

Jewett-Cameron Announces Fiscal 2010 Financial Results

North Plains, Oregon, November 3, 2010 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF; TSX: JCT) today reported financial results for its fourth quarter and fiscal year ended August 31, 2010.

For the fiscal year ended August 31, 2010 Jewett-Cameron reported net income of \$1,982,814, or \$0.83 per diluted share, on sales of \$41.57 million, compared to net income of \$1,582,477, or \$0.66 per diluted share, on sales of \$42.13 million in the same period a year ago.

Sales for the fourth quarter of fiscal 2010 totaled \$14.0 million compared to sales of \$10.6 million for the fourth quarter of fiscal 2009. The company reported net income of \$908,745, or \$0.38 per diluted share, compared to net income of \$549,335, or \$0.23 per diluted share in the fourth quarter a year ago.

“Despite the struggling economy, we were able to increase net income by 25.3% and maintain our strong balance sheet,” said CEO Don Boone. “Effective cost controls, combined with higher demand for our Lawn, Garden, and Pet products, largely offset the continued weakness in industrial wood sales to the marine and transportation industries.”

As of August 31, the Company’s cash position was \$8.7 million, and currently there is no borrowing against its \$5.0 million line of credit. In the fourth quarter of fiscal 2010, the Company re-purchased and cancelled a total of 79,040 shares of its common stock under a 10b5-1 share re-purchase plan. The total cost was \$549,151 at an average share price of \$6.95 per share. Today, the Company announced a new share re-purchase plan where it can repurchase up to 345,960 common shares representing approximately 15% of the approximately 2.3 million common shares outstanding. This share repurchase plan may commence on November 8, 2010 and will remain in place until January 21, 2011 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 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

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,710,314	\$ 6,828,571
Accounts receivable, net of allowance of \$17,593 (August 31, 2009 - \$3,816)	3,874,114	3,603,916
Inventory, net of allowance of \$221,200 (August 31, 2009 - \$313,000) (note 3)	6,265,782	6,954,811
Note receivable	41,500	41,500
Prepaid expenses	56,696	160,809
Prepaid income taxes	-	43,805
Total current assets	18,948,406	17,633,412
Property, plant and equipment, net (note 4)	1,926,031	1,872,191
Intangible assets, net (note 5)	585,714	662,045
Deferred income taxes (note 6)	198,582	261,780
Total assets	\$ 21,658,733	\$ 20,429,428
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 465,165	\$ 999,562
Accrued liabilities	1,138,866	816,960
Accrued income taxes	8,133	-
Total current liabilities	1,612,164	1,816,522
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		
2,311,937 common shares (August 31, 2009 - 2,390,977)	2,181,814	2,256,112
Additional paid-in capital	600,804	600,804
Retained earnings	17,263,951	15,755,990
Total stockholders' equity	20,046,569	18,612,906
Total liabilities and stockholders' equity	\$ 21,658,733	\$ 20,429,428

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

	2010	2009
SALES	\$ 41,572,336	\$ 42,130,097
COST OF SALES	32,499,766	33,228,338
GROSS PROFIT	9,072,570	8,901,759
OPERATING EXPENSES		
Selling, general and administrative	2,162,812	2,182,143
Depreciation and amortization	264,303	316,964
Wages and employee benefits	3,386,353	3,743,847
	5,813,468	6,242,954
Income from operations	3,259,102	2,658,805
OTHER ITEMS		
Gain on sale of property, plant and equipment	3,008	2,850
Interest and other income	12,223	5,445
Interest expense	(16,231)	(43,363)
	(1,000)	(35,068)
Income before income taxes	3,258,102	2,623,737
Income taxes (note 6)		
Current	1,275,288	1,110,170
Deferred (recovered)	-	(68,910)
	1,275,288	1,041,260
Net income for the year	\$ 1,982,814	\$ 1,582,477
Basic earnings per common share	\$ 0.83	\$ 0.66
Diluted earnings per common share	\$ 0.83	\$ 0.66
Weighted average number of common shares outstanding:		
Basic	2,389,894	2,390,977
Diluted	2,389,894	2,390,977

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

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 1,982,814	\$ 1,582,477
Items not affecting cash:		
Depreciation and amortization	264,303	316,964
Gain on sale of property, plant and equipment	(3,008)	(2,850)
Deferred income taxes	63,198	(68,910)
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(270,198)	1,801,945
Increase in note receivable	-	(41,500)
Decrease in inventory	689,029	1,113,473
(Increase) decrease in prepaid expenses	104,113	(21,852)
Decrease in accounts payable and accrued liabilities	(212,491)	(1,014,476)
(Increase) decrease in accrued income taxes	51,938	(30,052)
Net cash provided by operating activities	2,669,698	3,635,219
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property, plant and equipment	6,500	2,850
Purchase of property, plant and equipment	(245,380)	(249,166)
Net cash used in investing activities	(238,880)	(246,316)
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of common stock	(549,075)	-
Repayment of notes payable	-	(300,000)
Promissory note	-	(2,018,811)
Net cash used in financing activities	(549,075)	(2,318,811)
Net increase in cash and cash equivalents	1,881,743	1,070,092
Cash and cash equivalents, beginning of year	6,828,571	5,758,479
Cash and cash equivalents, end of year	\$ 8,710,314	\$ 6,828,571

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Source: Jewett-Cameron Trading Company Ltd.