



FOR IMMEDIATE RELEASE

The Caldwell Partners International Issues Fiscal 2015 Third Quarter Financial Results

- **Year-over-year third quarter revenue increased 20% to \$14,813,000.**
- **Year-over-year third quarter operating profit increased 42% to \$905,000.**
- **Board declares fourteenth consecutive quarterly dividend of 2.0 cents.**

Toronto, Ontario– July 9, 2015 – Retained executive search firm The Caldwell Partners International Inc. (TSX: CWL) today issued its financial results for the fiscal 2015 third quarter ended May 31, 2015. 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 May 31		Nine Months Ended May 31	
	2015	2014	2015	2014
Revenue	\$14,813	\$12,359	\$39,123	\$31,855
Operating expenses	\$13,908	\$11,726	\$37,400	\$30,764
Operating profit	\$905	\$633	\$1,723	\$1,091
Investment income	\$34	\$6	\$58	\$11
Earnings before tax	\$939	\$639	\$1,781	\$1,102
Net earnings	\$768	\$639	\$1,326	\$1,075
Earnings per share	\$0.036	\$0.030	\$0.062	\$0.057

“We are very pleased with our team’s performance this past quarter,” said John N. Wallace, chief executive officer. “These results represent the ninth consecutive quarter of year-over-year growth for Caldwell Partners, and we believe it is a result of our single-minded focus on improving both the level of service we provide our clients, and the long-term value we deliver to our shareholders.”

Wallace continued: “We have built an incredible team of partners and support staff – each renowned in their space for the depth of their knowledge, the breadth of their experience and the level of care with which they treat our clients. We will continue to expand our partner teams and

our physical footprint where it allows us to strengthen the services we are able to provide to our clients on a global basis. The recent additions of Christopher Coe, Andrew Duncan, and their supporting teams in London are clear evidence of this ongoing strategy, as they add significant depth to our life sciences and financial services practices, respectively.”

The Board of Directors today also declared the payment of a quarterly dividend of 2.0 cents per Common Share payable September 14, 2015 to shareholders of record on July 20, 2015.

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

- Operating revenue:
 - Fiscal 2015 third quarter operating revenue increased by 20% (11% excluding a 9% variance from exchange rate fluctuations) over the comparable period last year to \$14,813 (2014: \$12,359).
 - US revenues increased 15% (2% excluding a 13% favourable variance from exchange rate fluctuations) to \$10,398, driven primarily by an increase in the average number of search partners and higher average fees partially offset by slightly lower search volumes during the current year.
 - Canadian revenues increased 29% to \$4,218 with higher fees more than offsetting the lower average number of search partners and slight decrease in search volumes.
 - Revenues from the Europe operations were \$197.
 - Year to date revenue increased 23% (15% excluding an 8% variance from exchange rate fluctuations) over the prior year to \$39,123 (2014: \$31,855)
- Operating profit:
 - For the third quarter, higher year-over-year revenues (\$2,455) partially offset by the related higher cost of sales (\$1,532) and expenses (\$650) resulted in operating profit of \$905 in the third quarter of fiscal 2015, an increase of \$272 from \$633 in the third quarter of fiscal 2015.
 - Year to date, higher year-over-year revenues (\$7,268) partially offset by the related higher cost of sales (\$4,942) and expenses (\$1,694) resulted in the net increase of \$632 to operating profit of \$1,723 in the first three-quarters of fiscal 2015, up from \$1,091 in the first three-quarters of fiscal 2014.
- Net profit:
 - The third quarter net earnings were \$768 (\$0.036 per share) in fiscal 2015, as compared to \$639 (\$0.030 per share) in the comparable period a year earlier.
 - Year to date net earnings were \$1,326 (\$0.062 per share) in fiscal 2015, as compared to \$1,075 (\$0.057 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.

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THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(unaudited - in \$Canadian)

	<i>As at</i> <i>May 31</i> <i>2015</i>	<i>As at</i> <i>August 31</i> <i>2014</i>
Assets		
Current assets		
Cash and cash-equivalents	7,128,195	12,742,873
Marketable securities	7,865,353	7,809,403
Accounts receivable	8,892,518	8,141,145
Prepaid expenses and other assets	1,594,412	1,364,383
	25,480,478	30,057,804
Non-current assets		
Restricted cash	483,384	452,138
Advances	389,599	195,033
Property and equipment	1,790,492	1,609,811
Intangible assets	375,160	384,470
Goodwill	3,026,543	1,072,315
Deferred income taxes	2,807,803	2,443,435
Total assets	34,353,459	36,215,006
Liabilities		
Current liabilities		
Accounts payable	1,397,415	1,399,983
Compensation payable	14,242,009	15,752,702
Dividends payable	425,503	367,513
Income taxes payable	32,427	1,790,091
Contingent consideration	269,454	-
Deferred revenue	1,314,537	1,974,144
	17,681,345	21,284,433
Non-current liabilities		
Compensation payable	776,032	552,799
Contingent consideration	257,896	-
	18,715,273	21,837,232
Equity attributable to owners of the Company		
Share capital	7,710,063	7,330,563
Contributed surplus	16,254,123	16,253,631
Accumulated other comprehensive income	1,742,142	911,417
Deficit	(10,068,142)	(10,117,837)
Total equity	15,638,186	14,377,774
Total liabilities and equity	34,353,459	36,215,006

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF EARNINGS

(unaudited - in \$Canadian)

	Three months ended		Nine months ended	
	May 31		May 31	
	2015	2014	2015	2014
Revenues	14,813,614	12,358,955	39,123,375	31,855,289
Cost of sales	10,801,626	9,269,216	28,824,444	23,882,823
Gross profit	4,011,988	3,089,739	10,298,931	7,972,466
Expenses				
General and administrative	2,879,483	2,243,929	7,868,201	6,390,132
Sales & marketing	223,079	180,208	666,928	563,222
Foreign exchange loss (gain)	4,286	32,493	41,232	(71,490)
	3,106,848	2,456,630	8,576,361	6,881,864
Operating profit	905,140	633,109	1,722,570	1,090,602
Investment income	33,942	5,897	57,945	11,216
Earnings before income tax	939,082	639,006	1,780,515	1,101,818
Income tax	171,436	284	454,311	26,967
Net earnings for the period attributable to owners of the Company	767,646	638,722	1,326,204	1,074,851
Earnings per share				
Basic and diluted	\$0.036	\$0.030	\$0.062	\$0.057

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE EARNINGS

(unaudited - in \$Canadian)

	Three months ended		Nine months ended	
	May 31		May 31	
	2015	2014	2015	2014
Net earnings for the period	767,646	638,722	1,326,204	1,074,851
Other comprehensive income:				
Items that may be reclassified subsequently to net income				
Unrealized gain on marketable securities	9,024	51,372	28,497	197,801
Cumulative translation adjustment	(47,340)	(78,571)	802,228	103,034
Comprehensive earnings for the period attributable to owners of the Company	729,330	611,523	2,156,929	1,375,686

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(unaudited - in \$Canadian)

	Deficit	Capital Stock	Contributed Surplus	Accumulated Other Comprehensive Income (Loss) Cumulative Translation Adjustment	Unrealized Gains 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 nine month period ended May 31, 2014	1,074,851	-	-	-	-	1,074,851
Dividend payments declared	(1,033,763)	-	-	-	-	(1,033,763)
Share-based payment expense	-	-	4,233	-	-	4,233
Common share issuance	-	3,250,543	-	-	-	3,250,543
Change in unrealized gains on marketable securities available for sale	-	-	-	-	197,801	197,801
Change in cumulative translation adjustment	-	-	-	103,034	-	103,034
Balance - May 31, 2014	(10,642,259)	7,330,563	16,252,220	3,411	878,383	13,822,318
Balance - September 1, 2014	(10,117,837)	7,330,563	16,253,631	(797)	912,214	14,377,774
Net earnings for the nine month period ended May 31, 2015	1,326,204	-	-	-	-	1,326,204
Dividend payments declared	(1,276,509)	-	-	-	-	(1,276,509)
Share-based payment expense	-	-	492	-	-	492
Common share issuance	-	379,500	-	-	-	379,500
Change in unrealized gain on marketable securities available for sale	-	-	-	-	28,497	28,497
Change in cumulative translation adjustment	-	-	-	802,228	-	802,228
Balance - May 31, 2015	(10,068,142)	7,710,063	16,254,123	801,431	940,711	15,638,186

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

	<i>Nine months ended</i>	
	<i>May 31</i>	
	<i>2015</i>	<i>2014</i>
Cash flow provided by (used in)		
Operating activities		
Net earnings for the period	1,326,204	1,074,851
Adjustments for:		
Depreciation	302,353	254,008
Amortization	63,053	57,146
Share-based payment expense	492	4,233
Unrealized foreign exchange on subsidiary loans	18,823	(59,254)
Decrease in non-current severance accrual	-	(148,750)
Increase in long term incentive accrual	223,233	79,182
Disposal of property and equipment	4,932	14,444
Decrease (increase) in accounts receivable	79,475	(1,439,459)
Increase in prepaid expenses and other assets	(39,530)	(273,218)
Decrease in accounts payable	(182,701)	(42,539)
(Decrease) increase in income taxes payable	(1,759,775)	33,257
(Decrease) increase in compensation payable	(2,112,954)	1,937,878
Payment of share-based compensation	(597,589)	(330,313)
(Decrease) increase in deferred revenue	(761,122)	183,422
Net cash (used in) provided by operating activities	(3,435,105)	1,344,889
Investment activities		
Acquisition of business, net of cash acquired	(1,002,794)	-
Increase in marketable securities	(27,453)	(4,000,960)
(Increase) decrease in advances	(111,351)	86,464
Increase in restricted cash	(31,246)	(1,638)
Additions to property and equipment	(377,938)	(445,268)
Net cash used in investing activities	(1,550,782)	(4,361,402)
Financing activities		
Dividend payments	(1,218,519)	(922,232)
Common share issuance	-	3,250,543
Net cash (used in) provided by investing activities	(1,218,519)	2,328,311
Effect of exchange rate changes on cash and cash equivalents	589,728	196,379
Net decrease in cash and cash equivalents	(5,614,678)	(491,823)
Cash and cash equivalents, beginning of period	12,742,873	7,612,957
Cash and cash equivalents, end of period	7,128,195	7,121,134