

Jewett-Cameron Announces 3rd Quarter Financial Results

North Plains, Oregon, July 11, 2012 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF; TSX: JCT) today reported financial results for the third quarter and nine month periods of fiscal 2012 ended May 31, 2012.

Sales for the third quarter of fiscal 2012 totaled \$16.11 million compared to sales of \$12.91 million for the third quarter of fiscal 2011. For the quarter, income from operations was \$1,556,199 compared to \$1,035,785 in the year-ago quarter. After other items and income taxes, the Company reported net income of \$937,090, or \$0.59 per basic and diluted share, compared to net income of \$604,324, or \$0.30 per share, in last year's third quarter.

For the nine months ended May 31, 2012, Jewett-Cameron reported sales of \$35.10 million compared to sales of \$30.85 million for the nine months ended May 31, 2011. Due to the favorable ruling from the Oregon Supreme Court regarding the Company's lawsuit filed in relation to the acquisition of inventory by Greenwood Products received in February 2012, the Company reversed \$1,450,363 of its litigation reserve and accrued interest during the current nine month period. This contributed to the net income for the nine month period ended May 31, 2012 of \$2,288,897, or \$1.29 per share, compared to net income of \$254,938, or \$0.12 per share, in the prior year's period which was negatively affected by the Company accruing (\$1,386,533) to the Litigation Reserve.

"Our continued focus of being a reliable and valuable supplier of quality products to our customers is reflected in our higher sales for both the quarter and nine month periods," said CEO Don Boone. "We have also successfully test marketed several new products, some of which have begun shipping to customers. However, high material and transportation costs continue to limit our margins."

As of May 31st, 2012, the Company's cash position was \$4.64 million, and currently there is no borrowing against its \$5.0 million line of credit. During the nine months ended May 31, 2012, the company repurchased and cancelled a total of 340,486 common shares at a total cost of \$3,075,559, which represents an average cost of \$9.03. On May 11, 2012, the Company announced the successful completion and early termination of its 10b5-1 share repurchase plan previously announced on January 17, 2012. As part of its ongoing consideration of alternative ways to leverage the Company's strong cash position, the Board of Directors is evaluating the implementation of another 10b5-1 share repurchase plan.

The Board of Directors is also evaluating the Company's dual listing status, and is considering dropping its Toronto Stock Exchange (TSX) listing.

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)

	May 31, 2012	August 31, 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,639,288	\$ 6,774,127
Accounts receivable, net of allowance of \$2,852 (August 31, 2011 - \$Nil)	5,173,954	3,897,086
Inventory, net of allowance of \$181,960 (August 31, 2011 - \$204,860) (note 3)	4,998,450	5,815,593
Note receivable	61,500	41,500
Prepaid expenses	1,707,970	848,341
Prepaid income taxes	-	682,527
Total current assets	16,581,162	18,059,174
Property, plant and equipment, net (note 4)	1,758,584	1,850,037
Intangible assets, net (note 5)	464,707	510,771
Deferred income taxes (note 6)	155,810	157,862
Total assets	\$ 18,960,263	\$ 20,577,844
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 677,042	\$ 519,265
Litigation reserve (note 12(a))	177,552	1,627,915
Accrued liabilities	1,199,343	941,846
Accrued income taxes	204,170	-
Total current liabilities	2,258,107	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		
1,567,971 common shares (August 31, 2011 - 1,908,457)	1,479,721	1,801,043
Additional paid-in capital	600,804	600,804
Retained earnings	14,621,631	15,086,971
Total stockholders' equity	16,702,156	17,488,818
Total liabilities and stockholders' equity	\$ 18,960,263	\$ 20,577,844

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

	Three Month Periods to May 31,		Nine Month Periods to May 31,	
	2012	2011	2012	2011
SALES	\$ 16,113,435	\$ 12,913,331	\$ 35,105,842	\$ 30,858,396
COST OF SALES	13,306,308	10,483,142	28,741,219	24,856,594
GROSS PROFIT	2,807,127	2,430,189	6,364,623	6,001,802
OPERATING EXPENSES				
Selling, general and administrative expenses	233,947	399,226	1,122,892	1,297,627
Depreciation and amortization	61,279	65,296	186,773	196,430
Wages and employee benefits	955,702	929,882	2,663,388	2,637,929
	1,250,928	1,394,404	3,973,053	4,131,986
Income from operations	1,556,199	1,035,785	2,391,570	1,869,816
OTHER ITEMS				
Loss on sale of property, plant and equipment	-	(6,988)	-	(2,652)
Interest and other income	7,234	-	7,234	23
Interest expense	(743)	(16,333)	(743)	(424,344)
Litigation gain (loss) (Note 12(a))	-	-	1,443,629	(962,137)
	6,491	(23,321)	1,450,120	(1,389,110)
Income before income taxes	1,562,690	1,012,464	3,841,690	480,706
Income taxes	625,600	408,140	1,552,793	225,768
Net income	\$ 937,090	\$ 604,324	\$ 2,288,897	\$ 254,938
Basic earnings per common share	\$ 0.59	\$ 0.30	\$ 1.29	\$ 0.12
Diluted earnings per common share	\$ 0.59	\$ 0.30	\$ 1.29	\$ 0.12
Weighted average number of common shares outstanding:				
Basic	1,599,851	2,002,355	1,773,859	2,108,585
Diluted	1,599,851	2,002,355	1,773,859	2,108,585

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,	
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 2,288,897	\$ 254,938
Items not involving an outlay of cash:		
Depreciation and amortization	186,773	196,430
Loss on sale of property, plant and equipment	-	2,652
Deferred income tax expense (recovery)	2,052	3,582
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(1,276,868)	(677,014)
(Increase) decrease in inventory	817,143	(611,574)
(Increase) in note receivable	(20,000)	-
(Increase) decrease in prepaid expenses	(859,629)	(87,764)
(Increase) decrease in prepaid income taxes	682,527	(647,530)
Decrease in taxes receivable	-	-
(Decrease) increase in accounts payable and accrued liabilities	(1,035,089)	1,905,884
(Decrease) increase in accrued income taxes	204,170	-
Net cash provided by operating activities	989,976	339,604
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(36,206)	(61,122)
Purchase of intangible assets and other	(13,050)	
Proceeds from sale of property, plant and equipment	-	5,450
Net cash used in investing activities	(49,256)	(55,672)
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of common stock	(3,075,559)	(3,361,970)
Net cash used in financing activities	(3,075,559)	(3,361,970)
Net increase (decrease) in cash and cash equivalents	(2,134,839)	(3,078,038)
Cash and cash equivalents, beginning of period	6,774,127	8,710,314
Cash and cash equivalents, end of period	\$ 4,639,288	\$ 5,632,276

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Source: Jewett-Cameron Trading Company Ltd.