

## **Jewett-Cameron Announces 1<sup>st</sup> Quarter Financial Results**

North Plains, Oregon, January 13, 2014 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF) today reported financial results for the first quarter of fiscal 2014 ended November 30, 2013.

Sales were \$8.01 million for the first quarter of fiscal 2014 compared to sales of \$9.30 million for the first quarter of fiscal 2013. For the quarter, income from operations was \$543,924 compared to \$772,385 in the year-ago quarter. Net income for the quarter was \$332,579, or \$0.11 per share, compared to net income of \$480,746, or \$0.15 per share, in the first quarter of fiscal 2013. Per share amounts have been adjusted for the 2 for 1 stock split of the common shares effective May 2, 2013.

"Our markets have become much more competitive," said CEO Don Boone. "In response, we have increased our efforts to obtain new business and expand our customer base to smaller and mid-size customers. These initiatives resulted in higher selling expenses during the quarter."

As of November 30, 2013, the Company's cash position was \$8.096 million, and currently there is no borrowing against its \$5.0 million line of credit. Today, the Company announced a new share repurchase plan where it can repurchase for cancellation up to 313,493 common shares representing 10% of the approximately 3.1 million common shares outstanding. This share repurchase plan may commence on January 20, 2014 and will remain in place until May 16, 2014 but may be limited or terminated at any time without prior notice.

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 Company'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. JC USA provides professional and administrative services, including accounting and credit services, to its subsidiary companies.

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)

	<b>November 30, 2013</b>	<b>August 31, 2013</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 8,096,072	\$ 8,308,445
Accounts receivable, net of allowance of \$Nil (August 31, 2013 - \$Nil)	2,237,734	3,344,777
Inventory, net of allowance of \$134,259 (August 31, 2013 - \$134,259) (note 3)	8,374,751	8,520,991
Note receivable	-	15,000
Prepaid expenses	883,172	587,609
Prepaid income taxes	43,744	270,423
Total current assets	19,635,473	21,047,245
<b>Property, plant and equipment, net</b> (note 4)	2,247,334	2,241,950
<b>Intangible assets, net</b> (note 5)	350,486	368,662
<b>Total assets</b>	\$ 22,233,293	\$ 23,657,857
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 453,525	\$ 1,715,458
Litigation reserve (note 13(a))	137,442	144,103
Accrued liabilities	665,897	1,149,882
Total current liabilities	1,256,864	3,009,443
<b>Deferred tax liability</b> (note 6)	45,829	50,393
<b>Total liabilities</b>	1,302,693	3,059,836
<b>Contingent liabilities and commitments</b> (note 13)		
<b>Stockholders' equity</b>		
Capital stock (note 8)		
Authorized		
21,567,564 common shares, without par value		
10,000,000 preferred shares, without par value		
Issued		
3,134,936 common shares (August 31, 2013 - 3,134,936)	1,479,246	1,479,246
Additional paid-in capital	600,804	600,804
Retained earnings	18,850,550	18,517,971
Total stockholders' equity	20,930,600	20,598,021
<b>Total liabilities and stockholders' equity</b>	\$ 22,233,293	\$ 23,657,857

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

	<b>Three Months Ended</b>	
	<b>November 30,</b>	
	<b>2013</b>	<b>2012</b>
<b>SALES</b>	\$ 8,006,281	\$ 9,296,405
<b>COST OF SALES</b>	6,156,502	7,305,399
<b>GROSS PROFIT</b>	1,849,779	1,991,006
<b>OPERATING EXPENSES</b>		
Selling, general and administrative expenses	391,886	335,820
Depreciation and amortization	70,019	57,494
Wages and employee benefits	843,950	825,307
	1,305,855	1,218,621
Income from operations	543,924	772,385
<b>OTHER ITEMS</b>		
Interest and other income	6,661	16,710
Gain on sale of equipment	4,109	-
	10,770	16,710
Income before income taxes	554,694	789,095
Income tax expense	(222,115)	(308,349)
<b>Net income</b>	<b>\$ 332,579</b>	<b>\$ 480,746</b>
<b>Basic earnings per common share</b>	<b>\$ 0.11</b>	<b>\$ 0.15</b>
<b>Diluted earnings per common share</b>	<b>\$ 0.11</b>	<b>\$ 0.15</b>
<b>Weighted average number of common shares outstanding:</b>		
Basic	3,134,936	3,135,942
Diluted	3,134,936	3,135,942

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

	<b>Three Month Periods Ended November 30,</b>	
	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 332,579	\$ 480,746
Items not involving an outlay of cash:		
Depreciation and amortization	70,019	57,494
Gain on sale of equipment	(4,109)	-
Deferred income taxes	(4,564)	14,323
Interest income on litigation	(6,661)	(6,661)
Changes in non-cash working capital items:		
Decrease in accounts receivable	1,107,043	426,020
Decrease in inventory	146,240	1,324,365
Decrease in note receivable	15,000	20,000
Decrease in prepaid income taxes	226,679	-
Increase in prepaid expenses	(295,563)	(1,579,612)
Decrease in accounts payable and accrued liabilities	(1,745,918)	(971,229)
Increase in accrued income taxes	-	293,754
Net cash provided (used) by operating activities	(159,255)	59,200
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(57,918)	(112,133)
Proceeds from sale of equipment	4,800	-
Net cash used in investing activities	(53,118)	(112,133)
<b>Net decrease in cash</b>	(212,373)	(52,933)
<b>Cash, beginning of period</b>	8,308,445	7,309,388
<b>Cash, end of period</b>	\$ 8,096,072	\$ 7,256,455

Contact: Don Boone, President & CEO, (503) 647-0110

Source: Jewett-Cameron Trading Company Ltd.