

Jewett-Cameron Announces Fiscal 2011 Financial Results

North Plains, Oregon, November 14, 2011 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF; TSX: JCT) today reported financial results for its fourth quarter and fiscal year ended August 31, 2011.

For the fiscal year ended August 31, 2011 Jewett-Cameron reported net income after other items and income taxes of \$902,394, or \$0.44 per diluted share, on sales of \$42.06 million, compared to net income of \$1,982,814, or \$0.83 per diluted share, on sales of \$41.57 million, in the same period a year ago. The net income in the current year was negatively affected by a litigation loss and related interest expenses of (\$1,402,863).

Sales for the fourth quarter of fiscal 2011 totaled \$11.2 million compared to sales of \$14.0 million reported for the fourth quarter of fiscal 2010. The company reported net income of \$647,456, or \$0.34 per diluted share, compared to net income of \$908,745, or \$0.38 per diluted share, in the fourth quarter a year ago.

"Continued strong demand for our Lawn, Garden and Pet products combined with our efforts to increase market share with our existing customers resulted in the higher sales for the year," said CEO Don Boone. "However, our business is not immune to the difficult economy, and rising material and transportation costs are having a negative effect on our margins and net income."

As of August 31, the Company's cash position was \$6.8 million, and currently there is no borrowing against its \$5.0 million line of credit. In the fourth quarter of fiscal 2011, the Company re-purchased and cancelled a total of 10,500 shares of its common stock, and an additional 50,000 common shares were repurchased subsequent to the end of the fiscal year. These repurchases were made under the 10b5-1 share re-purchase plan which terminated on October 21, 2011. For the fiscal year, the Company repurchased and cancelled under formal plans of repurchase a total of 403,480 common shares at an average price of \$8.58 per share. The total cost of these share repurchases in fiscal 2011 was \$3,460,145.

About Jewett-Cameron Trading Company Ltd.

Jewett-Cameron Trading Company is a holding company that operates through subsidiary companies as follows. Jewett-Cameron Lumber Corporation's business consists of warehouse distribution and direct sales of wood products and specialty metal products to home centers and other retailers. Greenwood Products is a processor and distributor of industrial wood and other specialty building products principally to customers in the marine and transportation industries. MSI-PRO is an importer and distributor of pneumatic air tools, industrial clamps, and the Avenger Products line of sawblades and other products. Jewett-Cameron Seed Company is a processor and distributor of agricultural seeds.

Forward-looking Statements

The information in this release contains certain forward-looking statements that anticipate future trends and events. These statements are based on certain assumptions that may prove to be erroneous and are subject to certain risks, including but not limited to, the uncertainties of the Company's new product introductions, the risks of increased competition and technological change in the Company's industry, and other factors detailed in the Company's SEC filings. Accordingly, actual results may differ, possibly materially, from predictions contained herein.

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in U.S. Dollars)
AS OF AUGUST 31

	2011	2010
ASSETS		
Current assets		
Cash and cash equivalents	\$ 6,774,127	\$ 8,710,314
Accounts receivable, net of allowance of \$0 (August 31, 2010 - \$17,593)	3,897,086	3,874,114
Inventory, net of allowance of \$204,860 (August 31, 2010 - \$221,200) (note 3)	5,815,593	6,265,782
Note receivable	41,500	41,500
Prepaid expenses	848,341	56,696
Prepaid income taxes	682,527	-
Total current assets	18,059,174	18,948,406
Property, plant and equipment, net (note 4)	1,850,037	1,926,031
Intangible assets, net (note 5)	510,771	585,714
Deferred income taxes (note 6)	157,862	198,582
Total assets	\$ 20,577,844	\$ 21,658,733
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 519,265	\$ 465,165
Litigation reserve (Note 13(a))	1,627,915	-
Accrued liabilities	941,846	1,138,866
Accrued income taxes	-	8,133
Total current liabilities	3,089,026	1,612,164
Contingent liabilities and commitments (note 13)		
Stockholders' equity		
Capital stock (note 8)		
Authorized		
20,000,000 common shares, without par value		
10,000,000 preferred shares, without par value		
Issued		
1,908,457 common shares (August 31, 2010 - 2,311,937)	1,801,043	2,181,814
Additional paid-in capital	600,804	600,804
Retained earnings	15,086,971	17,263,951
Total stockholders' equity	17,488,818	20,046,569
Total liabilities and stockholders' equity	\$ 20,577,844	\$ 21,658,733

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)
YEAR ENDED AUGUST 31

	<u>2011</u>	<u>2010</u>
SALES	\$ 42,056,470	\$ 41,572,336
COST OF SALES	<u>33,930,109</u>	<u>32,499,766</u>
GROSS PROFIT	8,126,361	9,072,570
OPERATING EXPENSES		
Selling, general and administrative	1,680,428	2,162,812
Depreciation and amortization	261,542	264,303
Wages and employee benefits	<u>3,348,143</u>	<u>3,386,353</u>
	<u>5,290,113</u>	<u>5,813,468</u>
Income from operations	<u>2,836,248</u>	<u>3,259,102</u>
OTHER ITEMS		
Gain (loss) on sale of property, plant and equipment	(2,652)	3,008
Interest and other income (loss)	(30)	12,223
Interest expense	(440,726)	(16,231)
Litigation loss (note 13(a))	<u>(962,137)</u>	<u>-</u>
	<u>(1,405,545)</u>	<u>(1,000)</u>
Income before income taxes	1,430,703	3,258,102
Income taxes (note 6)		
Current	487,589	1,212,090
Deferred	<u>40,720</u>	<u>63,198</u>
Net income for the year	<u>\$ 902,394</u>	<u>\$ 1,982,814</u>
Basic earnings per common share	\$ 0.44	\$ 0.83
Diluted earnings per common share	\$ 0.44	\$ 0.83
Weighted average number of common shares outstanding:		
Basic	2,060,587	2,389,894
Diluted	<u>2,060,587</u>	<u>2,389,894</u>

JEWETT-CAMERON TRADING COMPANY LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)
YEAR ENDED AUGUST 31

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 902,394	\$ 1,982,814
Items not affecting cash:		
Depreciation and amortization	261,542	264,303
Gain (loss) on sale of property, plant and equipment	2,652	(3,008)
Deferred income taxes	40,720	63,198
Changes in non-cash working capital items:		
Increase in accounts receivable	(22,972)	(270,198)
Decrease in inventory	450,189	689,029
(Increase) decrease in prepaid expenses	(791,645)	104,113
Increase in prepaid income taxes	(682,527)	-
Increase (decrease) in accounts payable and accrued liabilities	1,484,995	(212,491)
Increase (decrease) in accrued income taxes	(8,133)	51,938
Net cash provided by operating activities	1,637,215	2,669,698
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property, plant and equipment	5,450	6,500
Purchase of property, plant and equipment	(118,707)	(245,380)
Net cash used in investing activities	(113,257)	(238,880)
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of common stock	(3,460,145)	(549,075)
Net cash used in financing activities	(3,460,145)	(549,075)
Net increase / (decrease) in cash and cash equivalents	(1,936,187)	1,881,743
Cash and cash equivalents, beginning of year	8,710,314	6,828,571
Cash and cash equivalents, end of year	\$ 6,774,127	\$ 8,710,314

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Source: Jewett-Cameron Trading Company Ltd.