CALDWELL
THE CALDWELL PARTNERS
INTERNATIONAL

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January 14, 2009

Dear Fellow Shareholders:

Operating revenue declined 9.1 percent in the 2009 first quarter to $4,136,202 compared with the 2008 period, which had been a particularly strong quarter following a surge of assignments booked in the latter part of 2007. Indicative of this is that the operating revenue for the 2009 first quarter was 33 percent higher than in the 2007 first quarter. New bookings in the 2009 quarter were up slightly from those in the 2008 first quarter.

All references to quarters or years are for the fiscal periods unless otherwise noted and all currency amounts are in Canadian dollars.

Financial Highlights

	Three Months Ended Nov. 30, 2008	**Three Months Ended Nov. 30, 2007**
Operating revenue	$4,136,202	$4,552,685
Expenses	5,089,511	4,371,684
Operating (loss) income	(953,309)	181,001
Investment (loss) income	95,871	64,385
Net (loss) earnings	($ 531,852)	$ 160,423
Earnings per share	($0.032)	$0.009

Gross operating profit before general and administrative expenses decreased in the 2009 first quarter by 62.4 percent to $511,000, or a gross margin of 12.4 percent, compared with $1,359,000, or a gross margin of 29.9 percent in the 2008 period. Total expenses before amortization increased to $5,089,511, up 16.9 percent from $4,282,059 in the 2008 first quarter. Factors accounting for the increase include increased management compensation, due in part to the addition of John N. Wallace as President and Chief Executive Officer; accruals for management bonuses, whereas there were none in the 2008 quarter; and higher legal fees of $163,000, compared with $90,000 in the prior-year period. The increased fees mainly are the result of defending and settling a Statement of Claim filed in November 2006.

The company has submitted a claim on its Directors and Officers insurance to cover its litigation expense and has been informed that a portion of the costs will be covered. A reimbursement of $47,000 has been received and recognized in the 2009 first quarter. As previously announced, on November 27, 2008, the company signed a settlement agreement with the litigants and therefore it expects that its legal expenses will significantly decline in future quarters.

Reflecting the lower operating revenue and increased operating expenses, the company recorded a net operating loss for the first-quarter 2009 of $953,309, compared with a net operating profit of $181,001 in the 2008 period.

Operating revenue and operating income are non-GAAP (generally accepted accounting principles) measures. The company believes, however, that they provide a useful understanding of the performance of its core human capital services operations as they exclude income or loss from investments and taxes.

Investment income was $95,871 in the 2009 first quarter, compared with $64,385 a year earlier. The 2008 first quarter included a realized capital loss of $73,616. Reflecting the marked decline in stock markets, the market value of the company's investments declined to $7,523,578, being $3,947,000 below book cost. This unrealized loss is reflected in the Consolidated Statements of Comprehensive Income and in the Balance Sheet's value of marketable securities at November 30, 2008. Total cash, short-term deposits, and marketable securities were $15,105,156, down from $19,575,461 a year earlier.

After recording a recovery for income taxes ($325,586), the company had a net loss of $531,852 ($0.032 per share), compared with net income in the 2008 period of $160,423 ($0.009 per share).

As the result of the unrealized loss in marketable securities and the net loss incurred by the company, the value of its marketable securities plus cash and equivalents declined to $15.1 million at the end of the 2009 first quarter, compared with $18.9 million at the 2008 year-end.

In the 2008 fourth quarter, the Board of Directors determined that the payment of cash dividends of $0.02 per share should be suspended. In view of the company's 2009 first-quarter net loss, the Board continued this suspension.

Outlook – Company Continuing to Invest for Long-Term, Sustainable Growth

For the balance of this year, we recognize that the weak economic situation inevitably will have some near-term impact on our business. We are continuing to see good activity across the country, but also a slowing in demand as organizations are taking longer to move on filling positions.

In this environment, we are fortunate that our company is lean with a highly experienced group of partners and professional staff, many of whom have worked through tough economic periods in the past. We are financially strong and therefore able to continue investing for the future growth of the company to create long-term, sustainable value for our shareholders. We currently intend to add additional experienced partners in our Canadian practice, as well as to proceed during the year with our previously announced plans to establish at least one office and possibly two in the United States.

Annual Meeting and Special Class meetings on February 19

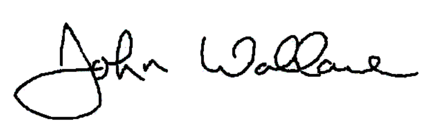
The Annual Meeting will be held on February 19, 2009 at 4:30 p.m. (Eastern) at the Toronto Yorkville InterContinental Hotel. In conjunction with the Annual Meeting, the company will hold special class meetings for the Class A and Class B shareholders who will be asked to approve a resolution amending the company's Articles of Incorporation. The resolution is in accordance with the legal settlement agreement reached on November 27, 2008. The Class A and Class B shareholders will be asked to approve a resolution that will provide for the automatic conversion of all Class B shares in to Class A non-voting shares effective November 1, 2011 at a ratio of 1.149 Class A non-voting shares for each Class B share. The result of this conversion is that effective November 1, 2011 the company will have a single class of shares with equal voting rights.

At the Annual Meeting, shareholders will be asked to approve the re-election of the company's five current directors as well as three new directors, as provided for in the November 27, 2008 settlement agreement. The three additional directors will be John N. Wallace, the company's President and Chief Executive Officer and two independent directors, Kathy A. Welsh and Richard D. Innes.

Ms. Welsh has been a senior executive with companies in a number of different industries and has been an independent consultant since 2004. From 2002 to 2004, she served as Chief Financial officer and Corporate Secretary of Radian Communication Services Corporation. Since the mid-1980s, Ms. Welsh has held a number of other senior financial positions, including as CFO for Simvest Solutions, The Second Cup, and Canada Bread. She began her business career as a senior accountant with KPMG, subsequently holding a number of management positions at Holt Rinehart & Winston of Canada Limited and then Controller at Innopac Inc. Ms. Welsh earned her CA designation in 1982 and in 2008 became an Institute Certified Director of the Institute of Corporate Directors. She has served as a Director or Trustee for a number of organizations. Ms. Welsh holds a B. Comm. (Honours – Gold Medalist) from Queen's University.

Mr. Innes currently is a Director of General Nutrition Centers Inc. and an advisor to J.C. Clark Ltd., an investment management company. From 1997 to 2007, Mr. Inness was President and Chief Executive Officer of Arbor Memorial Services Inc., a TSX-listed company operating cemeteries, crematoria, and funeral homes across Canada. Mr. Innes' lengthy and broad business careers includes serving as President of the Frozen Products and Industrial divisions of Ault Foods, and other senior roles as Catelli, Nabisco Brands Limited, Playtex Limited, Canadian Marketing Associates, and Proctor & Gamble, where he began his career. He holds an Honours Business Administration degree from the University of Western Ontario.

Yours sincerely,



C. Douglas Caldwell
Founder and Chairman

John N. Wallace
President and Chief Executive Officer

January 14, 2009

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED BALANCE SHEET
(unaudited)

	As at November 30		*As at August 31*
	2008	*2007*	*2008*
Assets			
Cash and short-term deposits	$7,581,578	$7,036,857	$8,007,963
Accounts receivable	2,003,430	3,595,019	3,029,381
Income taxes receivable	1,237,197	733,453	1,080,959
Prepaid expenses	133,627	198,135	181,222
	10,955,832	11,563,464	12,299,525
Marketable securities	7,523,578	12,538,604	10,909,603
Loans receivable, net	437,992	248,064	418,978
Property and equipment	1,827,971	2,149,483	1,859,562
Future income taxes	340,000	24,041	340,000
	$21,085,373	$26,523,656	$25,827,668
Liabilities			
Accounts payable and accrued liabilities	$3,538,809	$2,652,304	$4,637,343
Deferred revenue	282,243	297,253	256,409
Current portion of incentive accrual	530,250	0	530,250
	4,351,302	2,949,557	5,424,002
Long-term incentive accruals	1,837,892	1,469,712	1,599,266
Future income taxes	339,928	371,543	339,928
Shareholders' equity			
Capital stock	19,590,338	20,582,979	19,603,150
Contributed surplus	511,160	204,804	488,693
(Defecit) retained earnings	(1,597,927)	851,649	(1,066,076)
Accumulated other comprehensive (loss) income	(3,947,320)	93,412	(561,295)
	14,556,251	21,732,844	18,464,472
	$21,085,373	$26,523,656	$25,827,668

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENT OF EARNINGS

(unaudited)

	Three months ended November 30	
	2008	*2007*
Operating revenue	$4,136,202	$4,552,685
Expenses		
Employee compensation, general and administration	5,007,799	4,282,059
Amortization	81,712	89,625
	5,089,511	4,371,684
(Loss) income before the following:	(953,309)	181,001
Investment income	95,871	64,385
Net (loss) income before tax	(857,438)	245,386
(Recovery of) provision for income taxes	(325,586)	84,963
Net (loss) earnings for the period	($531,852)	$160,423
Earnings per share	($0.032)	$0.009

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

	Three months ended November 30	
	2008	*2007*
Net (loss) earnings for the period	($531,852)	$160,423
Other comprehensive income:		
Unrealized loss on marketable securities (net of tax)	(3,386,025)	(248,451)
Comprehensive loss	($3,917,877)	($88,028)

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND ACCUMULATED OTHER COMPREHENSIVE INCOME

(unaudited)

	Three months ended November 30	
	2008	*2007*
Shareholders' equity - beginning of period	$18,464,472	$21,832,880
Net (loss) earnings for the period	(531,852)	160,423
Issuance of stock options	17,093	0
Cancellation of Class A shares	(7,437)	(12,691)
Dividends on Class A and Class B shares	0	(341,180)
Other comprehensive (loss) income	(3,386,025)	93,412
Shareholders' equity - end of period	$14,556,251	$21,732,844
Accumulated other comprehensive (loss) income - beginning of period	($561,295)	$0
Adoption of new handbook standard (net of tax)	0	341,863
Unrealized loss on marketable securities (net of tax)	(3,386,025)	(248,451)
Accumulated other comprehensive (loss) income - end of period	($3,947,320)	$93,412

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

	Three months ended November 30	
	2008	*2007*
Operating Activities		
Net (loss) earnings for the period	($531,852)	$160,423
Items not affecting cash		
Amortization	81,712	89,625
Loss on sale of investments	0	73,616
Issuance of stock options	17,093	0
Non-cash incentive compensation	238,626	132,564
	(194,421)	456,228
Net increase in working capital balances related to operations	(174,407)	(93,084)
	(368,828)	363,144
Investment Activities		
Proceeds on sale of marketable securities	0	1,236,427
Additions to property and equipment	(50,120)	(48,135)
	(50,120)	1,188,292
Financing Activities		
Dividends on Class A and Class B Shares	0	(341,180)
Cancellation of Class A Shares	(7,437)	(12,691)
	(7,437)	(353,871)
Net (decrease) increase in cash and cash equivalents during the period	(426,385)	1,197,565
Cash and cash equivalents, beginning of period	8,007,963	5,839,292
Cash and cash equivalents, end of period	$7,581,578	$7,036,857