

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

North Plains, Oregon, April 13, 2015 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF) today reported financial results for the second quarter and six month periods of fiscal 2015 ended February 28, 2015.

Sales for the second quarter of fiscal 2015 totaled \$9.5 million compared to sales of \$9.7 million for the second quarter of fiscal 2014. Income from operations was \$466,704 compared to income of \$408,818 for the quarter ended February 28, 2014. Net income was \$283,560, or \$0.11 per share, compared to net income of \$237,398, or \$0.08 per share, in the year-ago quarter.

For the six months ended February 28, 2015, sales totaled \$17.5 million compared to sales of \$17.7 million for the six months ended February 28, 2014. Net income was \$611,347, or \$0.23 per share, compared to net income of \$569,977, or \$0.18 per share, in the first six months of fiscal 2014.

“During the second quarter, we experienced delays in receiving certain products from our suppliers due to the West Coast port slowdowns”, said CEO Don Boone. “These delays resulted in higher freight costs and, combined with the prolonged winter weather across much of the country, delayed many shipments to our customers.”

These delays also resulted in higher inventory levels and a lower cash balance at the end of the period. As of February 28, 2015, the Company’s cash position was \$12 thousand, and there was \$875 thousand borrowed against its \$1.0 million line of credit. Subsequent to the end of the period, the Company increased the size of its line of credit to \$3.0 million.

On February 17, 2015, the Company implemented a new share repurchase plan to purchase for cancellation up to 300,000 common shares under Rule 10b5-1 of the U.S. Securities Exchange Act of 1934. This amount represents approximately 11.6% of the 2,585,661 common shares outstanding. During the second quarter, no common shares were repurchased. Subsequent to the end of the period, during the month of March 2015, the Company repurchased 1,103 common shares under the Plan. The total cost was \$11,406 at an average share price of \$10.34 per share. The Plan will remain in place until August 14, 2015 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>February 28, 2015</b>	<b>August 31, 2014</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 12,193	\$ 4,327,540
Accounts receivable, net of allowance of \$Nil (August 31, 2014 - \$Nil)	5,034,076	2,442,928
Inventory, net of allowance of \$90,384 (August 31, 2014 - \$111,756) (note 3)	11,102,996	9,154,129
Note receivable	1,700	15,000
Prepaid expenses	825,437	762,533
Prepaid income taxes	214,617	546,347
Total current assets	17,191,019	17,248,477
<b>Property, plant and equipment, net</b> (note 4)	2,058,754	2,147,387
<b>Intangible assets, net</b> (note 5)	259,603	295,956
<b>Total assets</b>	\$ 19,509,376	\$ 19,691,820
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Bank Indebtedness (note 7)	\$ 875,386	\$ -
Accounts payable	189,777	240,825
Litigation reserve (note 13(a))	104,138	117,387
Accrued liabilities	764,236	1,073,930
Total current liabilities	1,933,537	1,432,142
<b>Deferred tax liability</b> (note 6)	58,263	60,972
<b>Total liabilities</b>	1,991,800	1,493,114
<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		
2,585,661 common shares (August 31, 2014 – 2,704,630)	1,220,064	1,276,201
Additional paid-in capital	600,804	600,804
Retained earnings	15,696,708	16,321,701
Total stockholders' equity	17,517,576	18,198,706
<b>Total liabilities and stockholders' equity</b>	\$ 19,509,376	\$ 19,691,820

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

	<b>Three Month Period Ended February 28,</b>		<b>Six Month Period Ended February 28,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>SALES</b>	\$ 9,483,404	\$ 9,732,649	\$ 17,466,021	\$17,738,930
<b>COST OF SALES</b>	7,581,284	7,974,979	13,693,878	14,131,481
<b>GROSS PROFIT</b>	1,902,120	1,757,670	3,772,143	3,607,449
<b>OPERATING EXPENSES</b>				
Selling, general and administrative expenses	511,375	446,900	972,823	838,786
Depreciation and amortization	70,600	69,531	139,683	139,550
Wages and employee benefits	853,441	832,421	1,663,034	1,676,371
	<u>1,435,416</u>	<u>1,348,852</u>	<u>2,775,540</u>	<u>2,654,707</u>
Income from operations	466,704	408,818	996,603	952,742
<b>OTHER ITEMS</b>				
Gain on sale of property, plant and equipment	-	-	-	4,109
Interest and other income	7,188	6,612	14,083	13,273
	<u>7,188</u>	<u>6,612</u>	<u>14,083</u>	<u>17,382</u>
Income before income taxes	473,892	415,430	1,010,686	970,124
Income tax expense	<u>(190,332)</u>	<u>(178,032)</u>	<u>(399,339)</u>	<u>(400,147)</u>
<b>Net income</b>	<u>\$ 283,560</u>	<u>\$ 237,398</u>	<u>\$ 611,347</u>	<u>\$ 569,977</u>
<b>Basic earnings per common share</b>	\$ 0.11	\$ 0.08	\$ 0.23	\$ 0.18
<b>Diluted earnings per common share</b>	\$ 0.11	\$ 0.08	\$ 0.23	\$ 0.18
<b>Weighted average number of common shares outstanding:</b>				
Basic	2,585,661	3,129,764	2,637,587	3,132,365
Diluted	2,585,661	3,129,764	2,637,587	3,132,365

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

	<b>Three Month</b>		<b>Six Month</b>	
	<b>Period Ended February 28,</b>		<b>Period Ended February 28,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income	\$ 283,560	\$ 237,398	\$ 611,347	\$ 569,977
Items not involving an outlay of cash:				
Depreciation and amortization	70,600	69,531	139,683	139,550
Gain on sale of property, plant and equipment	-	-	-	(4,109)
Deferred income taxes	(6,426)	(3,802)	(2,709)	(8,366)
Interest income on litigation	(6,588)	(6,588)	(13,249)	(13,249)
Changes in non-cash working capital items:				
Increase in accounts receivable	(2,313,462)	(2,018,552)	(2,591,148)	(911,509)
(Increase) decrease in inventory	(358,245)	846,025	(1,948,867)	992,265
(Increase) decrease in note receivable	(1,700)	-	13,300	15,000
Increase in prepaid expenses	(255,461)	(1,205,662)	(62,904)	(1,501,225)
(Increase) decrease in prepaid income taxes	126,559	(448,288)	331,730	(221,609)
Increase (decrease) in accounts payable and accrued liabilities	(373,590)	837,196	(360,742)	(908,722)
Net cash used in operating activities	(2,834,753)	(1,692,742)	(3,883,559)	(1,851,997)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(13,417)	(17,457)	(14,697)	(75,375)
Proceeds from sale of property, plant and equipment	-	-	-	4,800
Net cash used in investing activities	(13,417)	(17,457)	(14,697)	(70,575)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from bank indebtedness	875,386	-	875,386	-
Redemption of common stock	-	(569,019)	(1,292,477)	(569,019)
Net cash provided by (used in) financing activities	875,386	(569,019)	(417,091)	(569,019)
<b>Net decrease in cash</b>	(1,972,784)	(2,279,218)	(4,315,347)	(2,491,591)
<b>Cash, beginning of period</b>	1,984,977	8,096,072	4,327,540	8,308,445
<b>Cash, end of period</b>	\$ 12,193	\$ 5,816,854	\$ 12,193	\$ 5,816,854

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Source: Jewett-Cameron Trading Company Ltd.