

**Press Contact in Asia**

Camellia So  
Tel: (852) 2555-5021  
e-mail: [cs@globalsources.com](mailto:cs@globalsources.com)

**Investor Contact in Asia**

Connie Lai  
Tel: (852) 2555-4747  
e-mail: [investor@globalsources.com](mailto:investor@globalsources.com)

**Press Contact in U.S.**

Brendon Ouimette  
Tel: (1-480) 664-8309  
e-mail: [bouimette@globalsources.com](mailto:bouimette@globalsources.com)

**Investor Contact in U.S.**

Cathy Mattison  
LHA  
Tel: (1-415) 433-3777  
e-mail: [cmattison@lhai.com](mailto:cmattison@lhai.com)

## **Global Sources reports fourth quarter and year-end 2014 results**

- Reported fourth quarter revenue of \$62.9 million –
- Reported full year 2014 revenue of \$198.2 million –
- Posted IFRS EPS of \$0.29 and Non-IFRS EPS of \$0.31 for the fourth quarter of 2014 –
- Posted full year 2014 IFRS EPS of \$0.55 and Non-IFRS EPS of \$0.67 –
- Provides guidance for first half of 2015, expects revenue of \$90.0 million to \$92.0 million and IFRS EPS to range from \$0.15 to \$0.19 –

**NEW YORK, March 26, 2015** – [Global Sources Ltd.](http://www.globalsources.com) (NASDAQ: GSOL) reported financial results for the fourth quarter and year-ended Dec. 31, 2014.

“Our fourth quarter results were driven by the strong performance of our *China Sourcing Fairs* in Hong Kong and effective cost management,” stated Merle A. Hinrich, Global Sources’ executive chairman. “I am pleased with our overall results for the year, during which we launched several new trade shows and enhanced the value of our fully integrated offering of online marketplaces and exhibitions. Looking ahead, we intend to continue focusing on improving our competitive position with specialized vertical offerings of online and trade show services for our buyer and supplier communities.”

### **Financial highlights – Fourth quarter: 2014 compared to 2013**

- Revenue was \$62.9 million, as compared to \$60.1 million.
  - Online revenue was \$19.5 million, as compared to \$21.7 million.
  - Exhibitions revenue was \$38.2 million, as compared to \$33.2 million.
  - Print revenue was \$2.9 million, as compared to \$3.3 million.

- The company recorded a foreign exchange loss of \$1.3 million due to the devaluation of the yuan during the fourth quarter of 2014.
- IFRS net income was \$9.3 million, or \$0.29 per diluted share, as compared to fourth quarter 2013 IFRS net income of \$5.0 million, or \$0.14 per diluted share.
- Non-IFRS net income was \$9.9 million, or \$0.31 per diluted share, as compared to \$10.9 million, or \$0.30 per diluted share, for the fourth quarter of 2013.
- Adjusted EBITDA was \$12.2 million, as compared to \$13.1 million for the fourth quarter of 2013.
- Total deferred income and customer prepayments were \$88.8 million as at Dec. 31, 2014, as compared to \$90.4 million as at Dec. 31, 2013.

#### **Financial highlights – Full year 2014 ended Dec. 31: 2014 compared to 2013**

- Revenue was \$198.2 million, as compared to \$197.5 million.
- IFRS net income was \$18.3 million, or \$0.55 per diluted share, as compared to \$32.7 million, or \$0.91 per diluted share.
- Non-IFRS net income was \$22.5 million, or \$0.67 per diluted share, as compared to \$30.2 million, or \$0.84 per diluted share, for 2013.
- Adjusted EBITDA was \$37.3 million, as compared to \$40.4 million for 2013.

Global Sources' CFO, Connie Lai, stated: "For the fourth quarter, we delivered strong bottom line results. We reported a 15 percent increase in exhibition revenue, which was partially offset by a 10 percent decline in online services, and we closely managed costs. Our balance sheet remains strong with a cash balance of \$98.5 million and no debt."

#### **Financial expectations for the first half of 2015 under IFRS**

- For the first half of 2015 ending June 30, 2015:
  - Revenue is expected to be in the range of \$90.0 million to \$92.0 million, as compared to \$92.8 million for the first half of 2014.
  - IFRS EPS is expected to be in the range of \$0.15 to \$0.19, as compared to \$0.20 per diluted share in the first half of 2014. SBC and the amortization of intangibles as it relates to certain equity compensation plans are estimated to be an expense of \$0.04 per diluted share for the first half of 2015.
  - Non-IFRS EPS is expected to be in the range of \$0.19 to \$0.23, as compared to \$0.28 per diluted share for the same period in 2014.
  - Adjusted EBITDA is expected to be between \$12.9 million and \$14.1 million, as compared to \$17.7 million in the first half of 2014.

“We expect the revenue mix for the first half of 2015 to range between 50% and 51% for exhibitions, 38% and 39% for online, 5% and 6% for print, and approximately 4% for miscellaneous, which reflects the growing contribution of our specialized vertical trade show offerings. This compares to a first half of 2014 revenue mix of approximately 45% for online, 45% for exhibitions, 6% for print, and 4% for miscellaneous,” Lai added.

### **Recent Corporate Highlights**

- In February, launched an enhanced version of *Mobile Electronics* plus three new vertically specialized websites for consumer electronics, security products and electronic components.
  - Consumer Electronics <http://www.consumerelectronics.globalsources.com/>
  - Security Products <http://www.security.globalsources.com/>
  - Electronic Components <http://www.electroniccomponents.globalsources.com/>
- *China Sourcing Fairs* were held in Johannesburg in November 2014.
- *China Sourcing Fairs* were held in October 2014 at Hong Kong’s AsiaWorld-Expo. The fall shows had more than 7,500 booths. Total attendance exceeded 75,000 and included buyers from more than 148 countries and territories.
- Held the *China Sourcing Fair: Electronics & Components* in Hong Kong, which featured more than 3,700 booths.
- Held the inaugural *Mobile Electronics Fair* in Hong Kong, which featured more than 1,500 booths and fully launched its suite of services for the mobile electronics industry.
- Received the Gold corporate award for excellence in corporate governance and investor relations in *The Asset’s* December 2014 issue. The company received *The Asset’s* Gold and Titanium corporate award for the previous five years.
- *Private Sourcing Events* were held from October 2014 through January 2015 for more than 110 sourcing teams from very large buying organizations including Canadian Tire, Clas Ohlson, Dick Smith, Groupe Beaumanoir, Halfords, Mophie, O’STIN, Sears, Skyworth and others. These events created more than 420 high-quality, one-on-one selling opportunities for Global Sources suppliers.

### **Conference call for Global Sources fourth quarter 2014 earnings**

Executive chairman Merle A. Hinrich and CFO Connie Lai are scheduled to conduct a conference call at 8:00 a.m. ET on March 26, 2015 (8:00 p.m. on March 26, 2015 in Hong Kong) to review these results in more detail. Investors in the United States may participate in the call by dialing (888) 765-5574, and non-Hong Kong international participants may dial (1-913) 312-1269. Investors in Hong Kong may participate by dialing (852) 3008-0382. The conference ID is 9303522 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 30 days. A telephone replay of the call is also scheduled to be available through April 2, 2015. To listen to the telephone replay dial (888) 203-1112 or dial (1-719) 457-0820 outside the United States, and enter pass code 9303522. For those in the Hong Kong area, the replay dial-in number is (800) 901-108, and the pass code is 9303522.

### **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 ([GlobalSources.com](http://GlobalSources.com)), print and digital magazines, sourcing research reports, private sourcing events, and trade shows.

More than 1 million international buyers, including 95 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 provide 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 30 office locations and a community of more than 5 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.

### **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, profits or losses on acquisitions and investments net of

transaction costs and related tax expenses, and/or impairment charges net of related taxes, 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, impairment of goodwill and intangible assets, and profits or losses on acquisitions and investments net of transaction costs and related tax expenses.

**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 December 31, 2014 (Unaudited)	As at December 31, 2013
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents.....	\$ 90,223	\$ 137,359
Term deposits with banks.....	4,285	106
Financial assets, available-for-sale.....	3,952	6,367
Accounts receivables, net.....	2,269	3,122
Receivables from sales representatives.....	7,900	10,630
Inventories.....	154	266
Prepaid expenses and other current assets.....	17,027	18,544
	<b>125,810</b>	<b>176,394</b>
<b>Non-current assets</b>		
Property and equipment.....	63,519	49,701
Investment properties.....	85,546	89,615
Intangible assets.....	37,732	21,423
Long term investment.....	100	100
Deferred income tax assets.....	196	98
Other non-current assets.....	1,108	1,766
	188,201	162,703
<b>Total assets.....</b>	<b>\$ 314,011</b>	<b>\$ 339,097</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable.....	\$ 9,418	\$ 8,779
Deferred income and customer prepayments.....	84,869	84,704
Accrued liabilities.....	19,100	19,166
Income tax liabilities.....	3,848	2,635
	<b>117,235</b>	<b>115,284</b>
<b>Non-current liabilities</b>		
Accounts payable.....	889	-
Deferred income and customer prepayments.....	3,971	5,660
Deferred income tax liabilities.....	6,842	4,591
	11,702	10,251
<b>Total liabilities.....</b>	<b>128,937</b>	<b>125,535</b>
<b>Equity attributable to Company's shareholders</b>		
Common shares.....	529	525
Treasury shares.....	(200,089)	(150,089)
Other reserves.....	161,242	161,950
Retained earnings.....	209,924	191,594
<b>Total Company shareholders' equity.....</b>	<b>171,606</b>	<b>203,980</b>
Non-controlling interests.....	13,468	9,582
<b>Total equity.....</b>	<b>\$ 185,074</b>	<b>\$ 213,562</b>
<b>Total liabilities and equity.....</b>	<b>\$ 314,011</b>	<b>\$ 339,097</b>

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

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
	(Unaudited)	(Unaudited)	(Unaudited)	
<b>Revenue:</b>				
Online and other media services (Note 1).....	\$ 22,465	\$ 25,036	\$ 93,252	\$ 104,629
Exhibitions .....	38,183	33,237	97,017	85,636
Miscellaneous .....	2,219	1,791	7,943	7,257
	<b>62,867</b>	<b>60,064</b>	<b>198,212</b>	<b>197,522</b>
<b>Operating Expenses:</b>				
Sales (Note 2) .....	20,749	20,540	60,805	61,958
Event production.....	9,728	9,322	25,080	24,403
Community and content (Note 2).....	7,800	7,079	26,843	27,481
General and administrative (Note 2 & 3).....	12,375	16,126	52,631	50,272
Information and technology (Note 2).....	3,171	3,090	12,683	12,729
<b>Total Operating Expenses.....</b>	<b>53,823</b>	<b>56,157</b>	<b>178,042</b>	<b>176,843</b>
Profit on sale of property .....	-	-	-	15,410
<b>Profit from Operations.....</b>	<b>9,044</b>	<b>3,907</b>	<b>20,170</b>	<b>36,089</b>
Interest income.....	268	384	1,314	1,472
Gain on sale of available-for-sale securities .....	-	64	11	64
Interest expenses .....	(47)	-	(186)	-
<b>Profit before Income Taxes .....</b>	<b>9,265</b>	<b>4,355</b>	<b>21,309</b>	<b>37,625</b>
Income tax expense.....	(625)	(427)	(2,468)	(4,753)
<b>Net Profit .....</b>	<b>\$ 8,640</b>	<b>\$ 3,928</b>	<b>\$ 18,841</b>	<b>\$ 32,872</b>
Net (profit)/loss attributable to non-controlling interests .....	641	1,056	(511)	(137)
<b>Net profit attributable to the Company's shareholders .....</b>	<b>\$ 9,281</b>	<b>\$ 4,984</b>	<b>\$ 18,330</b>	<b>\$ 32,735</b>
<b>Diluted net profit per share attributable to the Company's shareholders.....</b>	<b>\$ 0.29</b>	<b>\$ 0.14</b>	<b>\$ 0.55</b>	<b>\$ 0.91</b>
<b>Shares used in diluted net profit per share calculations.....</b>	<b>31,516,581</b>	<b>36,196,122</b>	<b>33,482,371</b>	<b>36,068,326</b>

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

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
	(Unaudited)	(Unaudited)	(Unaudited)	
Online services .....	\$ 19,525	\$ 21,712	\$ 81,873	\$ 91,422
Print services .....	2,940	3,324	11,379	13,207
	<b>\$ 22,465</b>	<b>\$ 25,036</b>	<b>\$ 93,252</b>	<b>\$ 104,629</b>

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

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
	(Unaudited)	(Unaudited)	(Unaudited)	
Sales .....	\$ 123	\$ 153	\$ 409	\$ 539
Community and content .....	21	31	16	43
General and administrative.....	319	369	1,215	1,340
Information and technology .....	45	55	217	248
	<b>\$ 508</b>	<b>\$ 608</b>	<b>\$ 1,857</b>	<b>\$ 2,170</b>

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

Note: 3. General and administrative expenses consist of:

	<b>Three months ended December 31,</b>		<b>Year ended December 31,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
General and administrative expenses before amortization of intangible assets, impairment charge on intangible assets and foreign exchange losses (gains) .....	\$ 9,957	\$ 9,814	\$ 40,307	\$ 39,960
Amortization of intangible assets .....	1,149	1,138	7,496	3,235
Impairment charge on intangible assets .....	4	5,994	2,242	8,525
Foreign exchange losses (gains) .....	1,265	(820)	2,586	(1,448)
	<b>\$ 12,375</b>	<b>\$ 16,126</b>	<b>\$ 52,631</b>	<b>\$ 50,272</b>

**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 December 31,		Year ended December 31,	
	2014	2013	2014	2013
<b>IFRS EPS</b>	<b>\$ 0.29</b>	<b>\$ 0.14</b>	<b>\$ 0.55</b>	<b>\$ 0.91</b>
IFRS Net Profit	\$ 9,281	\$ 4,984	\$ 18,330	\$ 32,735
Non-cash stock based compensation expense (Note 1)	508	608	1,857	2,170
Amortization of intangibles (Note 2)	86	154	594	748
Impairment of goodwill and intangibles (Note 3)	4	5,109	1,682	7,640
Profit on sale of property, net of transaction costs & related tax expenses	-	-	-	(13,124)
<b>Non-IFRS Net Profit</b>	<b>\$ 9,879</b>	<b>\$ 10,855</b>	<b>\$ 22,463</b>	<b>\$ 30,169</b>
<b>Non-IFRS diluted net profit per share</b>	<b>\$ 0.31</b>	<b>\$ 0.30</b>	<b>\$ 0.67</b>	<b>\$ 0.84</b>
Total shares used in non-IFRS diluted net profit per share calculations	31,516,581	36,196,122	33,482,371	36,068,326

**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.  
(3) Impairment of intangibles are net of related taxes.

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

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
IFRS profit from operations	\$ 9,044	\$ 3,907	\$ 20,170	\$ 36,089
Depreciation and amortization	2,614	2,542	13,061	9,029
<b>EBITDA</b>	<b>11,658</b>	<b>6,449</b>	<b>33,231</b>	<b>45,118</b>
Non-cash stock based compensation expense	508	608	1,857	2,170
Impairment of goodwill and intangibles	4	5,994	2,242	8,525
Profit on sale of property, net of transaction costs	-	-	-	(15,410)
<b>Adjusted EBITDA</b>	<b>\$ 12,170</b>	<b>\$ 13,051</b>	<b>\$ 37,330</b>	<b>\$ 40,403</b>

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

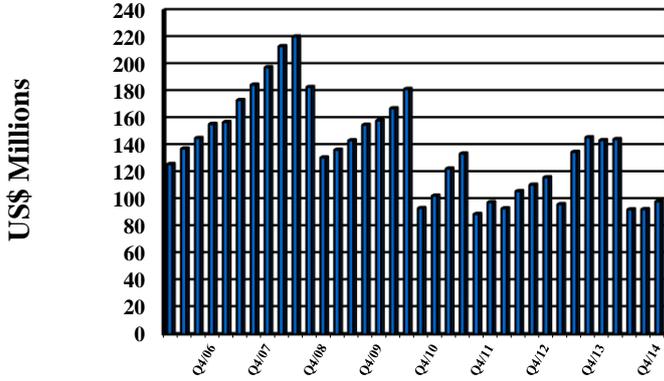
	<b>GUIDANCE</b>		<b>ACTUAL</b>
	Six months		Six months
	ended June 30,		ended June 30,
	2015		2014
Revenue	\$90.0	to	\$92.0
			\$92.8
IFRS EPS	\$0.15	to	\$0.19
			\$0.20
Non-cash stock based compensation expense (Note 1)	\$0.03		\$0.03
			\$0.02
Amortization of intangibles (Note 2)	\$0.01		\$0.01
			\$0.01
Impairment of goodwill and intangibles	-		-
			\$0.05
<b>Non-IFRS diluted net income per share</b>	<b>\$0.19</b>	to	<b>\$0.23</b>
			<b>\$0.28</b>
Total shares used in non-IFRS diluted net income per share calculations	31,740,000		31,740,000
			35,672,551

**Notes:**

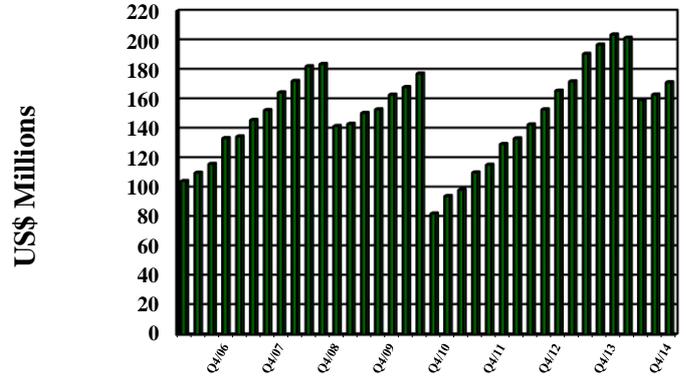
- (1) Actual SBC is calculated based on actual share price on date of the awards.  
(2) Amortization of intangible assets relating to certain non-compete agreements.

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**

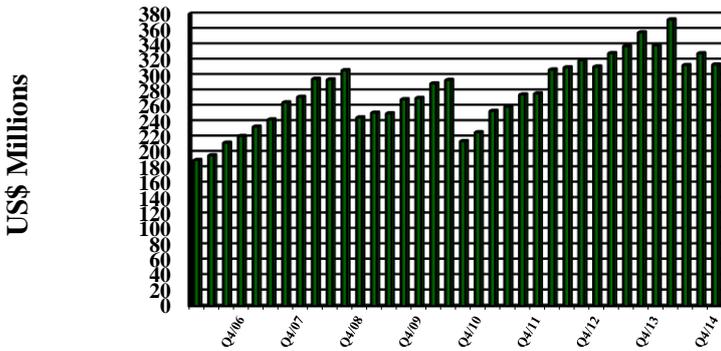
**Total Cash and Securities**



**Total Shareholders' Equity**



**Total Assets**



**Total Deferred Income  
Customer Prepayments**

