

Jewett-Cameron Announces 3rd Quarter Financial Results

North Plains, Oregon, July 12, 2010 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF; TSX: JCT) today reported financial results for the third quarter and nine months ended May 31, 2010.

Sales for the third quarter of fiscal 2010 totaled \$12.48 million compared to sales of \$11.41 million for the third quarter of 2009. The company reported net income of \$796,967, or \$.33 per diluted share compared to net income of \$483,553 or \$.20 per diluted share in the same period a year ago.

For the nine months ended May 31, 2010 Jewett-Cameron reported sales of \$27.5 million compared to \$31.5 million for the same period a year ago. Net income for the first nine months of fiscal 2010 was \$1,074,069, or \$.45 per diluted share, compared to net income of \$1,033,143, or \$.43 per diluted share in the same period a year ago.

“The higher sales and net income in the current quarter compared to 2009 reflect the successful execution of our business practices, including our strong partner relationships and ability to grow market share in our existing products,” said CEO Don Boone.

Jewett-Cameron’s financial position continues to be strong, and currently has no borrowing against its \$5.0 million line of credit. As of May 31, 2010, the Company’s cash position was \$8.42 million. Subsequent to the end of the period, the Company began a Share Repurchase Plan (the "Plan") as authorized by the Board of Directors. Under the Plan, the Company may purchase for cancellation up to 425,000 common shares. If all the authorized 425,000 shares are repurchased, it would represent 17.8% of the total shares outstanding as of May 31, 2010. The price paid for the shares under the Plan will be the prevailing market price at the time of the purchase up to US\$7.00 per share. The Plan commenced on June 1, 2010 and will remain in place until August 17, 2010 but may be limited or terminated at any time. As of July 6, 2010, the Company has repurchased 79,040 shares under this plan.

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.

STATEMENTS OF OPERATIONS

(Expressed in U.S. Dollars)

(Prepared by Management)

(Unaudited)

	May 31, 2010 (Unaudited)	August 31, 2009 (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,422,353	\$ 6,828,571
Accounts receivable, net of allowance of \$6,719 (August 31, 2009 - \$3,816)	4,237,395	3,603,916

Inventory, net of allowance of \$65,000 (August 31, 2009 - \$313,000) (note 3)	5,886,863	6,954,811
Note receivable	41,500	41,500
Prepaid expenses	172,650	160,809
Prepaid income taxes	145,445	43,805
Total current assets	18,906,206	17,633,412
Property, plant and equipment, net (note 4)	1,936,871	1,872,191
Intangible assets, net (note 5)	604,449	662,045
Deferred income taxes (note 6)	177,700	261,780
Total assets	\$ 21,625,226	\$ 20,429,428
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable	\$ 757,161	\$ 999,562
Accrued liabilities	1,181,090	816,960
Total liabilities	1,938,251	1,816,522
Contingent liabilities and commitments (note 11)		
Stockholders' equity		
Capital stock (note 8)		
Authorized		
20,000,000 common shares, without par value		
10,000,000 preferred shares, without par value		
Issued		
2,390,977 common shares (August 31, 2009 - 2,390,977)	2,256,112	2,256,112
Additional paid-in capital	600,804	600,804
Retained earnings	16,830,059	15,755,990
Total stockholders' equity	19,686,975	18,612,906
Total liabilities and stockholders' equity	\$ 21,625,226	\$20,429,428

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

	Three Months Periods to May 31,		Nine Month Periods to May 31,	
	2010	2009	2010	2009
SALES	\$ 12,487,415	\$ 11,419,331	\$ 27,537,794	\$ 31,556,356
COST OF SALES	9,612,612	8,992,870	21,285,607	24,866,945
GROSS PROFIT	2,874,803	2,426,461	6,252,187	6,689,411
OPERATING EXPENSES				
Selling, general and administrative expenses	554,635	535,418	1,614,662	1,599,000
Depreciation and amortization	69,465	80,733	203,084	239,121

Wages and employee benefits	930,501	948,812	2,628,063	3,021,579
	1,554,601	1,564,963	4,445,809	4,859,700
Income from operations	1,320,202	861,498	1,806,378	1,829,711
OTHER ITEMS				
Gain on sale of property, plant and equipment	4,500	350	1,008	2,350
Interest and other income	265	705	4,683	19,637
Interest expense	-	-	-	(57,533)
	4,765	1,055	5,691	(35,546)
Income before income taxes	1,324,967	862,553	1,812,069	1,794,165
Income taxes	528,000	379,000	738,000	761,022
Net income	\$ 796,967	\$ 483,553	\$ 1,074,069	\$ 1,033,143
Basic earnings per common share	\$ 0.33	\$ 0.20	\$ 0.45	\$ 0.43
Diluted earnings per common share	\$ 0.33	\$ 0.20	\$ 0.45	\$ 0.43
Weighted average number of common shares outstanding:				
Basic	2,390,977	2,390,977	2,390,977	2,390,977
Diluted	2,390,977	2,390,977	2,390,977	2,390,977

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,	
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$1,074,069	\$1,033,143
Items not involving an outlay of cash:		
Depreciation and amortization	203,084	239,121
Gain on sale of property, plant and equipment	(1,008)	(2,350)
Deferred income taxes	84,080	20,440
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(633,479)	1,120,583
(Increase) in note receivable	-	(41,500)
(Increase) decrease in inventory	1,067,948	1,389,685
(Increase) decrease in prepaid expenses	(11,841)	(145,345)
(Decrease) increase in accounts payable and accrued liabilities	121,729	(1,468,855)
(Increase) decrease in prepaid income taxes	(101,640)	(399,661)
Net cash provided by operating activities	1,802,942	1,745,261
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(213,660)	(249,165)
Proceeds from sale of property, plant and equipment	4,500	2,350
Net cash (used in) investing activities	(209,160)	(246,815)
CASH FLOWS FROM FINANCING ACTIVITIES		

Promissory note	-	(2,018,811)
Note payable	-	(300,000)
Net cash (used in) financing activities	-	(2,318,811)
Net increase (decrease) in cash and cash equivalents	1,593,782	(820,365)
Cash and cash equivalents, beginning of period	6,828,571	5,758,479
Cash and cash equivalents, end of period	\$ 8,422,353	\$ 4,938,114

SEGMENT INFORMATION

Following is a summary of segmented information for the nine month periods ended May 31:

	<u>2010</u>	<u>2009</u>
Sales to unaffiliated customers:		
Industrial wood products	\$ 6,455,924	\$ 8,834,109
Lawn, garden, pet and other	16,036,387	18,570,621
Seed processing and sales	3,601,377	3,153,539
Industrial tools and clamps	1,444,106	998,087
	<u>\$ 27,537,794</u>	<u>\$ 31,556,356</u>
Income (loss) before income taxes:		
Industrial wood products	\$ (304,376)	\$ (368,749)
Lawn, garden, pet and other	2,444,299	2,216,707
Seed processing and sales	(281,401)	51,831
Industrial tools and clamps	28,649	(8,202)
Unallocated overhead	(75,102)	(97,422)
	<u>\$ 1,812,069</u>	<u>\$ 1,794,165</u>

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Source: Jewett-Cameron Trading Company Ltd.