cash equivalents and available-for-sale securities were \$131.0 million as at Dec. 31, 2008, compared to \$197.8 million as at Dec. 31, 2007. The change reflects the tender offer for 6,250,000 common shares for a total purchase price of \$50 million paid in December as well as real estate purchases totaling \$47.9 million throughout the year.
- No short-term or long-term debt.

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, stock-based compensation (SBC) expense or credit, 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.

Financial highlights - Twelve months ended Dec. 31: 2008 compared to 2007

- Revenue was \$206.9 million, up 14% from \$182.1 million.
 - * Online revenue was \$94.5 million, up 24% from \$75.9 million.
 - * Exhibitions revenue was \$58.2 million, up 13% from \$51.6 million.

- * Print revenue was \$47.6 million, down 5% from \$49.9 million.
- * Revenue from mainland China was \$135.8 million, up 24% from \$109.4 million.
- GAAP net income was \$26.4 million, or \$0.51 per diluted share, \$939,000 write-down on the fair value of securities and a credit of \$902,000 for non-cash SBC expense based on the Dec. 31, 2008 stock price of \$5.45. This compares to \$24.0 million, or \$0.46 per diluted share, for the twelve months ended Dec. 31, 2007, which included a \$1.8 million impairment, net charge on the HC International, Inc. investment; a \$2.4 million gain from the sale of equity interests in HC International, Inc.; a \$3.1 million write-down on the investment in Blue Bamboo; and a \$7.8 million SBC based upon stock prices at the end of the year.
- Non-GAAP net income was \$26.5 million, or \$0.51 per diluted share, compared to \$34.4 million, or \$0.66 per diluted share, for the twelve months ended Dec. 31, 2007.

Global Sources' Deputy CFO, David Gillan, said: "The dramatic slowdown in global consumer demand has led to declining revenue and profitability. The business climate remains uncertain; as such, we have suspended guidance. Nonetheless, we continue to be committed to profitability. We have a solid operating model, which is supported by a very strong balance sheet, comprised of a liquid and unencumbered cash position, and no debt. Furthermore, our collections remain very healthy, with only 12 days sales outstanding."

Recent Corporate Highlights

- Reported results for cash tender offer for 6.25 million common shares at a price of \$8.00 per share. As more than 6.25 million common shares were tendered by shareholders, the final proration percentage of tendered shares finally accepted was 15.977642%.
- Ten *Private Sourcing Events* were held in December 2008 and January 2009 for more than 50 of the world's largest and most well known buying organizations including Carrefour, Dollar General, Metro and Lowe's.
- Held *China Sourcing Fairs: Fashion Accessories and Baby & Children's Products* for the second time in Shanghai in December. The shows featured 470 booths and attracted approximately 4,600 domestic and international buyers including Ahlens, C&A, Crea, Marks & Spencer, Otto International, Pacific Brands and Redcats.
- Attracted more than 13,600 importers, retailers, wholesalers, distributors and other volume buyers to the first annual *Mumbai China Sourcing Fairs* in India in November 2008.
- Achieved record lead generation, which is measured as requests for information (RFIs) from buyers to suppliers through *Global Sources Online*. There were 53 million RFIs for the 12 months ended Dec. 31, 2008, up more than 92% compared to the same period last year.

- Increased Global Sources' independently certified community of active buyers to more than 790,000 at the end of the fourth quarter, 20% higher than the same time last year.

Conference call for Global Sources fourth quarter 2008 earnings

Chairman and CEO, Merle A. Hinrichs, Eddie Heng, CFO and David Gillan, Deputy CFO, are scheduled to conduct a conference call at 8:00 a.m. ET on Mar. 12, 2009 (8:00 p.m. on Mar. 12, 2009 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 start time. Investors in the United States may participate in the call by dialing (888) 212-8315, and international participants may dial (1-706) 643-0144. Investors in Hong Kong may call (852) 3011-4522. 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 Mar. 16, 2009. To listen to the telephone replay, dial (800) 642-1687, or dial (1-706) 645-9291 outside the United States, and enter pass code 83730628#. For those in the Hong Kong area, the replay dial-in number is (852) 3011-4541, and the pass code is 83730628#.

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 790,000 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 4.3 million products and more than 196,000 suppliers annually through 14 online marketplaces, 13 monthly magazines, over 100 sourcing research reports and 11 specialized trade shows which run 32 times a year across 11 cities.

Suppliers receive more than 53 million sales leads annually from buyers through Global Sources Online (<http://www.globalsources.com>) alone.

Global Sources has been facilitating global trade for 38 years. Global Sources' network covers more than 69 cities worldwide. In mainland China, Global Sources has over 2,800 team members in more than 44 locations, and a community of over 1 million registered online users and magazine readers for 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 December 31 2008 (Unaudited) | At December 31 2007 |
|--|--|------------------------------------|
| <u>ASSETS</u> | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 70,225 | \$ 197,825 |
| Available-for-sale securities..... | 60,786 | - |
| Accounts receivable, net..... | 6,025 | 6,665 |
| Receivables from sales representatives..... | 5,574 | 12,303 |
| Inventory | 1,306 | 1,108 |
| Prepaid expenses and other current assets..... | 16,513 | 15,333 |
| Deferred taxes assets..... | 28 | 46 |
| Total Current Assets..... | 160,457 | 233,280 |
| Property and equipment, net..... | 82,657 | 35,352 |
| Long term investments..... | 100 | 100 |
| Bonds held to maturity, at amortized cost | - | 99 |
| Deferred taxes assets – long term..... | 323 | 196 |
| Other assets..... | 1,561 | 2,781 |
| Total Assets..... | \$ 245,098 | \$ 271,808 |
| <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> | | |
| Current Liabilities: | | |
| Accounts payable..... | \$ 10,117 | \$ 5,577 |
| Deferred income and customer prepayments..... | 73,636 | 78,141 |
| Accrued liabilities..... | 11,579 | 12,546 |
| Income taxes payable..... | 261 | 694 |
| Total Current Liabilities..... | 95,593 | 96,958 |
| Deferred income and customer prepayments – long term..... | 3,044 | 4,934 |
| Deferred tax liability | 318 | 283 |
| Total Liabilities..... | 98,955 | 102,175 |
| Non-controlling interest | 4,223 | 4,940 |
| Shareholders' equity: | | |
| Common shares, US\$0.01 par value; 75,000,000 shares authorized; 51,374,682 (2007: 51,229,300) shares issued and 44,499,682 (2007: 51,229,300) shares outstanding..... | 514 | 512 |
| Additional paid in capital | 133,922 | 133,941 |
| Treasury shares, at cost – 6,875,000 (2007: NIL) shares..... | (50,000) | - |
| Retained earnings..... | 55,259 | 28,829 |
| Accumulated other comprehensive income | 2,225 | 1,411 |
| Total Shareholders' Equity..... | 141,920 | 164,693 |
| Total Liabilities and Shareholders' Equity..... | \$ 245,098 | \$ 271,808 |

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 December 31, | | Year ended December 31, | |
|---|---------------------------------|-------------------|-------------------------|-------------------|
| | 2008 | 2007 | 2008 | 2007 |
| | (Unaudited) | (Unaudited) | (Unaudited) | |
| Revenue: | | | | |
| Online and other media services (Note 1) | \$ 36,363 | \$ 33,969 | \$ 142,129 | \$ 125,818 |
| Exhibitions | 26,448 | 25,455 | 58,179 | 51,608 |
| Miscellaneous..... | 2,230 | 1,360 | 6,584 | 4,633 |
| | \$ 65,041 | \$ 60,784 | \$ 206,892 | \$ 182,059 |
| Operating Expenses: | | | | |
| Sales (Note 2)..... | 24,716 | 20,641 | 73,625 | 61,773 |
| Event production | 10,134 | 9,915 | 21,493 | 20,155 |
| Community (Note 2)..... | 9,063 | 9,327 | 30,488 | 27,086 |
| General and administrative (Note 2)..... | 11,716 | 12,238 | 47,525 | 44,167 |
| Online services development (Note 2) | 1,462 | 1,503 | 5,992 | 5,703 |
| Amortization of software costs | 46 | 75 | 193 | 193 |
| Total Operating Expenses | 57,137 | 53,699 | 179,316 | 159,077 |
| Income from Operations | 7,904 | 7,085 | 27,576 | 22,982 |
| Interest and dividend income | 268 | 1,721 | 2,884 | 6,595 |
| Gain on sale of available-for-sale securities | - | 2,937 | - | 2,937 |
| Loss on investment, net..... | (939) | - | (939) | (1,846) |
| Impairment of goodwill and intangible assets | - | (3,101) | - | (3,101) |
| Foreign exchange gains (losses), net | 662 | (455) | (657) | (1,213) |
| Income before Income Taxes | 7,895 | 8,187 | 28,864 | 26,354 |
| Income Tax Expense | (116) | 318 | (677) | (328) |
| Net Income before Non-controlling Interest | \$ 7,779 | \$ 8,505 | \$ 28,187 | \$ 26,026 |
| Non-controlling interest | (249) | (357) | (1,757) | (2,027) |
| Net Income | \$ 7,530 | \$ 8,148 | \$ 26,430 | \$ 23,999 |
| Diluted net income per share | \$ 0.14 | \$ 0.16 | \$ 0.51 | \$ 0.46 |
| Total shares used in diluted net income per share calculations | 52,271,588 | 51,885,933 | 52,228,640 | 51,679,682 |

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

| | Three months ended December 31, | | Year ended December 31, | |
|-----------------------|---------------------------------|------------------|-------------------------|-------------------|
| | 2008 | 2007 | 2008 | 2007 |
| | (Unaudited) | (Unaudited) | (Unaudited) | |
| Online services | \$ 24,967 | \$ 20,501 | \$ 94,481 | \$ 75,919 |
| Print services..... | 11,396 | 13,468 | 47,648 | 49,899 |
| | \$ 36,363 | \$ 33,969 | \$ 142,129 | \$ 125,818 |

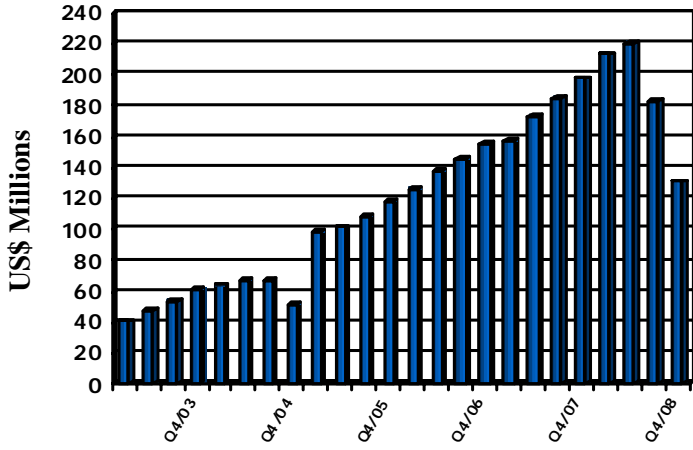
Note : 2. Non-cash compensation expenses associated with the several employee equity compensation plans and Directors Purchase Plan included under various categories of expenses are as follows:

| | Three months ended December 31, | | Year ended December 31, | |
|-----------------------------------|---------------------------------|-----------------|-------------------------|-----------------|
| | 2008 | 2007 | 2008 | 2007 |
| | (Unaudited) | (Unaudited) | (Unaudited) | |
| Sales..... | \$ (664) | \$ 2,417 | \$ (2,054) | \$ 4,286 |
| Community..... | (21) | 112 | 173 | 269 |
| General administrative | 206 | 918 | 742 | 2,874 |
| Online services development | 59 | 122 | 237 | 347 |
| | \$ (420) | \$ 3,569 | \$ (902) | \$ 7,776 |

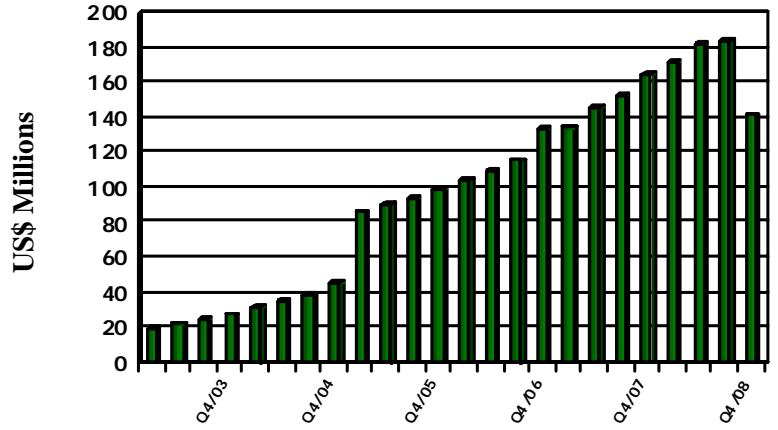
| GLOBAL SOURCES LTD. AND SUBSIDIARIES | | | | |
|---|--|------------------|--------------------------------|------------------|
| ACTUAL GAAP to NON-GAAP RECONCILIATION | | | | |
| (In U.S. Dollars Thousands, Except Number of Shares and Per Share Data) | | | | |
| | Three months ended December 31, | | Year ended December 31, | |
| | 2008 | 2007 | 2008 | 2007 |
| GAAP EPS | \$ 0.14 | \$ 0.16 | \$ 0.51 | \$ 0.46 |
| GAAP Net Income | \$ 7,530 | \$ 8,148 | \$ 26,430 | \$ 23,999 |
| Non-cash stock based compensation expense / (credit) (Note 1) | (420) | 3,569 | (902) | 7,776 |
| Gain on sale of HC shares | - | (2,361) Note 2 | - | (2,361) Note 2 |
| Impairment charge for Blue Bamboo | - | 3,101 Note 3 | - | 3,101 Note 3 |
| Loss on investment, net | 939 Note 5 | - | 939 Note 5 | 1,846 Note 4 |
| Non-GAAP Net Income | \$ 8,049 | \$ 12,457 | \$ 26,467 | \$ 34,361 |
| Non-GAAP diluted net income per share | \$ 0.15 | \$ 0.24 | \$ 0.51 | \$ 0.66 |
| Total shares used in non-GAAP diluted net income per share calculations | 52,271,588 | 51,885,933 | 52,228,640 | 51,679,682 |
| Notes: | | | | |
| (1) Non-cash stock based compensation expense / (credit). | | | | |
| (2) A gain of approximately \$2.4 million arising from the sale of the shares of HC International. | | | | |
| (3) Impairment charge of approximately \$3.1 million recorded by the company on intangible assets and goodwill pertaining to the business acquisition of Blue Bamboo China Ventures. | | | | |
| (4) An impairment charge of approximately \$2.3 million on the company's HC International investment, net of \$0.5 million received pursuant to indemnification obligations of the vendor under the purchase agreement for HC International investment. | | | | |
| (5) Impairment on available-for-sale securities. | | | | |

GLOBAL SOURCES LTD. AND SUBSIDIARIES

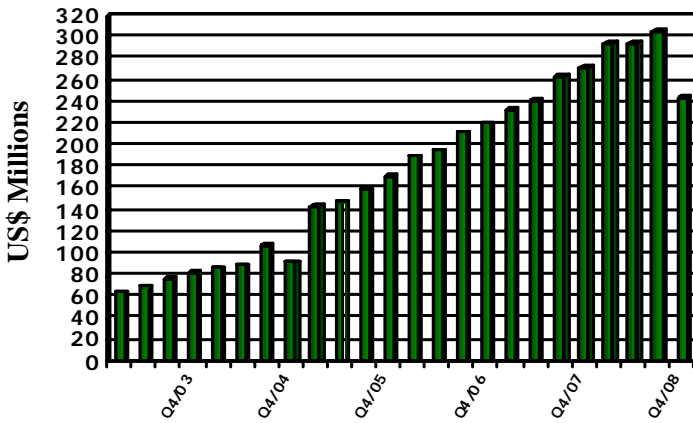
Total Cash and Securities



Total Shareholders' Equity



Total Assets



Total Deferred Income
Customer Prepayments

