

FOR IMMEDIATE RELEASE

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Global Sources reports fourth quarter and year-end 2013 results

- Reported fourth quarter revenue of \$60.1 million –
- Reported full year 2013 revenue of \$197.5 million –
- Posted IFRS EPS of \$0.14 and Non-IFRS EPS of \$0.30 for the fourth quarter of 2013 –
- Posted full year 2013 IFRS EPS of \$0.91 and Non-IFRS EPS of \$0.84 –
- Provides guidance for first half of 2014, expects revenue of \$88.0 million to \$90.0 million and IFRS EPS to range from \$0.14 to \$0.18 –

NEW YORK, March 13, 2014 – [Global Sources Ltd.](http://www.globalsources.com) (NASDAQ: GSOL) reported financial results for the fourth quarter and year-ended Dec. 31, 2013.

Global Sources' executive chairman, Merle A. Hinrich, said: "Our fourth quarter 2013 operating results were in line with expectations given the business challenges we continue to experience. Our *China Sourcing Fairs* in Hong Kong performed well. We began to see our online business improve late in the fourth quarter and we are encouraged with its performance so far in 2014.

"We have a valuable market position serving the larger professional buyers and suppliers that account for the majority of trade. With a strong balance sheet, a solid cash position and no debt, we are well-positioned and have a strong foundation on which to build our competitive position."

Financial highlights – Fourth quarter: 2013 compared to 2012

- Revenue was \$60.1 million, as compared to \$66.9 million.
 - Online revenue was \$21.7 million, as compared to \$28.1 million.
 - Exhibitions revenue was \$33.2 million, as compared to \$32.7 million.
 - Print revenue was \$3.3 million, as compared to \$4.2 million.

- IFRS net income was \$5.0 million, or \$0.14 per diluted share, as compared to fourth quarter 2012 IFRS net income of \$11.2 million, or \$0.31 per diluted share. This includes a write-down net of related taxes of approximately \$5.1 million related to the *FashionSZshow*.
- Non-IFRS net income was \$10.9 million, or \$0.30 per diluted share, as compared to \$13.3 million, or \$0.37 per diluted share, for the fourth quarter of 2012.
- Adjusted EBITDA was \$13.1 million, as compared to \$14.4 million for the fourth quarter of 2012.
- Total deferred income and customer prepayments were \$90.4 million as at Dec. 31, 2013, as compared to \$93.6 million as at Dec. 31, 2012.

Financial highlights – Full year 2013 ended Dec. 31: 2013 compared to 2012

- Revenue was \$197.5 million, as compared to \$231.7 million.
- IFRS net income was \$32.7 million, or \$0.91 per diluted share, as compared to \$32.2 million, or \$0.90 per diluted share.
- Non-IFRS net income was \$30.2 million, or \$0.84 per diluted share, as compared to \$37.1 million, or \$1.04 per diluted share, for 2012.
- Adjusted EBITDA was \$40.4 million, as compared to \$47.9 million for 2012.

Global Sources' CFO, Connie Lai, said: "We expect the revenue mix for the first half of 2014 to range between 44% and 45% for online, 44% and 45% for exhibitions, 5% and 6% for print, and approximately 4% for miscellaneous. This compares to a first half of 2013 revenue mix of approximately 51% for online, 38% for exhibitions, 7% for print, and 4% for miscellaneous."

Financial expectations for the first half of 2014 under IFRS

"It is important to note our first half of 2014 guidance takes into consideration the purchase of our Singapore office property and the acquisition of an interest in the *Shenzhen International Machinery Manufacturing Industry Exhibition* and its related shows, known as *SIMM*," Lai stated.

- For the first half of 2014 ending June 30, 2014:
 - Revenue is expected to be in the range of \$88.0 million to \$90.0 million, representing a decrease of 3% to 5%, as compared to \$92.7 million for the first half of 2013.
 - IFRS EPS is expected to be in the range of \$0.14 to \$0.18, as compared to \$0.62 per diluted share in the first half of 2013. 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 2014.

- Non-IFRS EPS is expected to be in the range of \$0.18 to \$0.22, as compared to \$0.37 per diluted share for the same period in 2013.
- Adjusted EBITDA is expected to be between \$12.6 million and \$13.8 million, as compared to \$16.3 million in the first half of 2013.

Recent Corporate Highlights

- Announced intentions to commence an issuer tender offer before the end of April 2014, with an expected completion before the end of May 2014, for approximately 5 million shares, or approximately 14.4% of its outstanding common shares as of Feb. 28, 2014, at a purchase price of \$10.00 per share in cash.
- Purchased one floor of office space property in Singapore for Global Sources' continued operational use.
- *China Sourcing Fairs* were held in New Delhi in December 2013.
- *China Sourcing Fairs* were held in Johannesburg in November 2013.
- *China Sourcing Fairs* were held in October 2013 at Hong Kong's AsiaWorld-Expo. The series of fall shows had more than 6,800 booths. Total attendance exceeded 63,000 and included buyers from more than 150 countries and territories.
- Received the Gold award in the December 2013 issue of *The Asset's* Corporate Awards for excellence in management and corporate governance. The company received *The Asset's* Gold award in 2011 and 2012 and its Titanium corporate award in 2009 and 2010.
- *Private Sourcing Events* were held from October 2013 through January 2014 for more than 100 sourcing teams from very large buying organizations including Bossini, Carrefour, Casino, El Corte Ingles, Falabella, Future Group, Home Retail Group, Intelbras, Kmart Australia, the METRO GROUP and others. These events created more than 500 high-quality, one-on-one selling opportunities for Global Sources suppliers.

Conference call for Global Sources fourth quarter 2013 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 13, 2014 (8:00 p.m. on March 13, 2014 in Hong Kong) to review these results in more detail. Investors in the United States may participate in the call by dialing (877) 941-1427, and non-Hong Kong international participants may dial (1-480) 629-9664. Investors in Hong Kong may participate by dialing (852) 3009-5027. The conference ID is 4666662 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 March 20, 2014. To listen to the telephone replay dial (800) 406-7325 or dial (1-303) 590-3030 outside the United States, and enter pass code 4666662. For those in the Hong Kong area, the replay dial-in number is (852) 3056-2777, and the pass code is 4666662.

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), 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 4 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)

	<u>As at December 31,</u> 2013 (Unaudited)	<u>As at December 31,</u> 2012
ASSETS		
Current assets		
Cash and cash equivalents.....	\$ 137,359	\$ 104,631
Term deposits with banks.....	106	4,184
Financial assets, available-for-sale.....	6,367	7,472
Accounts receivables.....	3,122	4,242
Receivables from sales representatives.....	10,630	7,773
Inventories.....	266	410
Prepaid expenses and other current assets.....	18,544	18,396
	176,394	147,108
Non-current assets		
Property and equipment.....	49,701	30,442
Investment properties.....	89,615	97,377
Intangible assets.....	21,423	33,136
Long term investment.....	100	100
Deferred income tax assets.....	98	244
Other non-current assets.....	1,766	2,762
	162,703	164,061
Total assets.....	\$ 339,097	\$ 311,169
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable.....	\$ 8,779	\$ 12,531
Deferred income and customer prepayments.....	84,704	84,540
Accrued liabilities.....	19,166	20,409
Income tax liabilities.....	2,635	1,225
	115,284	118,705
Non-current liabilities		
Deferred income and customer prepayments.....	5,660	9,062
Deferred income tax liabilities.....	4,591	6,090
	10,251	15,152
Total liabilities.....	125,535	133,857
Equity attributable to Company's shareholders		
Common shares.....	525	521
Treasury shares.....	(150,089)	(150,089)
Other reserves.....	161,950	156,629
Retained earnings.....	191,594	158,859
Total Company shareholders' equity.....	203,980	165,920
Non-controlling interests.....	9,582	11,392
Total equity.....	\$ 213,562	\$ 177,312
Total liabilities and equity.....	\$ 339,097	\$ 311,169

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,	
	2013	2012	2013	2012
	(Unaudited)	(Unaudited)	(Unaudited)	
Revenue:				
Online and other media services (Note 1).....	\$ 25,036	\$ 32,353	\$ 104,629	\$ 136,101
Exhibitions.....	33,237	32,716	85,636	88,782
Miscellaneous.....	1,791	1,873	7,257	6,857
	\$ 60,064	\$ 66,942	\$ 197,522	\$ 231,740
Operating Expenses:				
Sales (Note 2).....	20,540	23,102	61,958	80,354
Event production.....	9,322	9,716	24,403	26,250
Community and content (Note 2).....	7,079	8,628	27,481	32,696
General and administrative (Note 2).....	16,126	12,056	50,272	44,281
Information and technology (Note 2).....	3,090	3,223	12,729	13,188
Total Operating Expenses.....	\$ 56,157	\$ 56,725	\$ 176,843	\$ 196,769
Profit on sale of property.....	-	-	15,410	-
Profit from Operations.....	\$ 3,907	\$ 10,217	\$ 36,089	\$ 34,971
Interest income.....	384	312	1,472	1,044
Gain on sale of available-for-sale securities.....	64	-	64	-
Share of loss of associate.....	-	-	-	(24)
Impairment loss on investment in associate.....	-	-	-	(302)
Profit before Income Taxes.....	\$ 4,355	\$ 10,529	\$ 37,625	\$ 35,689
Income tax expense.....	(427)	(694)	(4,753)	(2,744)
Net Profit.....	\$ 3,928	\$ 9,835	\$ 32,872	\$ 32,945
Net profit attributable to non-controlling interests.....	1,056	1,342	(137)	(739)
Net profit attributable to the Company's shareholders.....	\$ 4,984	\$ 11,177	\$ 32,735	\$ 32,206
Diluted net profit per share attributable to the Company's shareholders.....	\$ 0.14	\$ 0.31	\$ 0.91	\$ 0.90
Shares used in diluted net profit per share calculations.....	36,196,122	35,870,511	36,068,326	35,742,495

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

	Three months ended December 31,		Year ended December 31,	
	2013	2012	2013	2012
	(Unaudited)	(Unaudited)	(Unaudited)	
Online services.....	\$ 21,712	\$ 28,114	\$ 91,422	\$ 119,011
Print services.....	3,324	4,239	13,207	17,090
	\$ 25,036	\$ 32,353	\$ 104,629	\$ 136,101

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,	
	2013	2012	2013	2012
	(Unaudited)	(Unaudited)	(Unaudited)	
Sales.....	\$ 153	\$ 153	\$ 539	\$ 565
Community and content.....	31	31	43	70
General and administrative.....	369	365	1,340	1,524
Information and technology.....	55	53	248	250
	\$ 608	\$ 602	\$ 2,170	\$ 2,409

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,	
	2013	2012	2013	2012
IFRS EPS	\$ 0.14	\$ 0.31	\$ 0.91	\$ 0.90
IFRS Net Profit	\$ 4,984	\$ 11,177	\$ 32,735	\$ 32,206
Non-cash stock based compensation expense (Note 1)	608	602	2,170	2,409
Amortization of intangibles (Note 2)	154	148	748	751
Impairment loss on investment in associate	-	-	-	302
Impairment of goodwill and intangibles (Note 3)	5,109	1,389	7,640	1,389
Profit on sale of property, net of transaction costs & related tax expenses	-	-	(13,124)	-
Non-IFRS Net Profit	\$ 10,855	\$ 13,316	\$ 30,169	\$ 37,057
Non-IFRS diluted net profit per share	\$ 0.30	\$ 0.37	\$ 0.84	\$ 1.04
Total shares used in non-IFRS diluted net profit per share calculations	36,196,122	35,870,511	36,068,326	35,742,495

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,	
	2013	2012	2013	2012
IFRS profit from operations	\$ 3,907	\$ 10,217	\$ 36,089	\$ 34,971
Depreciation and amortization	2,542	2,184	9,029	9,112
EBITDA	6,449	12,401	45,118	44,083
Non-cash stock based compensation expense	608	602	2,170	2,409
Impairment of goodwill and intangibles	5,994	1,389	8,525	1,389
Profit on sale of property, net of transaction costs	-	-	(15,410)	-
Adjusted EBITDA	\$ 13,051	\$ 14,392	\$ 40,403	\$ 47,881

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 June 30, 2014		Six months ended June 30, 2013
Revenue	\$88.0	to	\$90.0
			\$92.7
IFRS EPS	\$0.14	to	\$0.18
			\$0.62
Non-cash stock based compensation expense (Note 1)	\$0.03		\$0.03
Amortization of intangibles (Note 2)	\$0.01		\$0.01
Impairment of goodwill and intangibles	-		\$0.07
Profit on sale of property, net of transaction costs & related tax expenses	-		(\$0.36)
Non-IFRS diluted net income per share	\$0.18	to	\$0.22
			\$0.37
Total shares used in non-IFRS diluted net income per share calculations	36,400,000		36,400,000
			36,048,346

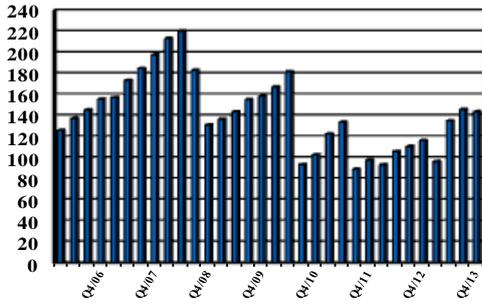
Notes:

- (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

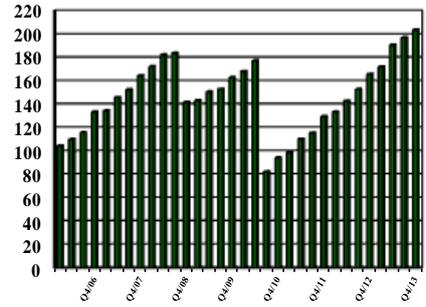
Total Cash and Securities

US\$ Millions



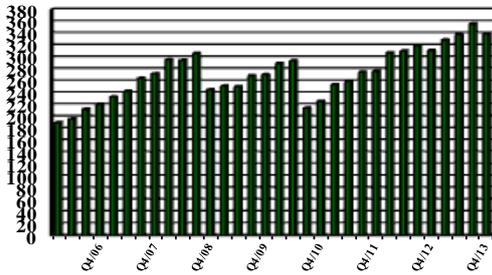
Total Shareholders' Equity

US\$ Millions



Total Assets

US\$ Millions



**Total Deferred Income
Customer Prepayments**

US\$ Millions

