



FOR IMMEDIATE RELEASE:

**The Caldwell Partners International
Issues Fiscal 2014 First Quarter Financial Results**

- **Year-over-year first quarter revenue increase of 39%.**
- **First quarter operating income is \$408K.**
- **Board declares 1.75 cent quarterly dividend.**

Toronto, Ontario– January 08, 2014 – Retained executive search firm The Caldwell Partners International Inc. (TSX: CWL) today issued its financial results for the fiscal 2014 first quarter ended November 30, 2013. 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
Operating revenue	10,339	7,417
Expenses	9,931	7,469
Operating profit/loss	408	(52)
Investment income	1	3
Net profit/loss before tax	409	(50)
Net profit/loss after tax	393	(56)
Net profit/loss per share	\$0.023	(\$0.03)

“We are encouraged by the strengthening booking activity and trend over the last half year, and pleased with the solid start to the fiscal year,” said John N. Wallace, chief executive officer. “While we still expect some volatility from quarter to quarter based on our size, we remain confident regarding the long-term prospects for executive search. We will continue to seek out and make calculated investments in the firm to grow it in terms of both revenue and sustainable profitability, focusing on improving our overall market and industry sector presence with targeted, strategic additions to the team when and where it makes financial sense.”

Wallace continued: “The near unanimous participation of the Partner team in the recently announced private placement of approximately 4.0 million common shares of the Corporation

bodes well for the long-term commitment that our people have to the organization and its ongoing growth and success.”

The Board of Directors today also declared the payment of a quarterly dividend of 1.75 cents per Common Share payable March 14, 2014 to shareholders of record on January 20, 2014.

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

- Operating revenue:
 - Fiscal 2014 first quarter operating revenue increased by 39% over the comparable period last year to \$10,339 (2013: \$7,417).
 - US revenues increased 46% (39% excluding an 8% favourable variance from exchange rate fluctuations) to \$6,543 in the comparable period of 2013, driven primarily by increased search volumes, partially offset by fewer average partners during the current year.
 - Revenues from Canadian operations increased 29% to \$3,795 in the current period, generated by higher average fees on consistent search volumes and number of partners.

- Operating profit:
 - Higher year-over-year first quarter revenues (\$2,922) partially offset by the related higher cost of sales (\$2,134) and expenses (\$327) resulted in the net increase of \$460 to an operating profit of \$408 in the first quarter of fiscal 2014 from an operating loss of \$52 in the first quarter of fiscal 2013.

- Net profit:
 - The first quarter net earnings were \$393 (\$0.023 per share) in fiscal 2014, as compared to a net loss of \$56 (\$0.003 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 one of North America’s premier providers of executive search and has been for 40 years. As one of the region’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 in Vancouver, San Francisco, Los Angeles, Dallas, Calgary, Atlanta, Toronto, Stamford, New York City, and a strategic presence in London and Hong Kong, 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)

	As at	
	November 30 2013	August 31 2013
Assets		
Current assets		
Cash and cash equivalents	9,573,745	7,612,957
Marketable securities	3,631,313	3,576,811
Accounts receivable	5,154,535	7,088,555
Prepaid expenses and other current assets	895,840	1,060,998
	19,255,433	19,339,321
Non-current assets		
Restricted cash	255,381	255,012
Advances	240,238	292,035
Property and equipment	1,335,448	1,360,646
Intangible assets	432,453	447,434
Goodwill	1,048,811	1,039,922
Total assets	22,567,764	22,734,370
Liabilities		
Current liabilities		
Accounts payable	1,132,879	1,345,146
Compensation payable	9,237,091	9,156,182
Dividends payable	298,736	255,983
Taxes payable	29,474	13,741
Deferred revenue	1,080,485	1,357,718
	11,778,665	12,128,770
Non-current liabilities		
Non-current severance accrual	96,250	148,750
Long-term incentive accrual	282,036	231,231
	12,156,951	12,508,751
Equity attributable to owners of the Company		
Share capital	4,080,020	4,080,020
Contributed surplus	16,249,397	16,247,987
Accumulated other comprehensive income	670,348	580,959
Deficit	(10,588,952)	(10,683,347)
Total equity	10,410,813	10,225,619
Total liabilities and equity	22,567,764	22,734,370

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF LOSS

(unaudited - in \$Canadian)

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2013</i>	<i>2012</i>
Revenues	10,338,549	7,417,211
Cost of sales	7,754,163	5,620,120
Gross profit	2,584,386	1,797,091
Expenses		
General and administrative	2,023,965	1,709,714
Sales and marketing	160,653	126,957
Foreign exchange (gain) loss	(7,872)	12,859
	2,176,746	1,849,530
Operating profit (loss)	407,640	(52,439)
Investment income	1,425	2,523
Earnings (loss) before income taxes	409,065	(49,916)
Income tax	15,933	6,105
Net earnings (loss) for the period attributable to owners of the Company	393,132	(56,021)
Earnings (loss) per share:		
Basic and diluted	0.023	(0.003)

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

(unaudited - in \$Canadian)

	<i>Three months ended</i>	
	<i>November 30</i>	
	<i>2013</i>	<i>2012</i>
Net earnings (loss) for the period	393,132	(56,021)
Other comprehensive income:		
Unrealized gain on marketable securities (net of tax - \$0)	54,502	97,529
Cumulative translation adjustment (net of tax - \$0)	34,887	20,437
Comprehensive earnings for the period attributable to owners of the Company	482,521	61,945

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOW

(unaudited - in \$Canadian)

	Three months ended	
	November 30	
	2013	2012
Cash flow provided by (used in)		
Operating activities		
Net earnings (loss) for the period	393,132	(56,021)
Adjustments for:		
Depreciation	78,291	91,327
Amortization	18,414	17,486
Share-based payment expense	1,410	8,604
Unrealized foreign exchange on subsidiary loans	(16,286)	(14,928)
Non-cash incentive compensation	50,805	42,906
Deferred revenue	(279,814)	-
Decrease in long-term incentive accrual	(52,500)	-
Changes in items of working capital		
Decrease in accounts receivable	1,935,004	375,569
Decrease in income taxes receivable	-	750
Decrease in prepaid expenses and other assets	168,024	7,097
Decrease in accounts payable	(216,809)	(555,827)
Increase (decrease) in compensation payable	43,891	(802,086)
Increase in dividends payable	42,753	-
Increase in taxes payable	15,760	-
Net cash provided by (used in) operating activities	2,182,075	(885,123)
Investing activities		
Decrease in advances	53,625	53,912
Increase in restricted cash	(369)	(601)
Additions to property and equipment	(49,070)	(28,926)
Net cash provided by investing activities	4,186	24,385
Financing activities		
Dividend payments	(298,737)	(254,782)
Share issuance from employee stock option plan	-	44,800
Net cash used in financing activities	(298,737)	(209,982)
Effect of exchange rate changes on cash and cash equivalents	73,264	32,563
Net increase (decrease) in cash and cash equivalents	1,960,788	(1,038,157)
Cash and cash equivalents, beginning of period	7,612,957	6,494,246
Cash and cash equivalents, end of period	9,573,745	5,456,089

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, 2012	(9,377,513)	4,016,020	16,245,848	(284,523)	406,815	11,006,647
Net loss for the three month period ended November 30, 2012	(56,021)	-	-	-	-	(56,021)
Dividend payments declared	(255,983)	-	-	-	-	(255,983)
Employee stock option plan share issue	-	64,000	(14,776)	-	-	49,224
Share-based payment expense	-	-	4,180	-	-	4,180
Change in unrealized gains on marketable securities available for sale	-	-	-	-	97,529	97,529
Change in cumulative translation adjustment	-	-	-	20,437	-	20,437
Balance - November 30, 2012	(9,689,517)	4,080,020	16,235,252	(264,086)	504,344	10,866,013
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