

Jewett-Cameron Announces 1st Quarter Financial Results

North Plains, Oregon, January 17, 2012 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF; TSX: JCT) today reported financial results for the first quarter of fiscal 2012 ended November 30, 2011.

Sales for the first quarter of fiscal 2012 totaled \$7.24 million compared to sales of \$6.08 million for the first quarter of fiscal 2011. For the quarter, income from operations was \$162,936 compared to \$78,694 in the year-ago quarter. Net income for the quarter was \$64,033, or \$0.03 per share, compared to a net loss of (\$846,335), or (\$0.37) per share in the first quarter of fiscal 2011. The year-ago results were negatively affected by a one-time litigation reserve of (\$1,579,125).

As of November 30, the Company's cash position was \$5.39 million, and currently there is no borrowing against its \$5.0 million line of credit. In the first quarter of fiscal 2012, the Company repurchased and cancelled a total of a total of 50,000 common shares. The total cost was \$454,120 at an average share price of \$9.08 per share. These purchases were in addition to the 403,480 common shares repurchased and cancelled in fiscal 2011. Today, the Company announced a new share re-purchase plan where it can repurchase up to 300,000 common shares representing approximately 16% of the approximately 1.9 million common shares outstanding. This share repurchase plan may commence on January 23, 2012 and will remain in place until May 18, 2012 but may be limited or terminated at any time without prior notice.

“We are pleased with the almost 19% increase in sales compared to the prior year's first quarter,” said CEO Don Boone, “and believe that extending our share repurchase program at this time is in the best interest of the Company and our shareholders.”

About Jewett-Cameron Trading Company Ltd.

Jewett-Cameron Trading Company is a holding company that, through its subsidiaries, operates out of facilities located in North Plains, Oregon. Jewett-Cameron Lumber Corporation's business consists of the manufacturing and distribution of specialty metal products and wholesale distribution of wood products to home centers and other retailers located primarily in the United States. Greenwood Products is a processor and distributor of industrial wood and other specialty building products principally to customers in the marine and transportation industries in the United States. 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 BALANCE SHEETS
(Expressed in U.S. Dollars)
(Prepared by Management)
(Unaudited)

	November 30, 2011	August 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,386,500	\$ 6,774,127
Accounts receivable, net of allowance of \$2,467 (August 31, 2011 - \$Nil)	2,852,490	3,897,086
Inventory, net of allowance of \$199,568 (August 31, 2011 - \$204,860) (note 3)	8,492,934	5,815,593
Note receivable	41,500	41,500
Prepaid expenses	848,824	848,341
Prepaid income taxes	600,580	682,527
Total current assets	18,222,828	18,059,174
Property, plant and equipment, net (note 4)	1,820,389	1,850,037
Intangible assets, net (note 5)	496,584	510,771
Deferred income taxes (note 6)	157,110	157,862
Total assets	\$ 20,696,911	\$ 20,577,844
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 1,326,832	\$ 519,265
Litigation reserve (note 12(a))	1,644,119	1,627,915
Accrued liabilities	627,229	941,846
Total current liabilities	3,598,180	3,089,026
Contingent liabilities and commitments (note 12)		
Stockholders' equity		
Capital stock (note 8)		
Authorized		
20,000,000 common shares, without par value		
10,000,000 preferred shares, without par value		
Issued		
1,858,457 common shares (August 31, 2011 - 1,908,457)	1,753,857	1,801,043
Additional paid-in capital	600,804	600,804
Retained earnings	14,744,070	15,086,971
Total stockholders' equity	17,098,731	17,488,818
Total liabilities and stockholders' equity	\$ 20,696,911	\$ 20,577,844

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

	Three Months Ended	
	November 30,	
	2011	2010
SALES	\$ 7,240,610	\$ 6,085,051
COST OF SALES	5,774,415	4,639,257
GROSS PROFIT	1,466,195	1,445,794
OPERATING EXPENSES		
Selling, general and administrative expenses	428,348	480,184
Depreciation and amortization	61,198	65,377
Wages and employee benefits	813,713	821,539
	1,303,259	1,367,100
Income from operations	162,936	78,694
OTHER ITEMS		
Gain on sale of property, plant and equipment	-	5,450
Interest and other income	-	23
Interest expense (note 12(a))	(16,204)	(391,988)
Litigation reserves (note 12(a))	-	(962,137)
	(16,204)	(1,348,652)
Income (loss) before income taxes	146,732	(1,269,958)
Income tax (expense) recovery	(82,699)	423,623
Net income (loss)	\$ 64,033	\$ (846,335)
Basic earnings (loss) per common share	\$ 0.03	\$ (0.37)
Diluted earnings (loss) per common share	\$ 0.03	\$ (0.37)
Weighted average number of common shares outstanding:		
Basic	1,900,215	2,308,672
Diluted	1,900,215	2,308,672

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

	Three Month Periods Ended November 30,	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ 64,033	\$ (846,335)
Items not involving an outlay of cash:		
Depreciation and amortization	61,198	65,377
Gain on sale of property, plant and equipment	-	(5,450)
Deferred income taxes	752	(594)
Changes in non-cash working capital items:		
Decrease in accounts receivable	1,044,596	2,114,056
(Increase) in inventory	(2,677,341)	(486,814)
(Increase) in prepaid expenses	(483)	(87,584)
Increase in accounts payable and accrued liabilities	509,154	1,099,752
Increase (decrease) in accrued income taxes	81,947	(423,029)
Net cash provided (used) by operating activities	(916,144)	1,429,379
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(12,813)	(33,980)
Purchase of intangible assets and other	(4,550)	-
Proceeds from sale of property, plant and equipment	-	5,450
Net cash used in investing activities	(17,363)	(28,530)
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of common stock	(454,120)	(2,450,844)
Net cash used in financing activities	(454,120)	(2,450,844)
Net (decrease) in cash and cash equivalents	(1,387,627)	(1,049,995)
Cash and cash equivalents, beginning of period	6,774,127	8,710,314
Cash and cash equivalents, end of period	\$ 5,386,500	\$ 7,660,319

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Source: Jewett-Cameron Trading Company Ltd.