



FOR IMMEDIATE RELEASE

**The Caldwell Partners International
Issues Fiscal 2015 First Quarter Financial Results**

- **Year-over-year first quarter revenue increase of 20%.**
- **First quarter operating income is \$307,000.**
- **Board declares 2.0 cent quarterly dividend.**

Toronto, Ontario– January 8, 2015 – Retained executive search firm The Caldwell Partners International Inc. (TSX: CWL) today issued its financial results for the fiscal 2015 first quarter ended November 30, 2014. All references to quarters or years are for the fiscal periods unless otherwise noted and all currency amounts are in Canadian dollars.

Financial Highlights (in \$000s except per share amounts)

	Three Months Ended November 30,	
	2014	2013
Revenue	12,436	10,339
Operating expenses	12,129	9,931
Operating profit	307	408
Investment income	13	1
Earnings before tax	320	409
Net earnings	277	393
Earnings per share	\$0.013	\$0.023

“We have seen solid year-over-year growth in our quarterly revenues,” said John N. Wallace, chief executive officer. “And while there will always be market fluctuations and economic uncertainties, our team is composed of truly experienced search people, who are well-equipped to weather turbulence in the marketplace.”

Wallace continued: “Our partner and support teams continue to operate at extremely high productivity levels, and we remain focused on making targeted, strategic additions to our team. Our October 1, 2014 acquisition of London-based Hawksmoor Search Limited established our footprint

into the European market and has created what we believe to be the premier insurance practice in the executive search industry.”

The Board of Directors today also declared the payment of a quarterly dividend of 2.0 cents per Common Share payable on March 12, 2015 to shareholders of record on January 26, 2015.

Financial Overview (all numbers expressed in \$000s)

- Operating revenue:
 - Fiscal 2015 first quarter operating revenue increased by 20% (15% excluding a 5% variance from exchange rate fluctuations) over the comparable period last year to \$12,436 (2014: \$10,339).
 - US revenues increased 24% (16% excluding an 8% favourable variance from exchange rate fluctuations) to \$8,144 (2014: \$6,543), driven primarily by an increase in search volumes partially offset by lower average fees during the current year.
 - Revenues from Canadian operations increased 12% to \$4,256 (2014: \$3,795) in the current period, generated by higher search volumes partially offset by lower average fees.
 - Revenues from the Europe operations were \$36 for the Company’s period of ownership.

- Operating profit:
 - Higher year-over-year first quarter revenues (\$2,098) offset by the related higher cost of sales on the increased revenue (\$1,418) and increased expenses (\$780) pertaining to higher share-based compensation resulting from a rise in the company’s share price to \$1.59 at the end of the first quarter of fiscal 2015 (2014: \$0.84), the costs of the added European operations and the amount and timing of the Company’s annual partner conference resulted in operating profit of \$307 in the first quarter of fiscal 2015, a decrease of \$101 from \$408 in the first quarter of fiscal 2014.
 - On a segment basis, \$105 of operating profit was from the US, \$297 was from Canada and (\$95) was from Europe.

- Net profit:
 - The first quarter net earnings were \$277 (\$0.013 per share) in fiscal 2015, as compared to \$393 (\$0.023 per share) in the comparable period a year earlier.

For a complete discussion of the quarterly financial results, please see the company's Management Discussion and Analysis posted on SEDAR at www.sedar.com

About Caldwell Partners

Caldwell Partners is a leading international provider of executive search and has been for more than 40 years. As one of the world's most trusted advisors in executive search, the firm has a sterling reputation built on successful searches for boards, chief and senior executives, and selected functional experts. With offices and partners across North America and in London, the firm takes pride in delivering an unmatched level of service and expertise to its clients. Caldwell Partners' Common shares are listed on The Toronto Stock Exchange (TSX: CWL). Please visit our website at www.caldwellpartners.com for further information.

Forward-Looking Statements

Forward-looking statements in this document are based on current expectations that are subject to significant risks and uncertainties. Actual results might differ materially due to various factors such as the competitive nature of the executive search industry, the ability of the company to execute its growth strategies, the performance of the Canadian domestic and international economies, and the company's ability to retain key personnel. The Caldwell Partners assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

For further information, please contact:

Investors & Analysts:

Chris Beck, CPA, Chief Financial Officer
The Caldwell Partners International
cbeck@caldwellpartners.com
+1.617.934.1843

Media:

Caroline Lomot, Director of Marketing
The Caldwell Partners International
clomot@caldwellpartners.com
+1.516.830.3535

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(unaudited - in \$Canadian)

	As at	
	November 30	August 31
	2014	2014
Assets		
Current assets		
Cash and cash equivalents	9,711,597	12,742,873
Marketable securities	7,792,695	7,809,403
Accounts receivable	7,096,236	8,141,145
Prepaid expenses and other current assets	1,476,888	1,364,383
	26,077,416	30,057,804
Non-current assets		
Restricted cash	463,286	452,138
Advances	301,301	195,033
Property and equipment	1,614,307	1,609,811
Intangible assets	384,385	384,470
Goodwill	2,812,813	1,072,315
Deferred income taxes	2,571,476	2,443,435
Total assets	34,224,984	36,215,006
Liabilities		
Current liabilities		
Accounts payable	1,481,583	1,399,983
Compensation payable	15,148,253	15,752,702
Dividends payable	425,503	367,513
Income taxes payable	-	1,790,091
Due to seller of acquired business	599,689	-
Contingent consideration	261,245	-
Deferred revenue	739,893	1,974,144
	18,656,166	21,284,433
Non-current liabilities		
Compensation payable	472,824	552,799
Contingent consideration	251,197	-
	19,380,187	21,837,232
Equity attributable to owners of the Company		
Share capital	7,710,063	7,330,563
Contributed surplus	16,253,795	16,253,631
Accumulated other comprehensive income	1,147,428	911,417
Deficit	(10,266,489)	(10,117,837)
Total equity	14,844,797	14,377,774
Total liabilities and equity	34,224,984	36,215,006

The accompanying notes are an integral part of these consolidated interim financial statements.

THE CALDWELL PARTNERS INTERNATIONAL INC.**CONSOLIDATED INTERIM STATEMENTS OF EARNINGS***(unaudited - in \$Canadian)*

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2014</i>	<i>2013</i>
Revenues	12,436,201	10,338,549
Cost of sales	9,172,269	7,754,163
Gross profit	3,263,932	2,584,386
Expenses		
General and administrative	2,673,908	2,023,965
Sales and marketing	273,218	160,653
Foreign exchange loss (gain)	10,115	(7,872)
	2,957,241	2,176,746
Operating profit	306,691	407,640
Investment income	12,871	1,425
Earnings before income taxes	319,562	409,065
Income tax expense	42,711	15,933
Net earnings for the period attributable to owners of the Company	276,851	393,132
Earnings per share:		
Basic and diluted	0.013	0.023

**CONSOLIDATED INTERIM STATEMENTS OF
COMPREHENSIVE EARNINGS***(unaudited - in \$Canadian)*

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2014</i>	<i>2013</i>
Net earnings for the period	276,851	393,132
Other comprehensive income:		
Items that may be reclassified subsequently to net earnings		
Unrealized (loss) gain on marketable securities	(16,708)	54,502
Cumulative translation adjustment	252,719	34,887
Comprehensive earnings for the period attributable to owners of the Company	512,862	482,521

The accompanying notes are an integral part of these consolidated interim financial statements.

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(unaudited - in \$Canadian)

	Deficit	Capital Stock	Contributed Surplus	Cumulative Translation Adjustment	Accumulated Other Comprehensive Income (Loss) Unrealized Gains (Loss) on Marketable Securities	Total Equity
Balance - September 1, 2013	(10,683,347)	4,080,020	16,247,987	(99,623)	680,582	10,225,619
Net earnings for the three month period ended November 30, 2013	393,132	-	-	-	-	393,132
Dividend payments declared	(298,737)	-	-	-	-	(298,737)
Share-based payment expense	-	-	1,410	-	-	1,410
Change in unrealized gain on marketable securities available for sale	-	-	-	-	54,502	54,502
Change in cumulative translation adjustment	-	-	-	34,887	-	34,887
Balance - November 30, 2013	(10,588,952)	4,080,020	16,249,397	(64,736)	735,084	10,410,813
Balance - September 1, 2014	(10,117,837)	7,330,563	16,253,631	(797)	912,214	14,377,774
Net earnings for the three month period ended November 30, 2014	276,851	-	-	-	-	276,851
Dividend payments declared	(425,503)	-	-	-	-	(425,503)
Share-based payment expense	-	-	164	-	-	164
Common share issuance	-	379,500	-	-	-	379,500
Change in unrealized loss on marketable securities available for sale	-	-	-	-	(16,708)	(16,708)
Change in cumulative translation adjustment	-	-	-	252,719	-	252,719
Balance - November 30, 2014	(10,266,489)	7,710,063	16,253,795	251,922	895,506	14,844,797

The accompanying notes are an integral part of these consolidated interim financial statements.

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOW

(unaudited - in \$Canadian)

	Three months ended	
	November 30	
	2014	2013
Cash flow (used in) provided by		
Operating activities		
Net earnings for the period	276,851	393,132
Adjustments for:		
Depreciation	92,714	78,291
Amortization	19,802	18,414
Share-based payment expense	164	1,410
Unrealized foreign exchange on subsidiary loans	14,296	(16,286)
Non-cash incentive compensation	-	50,805
Deferred revenue	(1,281,863)	(279,814)
Decrease in long-term incentive accrual	(79,975)	(52,500)
Decrease in accounts receivable	1,479,799	1,935,004
(Increase) decrease in prepaid expenses and other assets	(38,200)	168,024
Decrease in accounts payable	(22,074)	(216,809)
(Decrease) increase in compensation payable	(1,014,425)	43,891
(Decrease) increase in taxes payable	(1,832,637)	15,760
Net cash (used in) provided by operating activities	(2,385,548)	2,139,322
Investing activities		
Acquisition of business, net of cash acquired	(418,966)	-
(Increase) decrease in advances	(77,251)	53,625
Increase in restricted cash	(943)	(369)
Additions to property and equipment	(57,658)	(49,070)
Net cash (used in) provided by investing activities	(554,818)	4,186
Financing activities		
Dividend payments	(367,513)	(255,984)
Net cash used in financing activities	(367,513)	(255,984)
Effect of exchange rate changes on cash and cash equivalents	276,603	73,264
Net (decrease) increase in cash and cash equivalents	(3,031,276)	1,960,788
Cash and cash equivalents, beginning of period	12,742,873	7,612,957
Cash and cash equivalents, end of period	9,711,597	9,573,745

The accompanying notes are an integral part of these consolidated interim financial statements.