

## **Jewett-Cameron Announces 2<sup>nd</sup> Quarter Financial Results**

North Plains, Oregon, April 15, 2013 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF) today reported financial results for the second quarter and six month periods of fiscal 2013 ended February 28, 2013.

Sales for the second quarter of fiscal 2013 totaled \$14.2 million compared to sales of \$11.8 million for the second quarter of fiscal 2012. For the quarter, income from operations was \$979,059 compared to \$672,436 in the year-ago quarter. During the second quarter of fiscal 2013, the Company recorded a one-time gain of \$353,852 related to the sale of property. In the second quarter of fiscal 2012, results included a reversal of Litigation Reserves of \$1,443,629 and Interest Expense of \$16,023. These one-time gains contributed to net income after other items and income taxes of \$790,631, or \$0.50 per share in the current quarter, compared to net income of \$1,287,774, or \$0.71 per share in last year's second quarter.

For the six months ended February 28, 2013 Jewett-Cameron reported sales of \$23.5 million compared to sales of \$19.0 million for the same period a year ago. Net income after other items and income taxes was \$1,271,377, or \$0.81 per share, compared to net income of \$1,351,807, or \$0.73 per share, in the first six months of fiscal 2012. The current six month period was positively affected by the gain on sale of property while the year-ago six month period was positively affected by the reversal of Litigation Reserves.

"Our efforts to increase our market share of existing products continues to be reflected in our higher sales and operating income for the quarter and six-month period," said CEO Don Boone. "We are also pleased with the successful introduction of our new pet containment products."

As of February 28, 2013, the Company's cash position was \$4.3 million, and currently there is no borrowing against its \$5.0 million line of credit. In the second quarter of fiscal 2013, the Company repurchased and cancelled 407 common shares at a cost of \$4,884, which represents an average price of \$12.00 per share. These repurchases were pursuant to a share repurchase plan in accordance with Rule 10b-18 as approved by the Board of Directors. The Company has historically utilized its cash position by implementing share repurchase programs as an effective method of enhancing shareholder value.

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)

	<b>February 28, 2013</b>	<b>August 31, 2012</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 4,342,588	\$ 7,309,388
Accounts receivable, net of allowance of \$0 (August 31, 2012 - \$6,509)	7,295,224	3,092,842
Inventory, net of allowance of \$132,333 (August 31, 2012 - \$139,869) (note 3)	5,692,293	7,085,389
Note receivable	-	20,000
Prepaid expenses	1,430,912	388,957
Prepaid income taxes	253,952	-
Total current assets	19,014,969	17,896,576
<b>Property, plant and equipment, net</b> (note 4)	1,989,760	1,997,109
<b>Intangible assets, net</b> (note 5)	404,498	444,203
<b>Deferred income taxes</b> (note 6)	-	101,573
<b>Total assets</b>	\$ 21,409,227	\$ 20,439,461
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 1,332,491	\$ 1,577,182
Litigation reserve (Note 12(a))	157,570	170,819
Accrued liabilities	1,129,633	1,181,067
Accrued income taxes	-	37,203
Total current liabilities	2,619,694	2,966,271
<b>Deferred tax liability</b> (note 6)	49,850	-
<b>Total liabilities</b>	2,669,544	2,966,271
<b>Contingent liabilities and commitments</b> (note 12)		
<b>Stockholders' equity</b>		
Capital stock (note 8)		
Authorized		
20,000,000 common shares, without par value		
10,000,000 preferred shares, without par value		
Issued		
1,567,564 common shares (August 31, 2012 - 1,567,971)	1,479,337	1,479,721
Additional paid-in capital	600,804	600,804
Retained earnings	16,659,542	15,392,665
Total stockholders' equity	18,739,683	17,473,190
<b>Total liabilities and stockholders' equity</b>	\$ 21,409,227	\$ 20,439,461

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

	<b>Three Month Periods to the End of February</b>		<b>Six Month Periods to the End of February</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>SALES</b>	\$ 14,227,824	\$ 11,751,797	\$ 23,524,229	\$ 18,992,407
<b>COST OF SALES</b>	11,788,155	9,660,496	19,093,554	15,434,911
<b>GROSS PROFIT</b>	2,439,669	2,091,301	4,430,675	3,557,496
<b>OPERATING EXPENSES</b>				
Selling, general and administrative expenses	468,162	460,595	803,982	888,944
Depreciation and amortization	64,202	64,297	121,696	125,495
Wages and employee benefits	928,246	893,973	1,753,553	1,707,686
	<u>1,460,610</u>	<u>1,418,865</u>	<u>2,679,231</u>	<u>2,722,125</u>
Income from operations	979,059	672,436	1,751,444	835,371
<b>OTHER ITEMS</b>				
Gain on sale of property, plant and equipment	353,852	-	353,852	-
Interest and other income	6,605	-	23,315	-
Interest expense (note 12(a))	(400)	16,203	(400)	-
Litigation reserves (note 12(a))	-	1,443,629	-	1,443,629
	<u>360,057</u>	<u>1,459,832</u>	<u>376,767</u>	<u>1,443,629</u>
Income before income taxes	1,339,116	2,132,268	2,128,211	2,279,000
Income tax expense	<u>(548,485)</u>	<u>(844,494)</u>	<u>(856,834)</u>	<u>(927,193)</u>
<b>Net income</b>	<u>\$ 790,631</u>	<u>\$ 1,287,774</u>	<u>\$ 1,271,377</u>	<u>\$ 1,351,807</u>
<b>Basic earnings per common share</b>	\$ 0.50	\$ 0.71	\$ 0.81	\$ 0.73
<b>Diluted earnings per common share</b>	\$ 0.50	\$ 0.71	\$ 0.81	\$ 0.73
<b>Weighted average number of common shares outstanding:</b>				
Basic	1,567,930	1,823,423	1,567,951	1,861,819
Diluted	<u>1,567,930</u>	<u>1,823,423</u>	<u>1,567,951</u>	<u>1,861,819</u>

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

	<b>Three Month Periods to the End of February</b>		<b>Six Month Periods to the End of February</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income	\$ 790,631	\$ 1,287,774	\$ 1,271,377	\$ 1,351,807
Items not involving an outlay of cash:				
Depreciation and amortization	64,202	64,297	121,696	125,495
Gain on sale of property, plant and equipment	(353,852)	-	(353,852)	-
Deferred income taxes	137,100	805	151,423	1,557
Interest income on litigation	(6,588)	-	(13,249)	-
Changes in non-cash working capital items:				
Increase in accounts receivable	(4,628,402)	(1,101,553)	(4,202,382)	(56,957)
(Increase) decrease in inventory	68,731	2,009,567	1,393,096	(667,774)
(Increase) decrease in note receivable	-	(20,000)	20,000	(20,000)
(Increase) decrease in prepaid expenses	537,657	(352,902)	(1,041,955)	(353,385)
(Increase) decrease in prepaid income taxes	(253,952)	600,580	(253,952)	682,527
Increase (decrease) in accounts payable and accrued liabilities	675,104	(1,527,732)	(296,125)	(1,018,578)
Increase (decrease) in accrued income taxes	(330,957)	228,358	(37,203)	228,358
Net cash provided by (used in) operating activities	(3,300,326)	1,189,194	(3,241,126)	273,050
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(18,657)	(17,718)	(130,790)	(30,531)
Purchase of intangible assets and other	-	(8,500)	-	(13,050)
Proceeds from sale of property, plant and equipment	410,000	-	410,000	-
Net cash provided by (used in) investing activities	391,343	(26,218)	279,210	(43,581)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Redemption of common stock	(4,884)	(2,238,929)	(4,884)	(2,693,049)
Net cash used in financing activities	(4,884)	(2,238,929)	(4,884)	(2,693,049)
<b>Net decrease in cash</b>	(2,913,867)	(1,075,953)	(2,966,800)	(2,463,580)
<b>Cash, beginning of period</b>	7,256,455	5,386,500	7,309,388	6,774,127
<b>Cash, end of period</b>	\$ 4,342,588	\$ 4,310,547	\$ 4,342,588	\$ 4,310,547

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Source: Jewett-Cameron Trading Company Ltd.