

Jewett-Cameron Announces 3rd Quarter Financial Results

North Plains, Oregon, July 14, 2009 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF; TSX: JCT) today reported financial results for the third quarter and nine months ended May 31, 2009.

Sales for the third quarter of fiscal 2009 totaled \$11.4 million compared to sales of \$17.6 million for the third quarter of 2008. The company reported net income of \$483,553, or \$.20 per diluted share compared to net income of \$960,376 or \$.40 per diluted share in the same period a year ago.

For the nine months ended May 31, 2009 Jewett-Cameron reported sales of \$31.5 million compared to \$47.0 million for the same period a year ago. Net income for the first nine months of fiscal 2009 was \$1,033,143 or \$.43 per diluted share compared to net income of \$1,847,489 or \$.77 per diluted share in the same period a year ago.

“Total company sales for the nine months were down about 32.9% from the prior year, which reflects the weakness in industrial wood sales to pleasure boat manufacturers,” said CEO Don Boone. “However, our Jewett Cameron Lumber segment reported a 4% increase in sales from the prior nine month period. We continue to experience healthy demand for our non-wood specialty products like dog kennels, our proprietary fence gate systems, perimeter fencing, and greenhouses, even in this difficult economic environment. We are also working to reduce our costs, and during the period reduced our total employment by 10%, which was above our original goal of a 5% reduction.”

Jewett-Cameron’s financial position continues to be strong, and currently has no borrowing against its \$5.0 million line of credit. As of May 31, the Company’s cash position was \$4.9 million. Management is exploring possible uses for its cash to increase shareholder value, which may include a common share repurchase program for a portion of its currently outstanding common shares.

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.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	Three Month Periods Ended May 31		Nine Month Periods Ended May 31	
	2009	2008	2009	2008
SALES	\$11,419,331	\$17,664,365	\$31,556,356	\$47,010,755
COST OF SALES	8,992,870	14,541,768	24,866,945	38,629,371
GROSS PROFIT	2,426,461	3,122,597	6,689,411	8,381,384
OPERATING EXPENSES				
Selling, general and administrative expenses	535,418	163,127	1,599,000	1,604,254
Depreciation and amortization	80,733	77,887	239,121	234,983
Wages and employee benefits	948,812	1,302,001	3,021,579	3,414,288
	1,564,963	1,543,015	4,859,700	5,253,525
Income from operations	861,498	1,579,582	1,829,711	3,127,859
OTHER ITEMS				
Gain on sale of property, plant and equipment	350	16,500	2,350	16,115
Interest and other income	705	507	19,637	653
Interest expense	-	(69,463)	(57,533)	(150,888)
	1,055	(52,456)	(35,546)	(134,120)
Income before income taxes	862,553	1,527,126	1,794,165	2,993,739
Income taxes	379,000	566,750	761,022	1,146,250
Net income	\$ 483,553	\$ 960,376	\$ 1,033,143	\$ 1,847,489
Basic earnings per common share	\$.20	\$.40	\$.43	\$.77
Diluted earnings per common share	\$.20	\$.40	\$.43	\$.77
Weighted average number of common shares outstanding:				
Basic	2,390,977	2,390,977	2,390,977	2,390,232
Diluted	2,390,977	2,391,093	2,390,977	2,391,284

JEWETT-CAMERON TRADING COMPANY LTD.**CONSOLIDATED BALANCE SHEETS**

(Expressed in U.S. Dollars)

(Prepared by Management)

	May 31, 2009 (Unaudited)	August 31, 2008 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,938,114	\$ 5,758,479
Accounts receivable, net of allowance of \$4,620 (August 31, 2008 - \$10,474)	4,285,277	5,405,861
Inventory, net of allowance of \$100,000 (August 31, 2008 - \$100,000) (note 3)	6,678,599	8,068,284
Note receivable	41,500	-
Prepaid expenses	284,301	138,957
Prepaid income taxes	413,415	13,753
Total current assets	16,641,206	19,385,334
Property, plant and equipment, net (note 4)	1,930,695	1,861,652
Intangible assets, net (note 5)	681,384	740,382
Deferred income taxes (note 6)	172,430	192,870
Total assets	\$ 19,425,715	\$ 22,180,238
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 458,632	\$ 1,585,844
Accrued liabilities	903,511	1,245,154
Current portion of promissory note and note payable	-	367,807
Total current liabilities	1,362,143	3,198,805
Long term liabilities		
Promissory note (note 8)	-	1,951,004
Total liabilities	1,362,143	5,149,809
Contingent liabilities and commitments (note 10)		
Stockholders' equity		
Capital stock (note 9)		
Authorized		
20,000,000 common shares, without par value		
10,000,000 preferred shares, without par value		
Issued		
2,390,977 common shares (August 31, 2008 - 2,390,977)	2,256,112	2,256,112

Additional paid-in capital	600,804	600,804
Retained earnings	15,206,656	14,173,513
	<hr/>	<hr/>
Total stockholders' equity	18,063,572	17,030,429
	<hr/>	<hr/>
Total liabilities and stockholders' equity	\$19,425,715	\$22,180,238

JEWETT-CAMERON TRADING COMPANY LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	Nine Month Periods Ended May 31	
	2009	2008
	<hr/>	<hr/>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$1,033,143	\$1,847,489
Items not involving an outlay of cash:		
Depreciation and amortization	239,121	234,983
(Gain) on sale of property, plant and equipment	(2,350)	(16,115)
Deferred income taxes	20,440	-
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	1,120,583	(619,929)
(Increase) in note receivable	(41,500)	-
(Increase) decrease in inventory	1,389,685	170,529
(Increase) decrease in prepaid expenses	(145,345)	(47,908)
(Decrease) in accounts payable and accrued liabilities	(1,468,855)	(107,239)
Increase (decrease) in accrued income taxes	(399,661)	(294,966)
Net cash provided by operating activities	<hr/> 1,745,261	<hr/> 1,166,844
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(249,165)	(34,553)
Proceeds from sale of property, plant and equipment	2,350	16,500
Net cash provided by (used in) investing activities	<hr/> (246,815)	<hr/> (18,053)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds (repayment) of bank indebtedness	-	(1,059)
Issuance of capital stock for cash	-	56,097
Promissory note	(2,018,811)	(47,134)
Note payable	(300,000)	(300,000)
Net cash (used in) financing activities	<hr/> (2,318,811)	<hr/> (292,096)
Net increase (decrease) in cash and cash equivalents	(820,365)	856,695
Cash and cash equivalents, beginning of period	5,758,479	257,131
Cash and cash equivalents, end of period	<hr/> \$4,938,114	<hr/> \$1,113,826

Segment Information

Following is a summary of segmented information for the nine month periods ended May 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Sales to unaffiliated customers:		
Industrial wood products	\$ 8,834,109	\$ 22,908,955
Lawn, garden, pet and other	18,570,621	17,901,504
Seed processing and sales	3,153,539	5,398,978
Industrial tools and clamps	998,087	801,318
	<u>\$31,556,356</u>	<u>\$ 47,010,755</u>
Income (loss) from operations:		
Industrial wood products	\$ (368,749)	\$ 1,094,089
Lawn, garden, pet and other	2,216,707	1,868,911
Seed processing and sales	51,831	186,844
Industrial tools and clamps	(8,202)	60,391
Unallocated overhead	(97,422)	(82,376)
	<u>\$ 1,794,165</u>	<u>\$ 3,127,859</u>

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Source: Jewett-Cameron Trading Company Ltd.