

**GLOBAL SOURCES LTD. AND SUBSIDIARIES**  
**2005 GAAP to NON-GAAP RECONCILIATION**  
(In U.S. Dollars Thousands, Except Number of Shares and Per Share Data)

	<b>Three months ended Mar. 31</b>	<b>Three months ended Jun. 30</b>	<b>Three months ended Sept. 30</b>	<b>Three months ended Dec. 31</b>	<b>YEAR 2005</b>
Net Income	\$2,000	\$4,523	\$2,321	\$4,534	\$13,378
<b>Add:</b>					
Non-cash stock based compensation expense / (credit)	529	282	512	625	1,948
<b>Non-GAAP Net Income</b>	<b>\$2,529</b>	<b>\$4,805</b>	<b>\$2,833</b>	<b>\$5,159</b>	<b>\$15,326</b>
<b>Non-GAAP diluted net income per share</b>	<b>\$0.06</b>	<b>\$0.10</b>	<b>\$0.06</b>	<b>\$0.11</b>	<b>\$0.34</b>
Total shares used in non-GAAP diluted net income per share calculations	42,848,290	46,437,360	46,430,238	46,432,850	45,549,660

**Non-GAAP Net Income :**

Non-GAAP net income is defined as Net Income adjusted for the following:

(I) Non-cash stock based compensation expense / (credit).