For Immediate Release

The Caldwell Partners Issues Fiscal 2010 First-Quarter Financial Results

- Company now operating as a truly North American organization with an equal number of partners in Canada and the United States
- Incremental revenue from US operations contribute significantly to quarterly volume, offsetting Canadian recessionary declines
- Operating and net loss in the first quarter reflect the ongoing effects of the recession and costs being incurred as the company continues to invest in growing its organization to achieve long-term growth

Toronto, Ontario – January 13, 2010 – Retained executive search firm The Caldwell Partners International Inc. (TSX: CWL.A) today issued its financial results for the fiscal 2010 first quarter ended November 30, 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
(in $000s)

	Three Months Ended November 30, 2009	**Three Months Ended November 30, 2008**
Operating revenue	$ 4,396	$ 4,136
Expenses	5,592	5,090
Operating loss	(1,196)	(953)
Investment income	25	96
Net loss	($1,171)	($ 532)
Loss earnings per share	($ 0.07)	($0.03)

"The Caldwell Partners began 2010 as a truly North American company," said John N. Wallace, President and Chief Executive Officer. "At the outset of our fiscal 2009 year, we had no operations and no partners in the United States. At the beginning of 2010, we have an equal number of partners in Canada and the United States – 28 partners in total. We now have partners located in six cities in the United States, giving us a solid foundation on which we expect to continue building our presence in that dynamic marketplace. We took advantage of our company's financial strength and the economic recession to invest in attracting a core of excellent professionals for our operations in the United States. Now, as the economic recovery slowly unfolds, we are positioned to build this business and add selectively to our organization.

"The importance of this strategic decision to establish our operations in the United States was very evident in the company's first quarter of 2010," Mr. Wallace continued. "The incremental revenue that we generated in the United States more than offset declines in our Canadian business as we managed our way through the recession that continued through this period. We believe that because of the effects of the recession, the progress that we have made in building our business and the strengths now inherent in our organization are not yet fully evident.

"We began to see an upturn in our business in October and November with improved bookings. We are hopeful that this is indicative of an uptrend for the year, if economic conditions continue to gradually improve. With an economic recovery, we also can expect increasing compensation levels and this should be reflected in further increases in the average level of recruitment assignment fees.

"During the recession, organizations have tightly managed their costs, reducing their management ranks through attrition and layoffs, while limiting their recruiting. It is reasonable to expect that, as we have seen in other economic recoveries, there will be a need for increased recruiting as growth resumes and organizations need to replenish their executive teams. This should include the financial services sector, in particular, an area in which The Caldwell Partners has an established practice focus.

While others in our industry reduced professional headcount over the past year, we chose to retain and build on ours. We now have double the revenue-producing potential than at this point last year and are well-positioned to provide exceptional service to our clients as their executive recruitment needs increase.

While dependent on the continued North American economic recovery, we have a growing confidence that the outlook for our industry and our business in particular will improve through this year," Mr. Wallace said.

Financial Results

Operating revenue increased 6 percent in the 2010 first quarter compared with the 2009 period entirely as the result of the company establishing its operations in the United States during the past year. Operating revenue in the United States amounted to $1.6 million in the first quarter of 2010, compared with none in the 2009. During 2009, The Caldwell Partners established and expanded its presence in the United States with the addition of 14 partners in major cities across the country.

The company's growth in the United States more than offset a 33 percent decline in revenues in its Canadian operations to $2.8 million from $4.1 million in the 2009 quarter. The Canadian and United States operations were both adversely affected by the poor economic conditions prevailing in North America and internationally. The decline and a change in the mix of recruitment assignments in Canada also were reflected in dramatically reduced print advertising revenue. However, after experiencing weaker bookings at the outset of the first quarter, the Canadian and United States operations business activity strengthened in October and November, as it appeared that a slow economic recovery was beginning.

The Canadian operations also reported a significant increase in the average fees for engagements. The Canadian operations continue to focus on attracting higher-value search assignments and this resulted in a 14 percent increase in the average fees per assignment in the first quarter of 2010 compared with a year earlier. Average fees in the United States are higher as the result of the differences in the markets and relatively higher American compensation levels.

Direct costs associated with the generation of operating revenue increased 4 percent in the 2010 first quarter to $3.8 million, compared with $3.6 million a year earlier, mainly as the result of the growth in revenue and the costs of adding new partners. The growth in the operations in the United States more than offset a sharp decline in the level of direct costs in Canada. The increased cost related to adding new partners and offices is consistent with the company's strategic growth plan. The further execution of this plan is expected to continue to put pressure on the company's profitability through 2010.

Gross operating profit before general and administrative expenses for the 2010 first quarter rose 26 percent to $0.6 million, compared with $0.5 million in the prior-year period as the result of the increased operating revenue and proportionally lower increase in direct costs. Average gross margins improved to 15 percent from 12 percent in the 2009 quarter.

The establishment of the operations in the United States, including the addition of five offices that were not in place in the 2009 first quarter was the principal reason why general and administrative expenses rose 26 percent to $1.8 million in the 2010 first quarter, compared with $1.5 million a year earlier. The increase in US general and administrative expenses more than offset decreased expenses in Canada that occurred mainly because of a reduction in the Chairman's compensation and lower legal expenses.

The company's operating loss for the 2010 first quarter amounted to $1.2 million, compared with a loss of $1.0 million in the 2009 period.

Operating revenue, gross operating profit/loss and operating income/loss 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.

For 2009, the company recorded investment income, comprising interest and dividends, of $0.025 million, compared with $0.096 million in the 2009 quarter. The reduced income is the result of a decrease in the amount of funds invested. As at November 30, 2010, the market value of investments was $0.243 million above book value. This unrealized gain has been reflected in both other comprehensive income and in the stated value of the investment portfolio.

The net loss before tax for the 2010 first quarter amounted to $1.2 million, compared with a net loss before tax of $0.857 million in the 2009 period. Income tax recoveries of $0.326 million were recognized in the first quarter of 2009 yielding a net after tax loss of $0.532 million ($0.03 per share). These recoveries were reversed in the fourth quarter of 2009. No tax recoveries were recognized on the 2010 first quarter losses, resulting in a net after tax loss of $1.2 million ($0.07 per share).

As the result of the company's operating loss, investment losses, and use of cash to invest in the growth of its business, the Caldwell Partners had $9.4 million of marketable securities plus cash and cash equivalents at the end of the 2010 first quarter, down from $10.0 million at the end of fiscal 2009. The company expects to continue using its financial strength to carry out its strategic growth plan through the growth and strengthening of its operations across the Unites States and Canada. Management believes that the company has sufficient liquidity and cash resources to fund both its ongoing operations and its strategic growth initiatives.

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 and partners in Vancouver, San Francisco, Los Angeles, Dallas, Calgary, Chicago, Toronto, Stamford, 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 2010, the Canada's Outstanding CEO of the Year™ and Canada's Top 40 Under 40™ programs are marking their respective 20th and 15th 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.caldwell.ca 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	
	November 30 2009	*August 31 2009*
Assets		
Cash and short-term deposits	$4,041,281	$4,718,014
Marketable securities	5,392,510	5,325,160
Accounts receivable	2,549,154	3,097,334
Income taxes receivable	359,618	320,578
Prepaid expenses and other assets	883,460	1,020,029
	13,226,023	14,481,115
Loans receivable, long-term	413,254	418,937
Property and equipment	1,753,729	1,721,900
Intangible assets	1,096,863	1,181,392
Goodwill	419,654	415,896
	$16,909,523	$18,219,240
Liabilities		
Accounts payable and accrued liabilities	$3,656,438	$3,938,743
Deferred revenue	266,505	326,209
Current portion of incentive accrual	530,250	530,250
	4,453,193	4,795,202
Long-term incentive accruals	1,846,533	1,721,256
Shareholders' equity		
Capital stock	16,064,078	16,064,078
Contributed surplus	4,109,915	4,098,998
Deficit	(9,806,928)	(8,635,678)
Accumulated other comprehensive income (loss)	242,732	175,384
	10,609,797	11,702,782
	$16,909,523	$18,219,240

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENT OF LOSS

(unaudited)

	Three months ended November 30 *2009*	*2008*
Operating revenue	$4,396,216	$4,136,202
Expenses		
Employee compensation, general and administration	5,425,009	4,924,226
Depreciation	77,142	63,165
Amortization of intangibles	85,435	18,547
Foreign exchange loss	4,611	1,861
	5,592,197	5,089,511
Loss before the following	(1,195,981)	(953,309)
Investment income	24,731	95,871
Loss before tax	(1,171,250)	(857,438)
Recovery of income taxes	0	(325,586)
Net loss for the period	($1,171,250)	($531,852)
Loss per share	($0.071)	($0.032)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(unaudited)

	Three months ended November 30 *2009*	*2008*
Net loss for the period	($1,171,250)	($531,852)
Other comprehensive income:		
Unrealized gain (loss) on marketable securities	67,348	(3,386,025)
Comprehensive loss	($1,103,902)	($3,917,877)

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

(unaudited)

	Deficit	Capital Stock Class A Non-Voting Shares	Capital Stock Class B Voting Shares	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance - August 31, 2008	**($1,066,075)**	**$19,582,200**	**$20,950**	**$488,693**	**($561,295)**	**$18,464,473**
Net loss for the year ended August 31, 2009	(7,569,603)	-	-	-	-	(7,569,603)
Repurchase and cancellation of Class A Non-voting Shares	-	(12,811)	-	5,416	-	(7,395)
Stock compensation				78,628		78,628
Reduction of stated capital		(3,522,490)	(3,771)	3,526,261		0
Change in unrealized gains and losses on marketable securities available for sale	-	-	-	-	736,679	736,679
Balance - August 31, 2009	**($8,635,678)**	**$16,046,899**	**$17,179**	**$4,098,998**	**$175,384**	**$11,702,782**
Net loss for the period ended November 30, 2009	(1,171,250)	-	-	-	-	(1,171,250)
Stock compensation				10,917		10,917
Change in unrealized gains and losses on marketable securities available for sale	-	-	-	-	67,348	67,348
Balance - November 30, 2009	**($9,806,928)**	**$16,046,899**	**$17,179**	**$4,109,915**	**$242,732**	**$10,609,798**

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

	Three months ended November 30	
	2009	*2008*
Operating Activities		
Net loss for the period	($1,171,250)	($531,852)
Items not affecting cash		
Depreciation	77,142	63,165
Amortization of intangibles	85,435	18,547
Stock compensation expense	10,917	17,093
Non-cash incentive compensation	125,277	238,626
	(872,479)	(194,421)
Net changes in working capital balances related to operations		
Decrease in accounts receivable	548,178	1,025,951
Increase in income taxes receivable	(39,040)	(156,239)
Decrease in prepaid expenses and other assets	136,569	25,273
Decrease in accounts payable and accrued liabilities	(282,305)	(1,098,534)
(Decrease) increase in deferred revenue	(59,704)	25,834
	(568,781)	(372,136)
Investment Activities		
Decrease in loans receivable, long-term	5,683	3,308
Additions to property and equipment	(108,971)	(50,120)
Acquisition of business costs	(3,758)	0
Acquisition of intangible assets	(906)	0
	(107,952)	(46,812)
Financing Activities		
Cancellation of Class A Shares	0	(7,437)
	0	(7,437)
Net decrease in cash and cash equivalents during the period	(676,733)	(426,385)
Cash and cash equivalents, beginning of period	4,718,014	8,007,963
Cash and cash equivalents, end of period	$4,041,281	$7,581,578