For Immediate Release

The Caldwell Partners Issues Fiscal 2009 Third-Quarter Financial Results

- Company remains focussed on growth, investing to build a strong platform for sustainable revenue and profitable future returns
- Continues to expand its organization in the United States and strengthen operations in Canada - approximately one-third of its partners now based in five U.S. cities
- Growth of U.S. business offsetting some of the effect of the recession on operating revenue
- Costs of executing growth strategy placing expected pressure on profit margin

Toronto, Ontario – July 9, 2009 – Retained executive search firm The Caldwell Partners International Inc. (TSX: CWL.A) today issued its financial results for the fiscal 2009 third quarter ended May 31, 2009. 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 May 31, 2009	**Three Months Ended May 31, 2008**	**Nine Months Ended May 31, 2009**	**Nine Months Ended May 31, 2008**
Operating revenue	$4,091,551	$4,634,839	$11,539,547	$12,680,812
Expenses	5,609,652	4,550,436	14,484,665	13,073,004
Operating (loss) income	(1,518,101)	84,403	(2,945,118)	(392,192)
Investment income (loss) net	(1,223,930)	154,308	(1,079,968)	842,838
Net (loss) earnings	($2,459,733)	$ 69,145	($3,277,826)	$ 441,480
(Loss) earnings per share	($0.15)	$0.004	($0.20)	$0.026

"The economic recession has significantly affected our business in the 2009 third quarter. As to comparing it with our performance a year ago, it also is noteworthy that the company achieved a strong third-quarter performance in 2008," said John N. Wallace, President and Chief Executive Officer. "We entered the economic downturn with a lean organization and have not had to eliminate many positions as the result of the slump.

"More significantly, we have taken advantage of our financial strength and market opportunities to strategically expand our organization and business, and to build a solid platform for sustainable revenue and profitable future returns. Our planned expansion into the United States continues. Since February, we have added offices in Los Angeles, San Francisco, and Dallas, and additional partners in New York City and Chicago. We also recently have added partners in our Toronto and Calgary offices. Today, nearly one-third of our 23 partners are located in the U.S. In the coming year, we are planning further growth in the U.S. through the addition of accomplished search partners, and will also remain focussed on strengthening our Canadian team." he continued.

"It is our intention that The Caldwell Partners will emerge from the recession in a significantly stronger industry position. We plan to have a greater number of highly experienced, accomplished partners located in key cities across North America, serving a broader base of business geographically and by sectors and practices. We believe that this will result in strong revenue growth in 2010 and beyond," Mr. Wallace said.

"We have made very good progress thus far in executing our plan to strengthen The Caldwell Partners for the future and have incurred additional costs as anticipated. The net loss that we incurred in the 2009 third quarter and for the first nine months of the year reflects the impact of the recession on our business, particularly in Canada and the costs related to our adding new partners to grow our organization. As well, the company is transitioning to a new compensation plan for our partners that is expected to facilitate our attracting and retaining high-calibre talent. This transition has added incrementally to our costs. Also, the decision to increase our liquidity through the sale of a substantial portion of our equity investments contributed significantly to this loss." Mr. Wallace said.

Financial Results

Operating revenue declined 11.7 percent in the third quarter and 9.0 percent in the first nine months compared with the comparable 2008 periods. The addition of partners in the United States generated operating revenue of $675,558 in the 2009 third quarter and $956,471 through the first nine months of the year (no revenue in the 2008 period), however this did not offset the effects of the recession on the company's business in Canada, which declined approximately 23 percent in the third quarter and 17 percent for the nine-month period compared with the respective 2008 levels. Although the number of search assignments in Canada was lower in 2009 than a year ago, average fee revenues per engagement were higher. Revenue for interim executive fulfillments also significantly increased in the 2009 periods compared with the 2008 levels, however, this was more than offset by a decline in print advertising revenue.

Direct costs associated with the generation of revenue increased about 18 percent in the 2009 third quarter and approximately 12 percent for the first nine months, compared to the 2008 periods. This increase is largely attributable to the execution of the Company's announced plan to invest in new offices, and new partners and search staff in the United States. While all of these partners are established search professionals, it will take some time for their revenues to properly align with compensation levels. In the interim, as anticipated, continued investment in the United States will put pressure on profitability in 2009 and 2010. As well, the Company is transitioning to a new partner compensation plan this year to better attract and retain high-calibre talent. This has added incrementally to operating costs in fiscal 2009.

Reflecting the lower operating revenue levels and increased direct costs, gross operating profit before general and administrative expenses decreased in the 2009 third quarter and first nine months to $492,000 and $1,571,000, respectively, compared with $1,586,000 and $3,803,000 in the comparable 2008 period. Gross margins were 12.0 percent and 13.6 percent in the 2009 third quarter and first nine months, down from 34.2 percent and 30.0 percent in the respective 2008 periods.

The additional overhead of establishing and running the new offices in the United States was the principal reason for a 33.9 percent increase in general and administrative expenses before amortization to $2,010,000 in the 2009 third quarter from $1,501,000 in the 2008 period; in the first nine months of 2009, these expenses were $4,516,000, up 7.7 percent from $4,195,000 in the 2008 period. The nine-month 2009 expenses also reflect reduced legal costs, compared with the level in the 2008 period, as well as recoveries amounting to $399,000 from the company's insurer of costs incurred for litigation that has been settled. Compensation costs also rose in the first nine months of 2009 compared with the 2008 period as the result of the addition of Mr. Wallace.

For the 2009 third quarter and first nine months, the company had an operating loss of $1,518,101 and $2,945,118, respectively; in the 2008 periods, the company reported operating income of $84,403 and an operating loss of $392,192 in the comparable 2008 periods.

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.

The company determined that to preserve its capital and to increase its liquidity, in part to provide funds to finance the expansion of The Caldwell Partners' business in the U.S., it would sell its holdings in a professionally managed equity fund in the 2009 third quarter. This resulted in the recognition of losses that had previously been unrealized and recorded as part of other comprehensive income. Proceeds from the sale of the equity fund were then reinvested in a professionally managed income fund. Further capital losses are expected in the fourth quarter as The Caldwell Partners continues to increase its liquidity while reducing the company's exposure to the vagaries of common and preferred shares.

The company recorded a loss on its investments of $1,223,930 in the 2009 third quarter, compared with investment income of $154,308 in the 2008 period; for the first nine months of 2009, the loss on investments amounted to $1,079,968, compared with investment income of $842,838 in the 2008 nine-month period. In the 2008 second quarter, the company had recorded investment income of $568,000 that had been earned in 2007 (according to the issuance of tax receipts) by the professionally managed funds used for a portion of its investment portfolio. Subsequently, it was concluded that, given the nature of these managed funds, recognition of this income was not appropriate under the new accounting standards for financial instruments and the amount was reversed in the 2008 fourth quarter.

Reflecting the dramatic decline in stock markets, the market value of the company's investments was $1,806,000 below book cost as at May 31, 2009. Total cash, short-term deposits, and marketable securities amounted to $12,547,980 at May 31, 2009, compared with $18,917,566 at August 31, 2008. The decline is due mainly to the realized and unrealized losses on marketable securities, the decrease in working capital balances, and the net loss experienced by the company in the first nine months of 2009.

After recording a recovery for income taxes ($282,298), the company had a net loss of $2,459,733 ($0.15 per share) in the 2009 third quarter, compared with net income in the 2008 period of $69,145 ($0.004 per share). For the first nine months of 2009, the net loss after a recovery for income taxes of $742,260 was $3,277,826 ($0.20 per share), compared with net income in the first nine months of 2008 of $441,480 ($0.026 per share).

On April 8, 2009, The Caldwell Partners announced that the Toronto Stock Exchange had accepted its notice of intention to conduct a normal-course issuer bid (NCIB) to enable it to purchase up to 626,000 of its Class A Non-Voting Shares, representing approximately five per cent of the approximately 12,523,423 Class A Shares outstanding as at March 31, 2009. Purchases under the bid may continue until April 12, 2010 or until the company completes its permitted purchases or until the date of notice by The Caldwell Partners of termination of the bid. The company is currently in a deficit position and, as a result, has been unable to make purchases under this NCIB.

Outlook

"It is evident that the weak economies will continue to affect our industry in our fourth quarter and into at least the first part of our fiscal 2010 year. We expect to continue to experience pressure on our Canadian business, but the impact of this will be somewhat mitigated by the continuing growth of our expanding operations in the United States. While we are planning for revenue growth over the course of the next year, the costs of growing our business will continue to place pressure on our margins," said Mr. Wallace.

"We remain financially strong and well able to fund the planned growth of our North American organization. Our focus is on positioning The Caldwell Partners to enjoy significant growth as the economies recover and through this we expect to increase the value of our company for our shareholders. We are pleased with the progress that we have been making throughout this year in executing our strategic growth plan," he said.

About The Caldwell Partners

Retained executive search firm The Caldwell Partners International Inc., founded in 1970, provides human-capital services to its clients through its offices in Vancouver, San Francisco, Los Angeles, Dallas, Calgary, Toronto, and Montreal, and its partners in Chicago and New York City. The Caldwell Partners focuses, in particular, on recruiting "C-class" executives (chief executive, chief financial, chief information officers, as well as other senior executives). The Caldwell Partners takes pride in delivering unmatched depth of service and expertise to its clients, the calibre and experience of its staff, and the successful completion of its engagements. The Caldwell Partners founded and continues to promote the prestigious national awards programs recognizing Canada's Outstanding CEO of the Year™ and Canada's Top 40 Under 40™, and advises and supports the Canada's CFO of the Year Award™ program. In 2009, the Canada's Outstanding CEO of the Year™ and Canada's Top 40 Under 40™ programs are marking their respective 19th and 14th anniversaries.

The Caldwell Partners' Class-A non-voting shares are listed on The Toronto Stock Exchange (TSX: CWL.A). 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 BALANCE SHEET
(unaudited)

	As at May 31 2009	*As at May 31 2008*	*As at August 31 2008*
Assets			
Current Assets			
Cash and cash equivalents	$4,103,749	$8,651,424	$8,007,963
Accounts receivable	2,253,787	2,882,846	3,029,381
Income taxes receivable	1,188,401	910,976	1,080,959
Prepaid expenses	242,518	185,750	181,222
	7,788,455	12,630,996	12,299,525
Marketable securities	8,444,231	11,541,355	10,909,603
Loans receivable, net	1,223,559	422,746	418,978
Property and equipment	1,985,522	1,964,043	1,859,562
Future income taxes	340,000	20,236	340,000
	$19,781,767	$26,579,376	$25,827,668
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	$3,053,880	$3,292,564	$4,637,343
Deferred revenue	269,301	410,004	256,409
Current portion of incentive accrual	530,250	530,250	530,250
	3,853,431	4,232,818	5,424,002
Long-term incentive accrual	1,595,979	1,360,640	1,599,266
Future income taxes	339,928	351,417	339,928
Shareholders' equity			
Capital stock	16,064,122	20,445,059	19,603,150
Contributed surplus	4,078,444	204,803	488,693
(Deficit) retained earnings	(4,343,948)	450,553	(1,066,076)
Accumulated other comprehensive loss	(1,806,189)	(465,914)	(561,295)
	13,992,429	20,634,501	18,464,472
	$19,781,767	$26,579,376	$25,827,668

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENT OF EARNINGS (LOSS)

(unaudited)

	Three months ended May 31		*Nine months ended May 31*	
	2009	*2008*	*2009*	*2008*
Operating revenue	$4,091,551	$4,634,839	$11,539,547	$12,680,812
Expenses				
Employee compensation, general and administration	$5,505,393	4,468,247	14,210,328	12,809,950
Amortization	104,259	82,189	274,337	263,054
	5,609,652	4,550,436	14,484,665	13,073,004
(Loss) earnings before the following	(1,518,101)	84,403	(2,945,118)	(392,192)
Investment (loss) income, net	(1,223,930)	154,308	(1,079,968)	842,838
Net (loss) earnings before tax	(2,742,031)	238,711	(4,025,086)	450,646
Income tax (recovery) expense	(282,298)	169,566	(747,260)	9,166
Net (loss) earnings for the period	($2,459,733)	$69,145	($3,277,826)	$441,480
(Loss) earnings per share	($0.150)	$0.004	($0.200)	$0.026

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

	Three months ended May 31		*Nine months ended May 31*	
	2009	*2008*	*2009*	*2008*
Net (loss) earnings for the period	($2,459,733)	$69,145	($3,277,826)	$441,480
Other comprehensive income:				
Unrealized gain/(loss) on marketable securities	2,480,395	330,061	(1,244,895)	(807,777)
Comprehensive earnings (loss)	$20,662	$399,206	($4,522,721)	($366,297)

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND ACCUMULATED OTHER COMPREHENSIVE INCOME

(unaudited)

	Three months ended May 31		*Nine months ended May 31*	
	2009	*2008*	*2009*	*2008*
Shareholders' equity - beginning of period	$13,951,257	$21,424,421	$18,464,472	$21,832,879
Net (loss) earnings for the period	(2,459,733)	69,145	(3,277,826)	441,480
Issuance of stock options	20,511	0	58,116	0
Repurchase of Class A shares	0	(52,108)	(7,437)	(150,600)
Dividends on Class A and Class B shares	0	(341,043)	0	(1,023,344)
Realized loss on available-for-sale marketable securities	1,220,477	0	1,220,477	0
Other comprehensive gain (loss)	1,259,918	0	(2,465,371)	0
Shareholders' equity - end of period	$13,992,430	$21,100,415	$13,992,430	$21,100,415
Accumulated other comprehensive loss - beginning of period	($4,286,584)	($795,975)	($561,295)	$0
Adoption of new handbook standard (net of tax)	0	0	0	341,863
Realized loss on available-for-sale marketable securities	1,220,477	0	1,220,477	0
Change in unrealized gains (losses) on available-for-sale marketable securities	1,259,918	330,061	(2,465,371)	(807,777)
Accumulated other comprehensive loss - end of period	($1,806,189)	($465,914)	($1,806,189)	($465,914)

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited)

	Three months ended May 31		*Nine months ended May 31*	
	2009	*2008*	*2009*	*2008*
Operating Activities				
Net (loss) earnings for the period	($2,459,733)	$69,145	($3,277,826)	$441,480
Items not affecting cash				
Amortization	104,259	82,189	274,337	263,054
Loss on sale of marketable securities	1,220,477	19,811	1,220,477	160,757
Other realized losses on investments	0	(71,016)	0	(638,992)
Future income taxes	0	106,875	0	106,874
Stock compensation expense	20,511	0	58,116	0
Increase (decrease) in non-cash incentive compensation	125,277	238,626	(3,288)	553,742
	(989,209)	445,630	(1,728,184)	886,915
Net increase (decrease) in working capital balances related to operations	661,975	982,518	(1,768,296)	1,032,279
	(327,234)	1,428,148	(3,496,480)	1,919,194
Investment Activities				
Proceeds on sale of marketable securities	(2,791,079)	452,099	(2,791,079)	2,103,006
Purchase of marketable securities	2,791,079	0	2,791,079	0
Additions to property and equipment	(205,941)	32,990	(400,297)	(36,124)
	(205,941)	485,089	(400,297)	2,066,882
Financing Activities				
Dividends paid	0	(341,043)	0	(1,023,344)
Repurchase of Class A Shares	0	(52,108)	(7,437)	(150,600)
	0	(393,151)	(7,437)	(1,173,944)
Net (decrease) increase in cash and cash equivalents during the period	(533,175)	1,520,086	(3,904,214)	2,812,132
Cash and cash equivalents, beginning of period	4,636,924	7,131,338	8,007,963	5,839,292
Cash and cash equivalents, end of period	$4,103,749	$8,651,424	$4,103,749	$8,651,424