

## **Jewett-Cameron Announces Fiscal 2012 Financial Results**

North Plains, Oregon, November 7, 2012 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF) today reported financial results for its fourth quarter and fiscal year ended August 31, 2012.

For the fiscal year ended August 31, 2012 Jewett-Cameron reported net income after other items and income taxes of \$3,059,931, or \$1.78 per diluted share, on sales of \$45.95 million, compared to net income of \$902,394, or \$0.44 per diluted share, on sales of \$42.06 million, reported for fiscal 2011. The net income in the current year was positively affected by litigation income and related interest of \$1,457,096. The prior years' results were negatively affected by a litigation loss and related interest expenses of (\$1,402,863).

Sales for the fourth quarter of fiscal 2012 totaled \$10.8 million compared to sales of \$11.2 million for the fourth quarter of fiscal 2011. The company reported net income of \$771,034, or \$0.45 per diluted share, compared to net income of \$647,456, or \$0.31 per diluted share, in the fourth quarter of fiscal 2011.

"We have continued to focus on our strengths of being a reliable and valuable supplier of quality products to our customers. Our successful efforts are reflected in our higher sales and income from operations for the year," said CEO Don Boone. "We also began shipping several new products to complement our existing product lines. However, higher material and transportation costs continue to have a negative effect on our margins."

As of August 31, 2012, the Company's cash position was \$7.3 million, and currently there is no borrowing against its \$5.0 million line of credit.

During fiscal 2012, the Company re-purchased and cancelled a total of 340,486 shares of its common stock at an average price of \$9.03 per share. The total cost of these share repurchases in fiscal 2012 was \$3,075,559. On August 17, 2012, the Company announced the Board of Directors had authorized a new Rule 10b-18 share repurchase plan to purchase for cancellation up to 400,000 common shares. This share repurchase plan commenced on August 20, 2012 and will remain in place until March 15, 2013 but may be limited or terminated at any time without prior notice. As of November 7, 2012, no common shares have been repurchased under the new 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 is a wholesaler of wood products and a manufacturer and distributor of specialty metal products, sold principally 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

	<b>2012</b>	<b>2011</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 7,309,388	\$ 6,774,127
Accounts receivable, net of allowance of \$6,509 (August 31, 2011 - \$0)	3,092,842	3,897,086
Inventory, net of allowance of \$139,869 (August 31, 2011 - \$204,860) (note 3)	7,085,389	5,815,593
Note receivable	20,000	41,500
Prepaid expenses	388,957	848,341
Prepaid income taxes	-	682,527
Total current assets	17,896,576	18,059,174
<b>Property, plant and equipment, net</b> (note 4)	1,997,109	1,850,037
<b>Intangible assets, net</b> (note 5)	444,203	510,771
<b>Deferred income taxes</b> (note 6)	101,573	157,862
<b>Total assets</b>	\$ 20,439,461	\$ 20,577,844
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 1,577,182	\$ 519,265
Litigation reserve (Note 13(a))	170,819	1,627,915
Accrued liabilities	1,181,067	941,846
Accrued income taxes	37,203	-
Total current liabilities	2,966,271	3,089,026
<b>Contingent liabilities and commitments</b> (note 13)		
<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		
1,567,971 common shares (August 31, 2011 - 1,908,457)	1,479,721	1,801,043
Additional paid-in capital	600,804	600,804
Retained earnings	15,392,665	15,086,971
Total stockholders' equity	17,473,190	17,488,818
<b>Total liabilities and stockholders' equity</b>	\$ 20,439,461	\$ 20,577,844

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

	<b>2012</b>	<b>2011</b>
<b>SALES</b>	\$ 45,945,530	\$ 42,056,470
<b>COST OF SALES</b>	37,306,129	33,930,109
<b>GROSS PROFIT</b>	8,639,401	8,126,361
<b>OPERATING EXPENSES</b>		
Selling, general and administrative	1,463,550	1,680,428
Depreciation and amortization	244,216	261,542
Wages and employee benefits	3,368,495	3,348,143
	5,076,261	5,290,113
<b>Income from operations</b>	3,563,140	2,836,248
<b>OTHER ITEMS</b>		
Loss on sale of property, plant and equipment	-	(2,652)
Interest and other income (loss)	13,968	(30)
Interest expense	(743)	(440,726)
Litigation income (loss) (note 13(a))	1,443,629	(962,137)
	1,456,854	(1,405,545)
<b>Income before income taxes</b>	5,019,994	1,430,703
<b>Income taxes</b> (note 6)		
Current	1,903,774	487,589
Deferred	56,289	40,720
<b>Net income for the year</b>	\$ 3,059,931	\$ 902,394
<b>Basic earnings per common share</b>	\$ 1.78	\$ 0.44
<b>Diluted earnings per common share</b>	\$ 1.78	\$ 0.44
<b>Weighted average number of common shares outstanding:</b>		
Basic	1,722,106	2,060,587
Diluted	1,722,106	2,060,587

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

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the year	\$ 3,059,931	\$ 902,394
Items not affecting cash:		
Depreciation and amortization	244,216	261,542
Loss on sale of property, plant and equipment	-	2,652
Deferred income taxes	56,289	40,720
Litigation (income) loss	(1,443,629)	962,137
Interest (income) expense on litigation	(13,467)	440,726
Changes in non-cash working capital items:		
Decrease (increase) in accounts receivable	804,244	(22,972)
Decrease in note receivable	21,500	-
(Increase) decrease in inventory	(1,269,796)	450,189
Decrease (increase) decrease in prepaid expenses	459,384	(791,645)
Decrease (increase) in prepaid income taxes	682,527	(682,527)
Increase (decrease) in accounts payable and accrued liabilities	1,297,138	82,132
Increase (decrease) in accrued income taxes	37,203	(8,133)
Net cash provided by operating activities	<u>3,935,540</u>	<u>1,637,215</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds on sale of property, plant and equipment	-	5,450
Purchase of property, plant and equipment	(311,670)	(118,707)
Purchase of intangible assets and other	(13,050)	-
Net cash used in investing activities	<u>(324,720)</u>	<u>(113,257)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Redemption of common stock	(3,075,559)	(3,460,145)
Net cash used in financing activities	<u>(3,075,559)</u>	<u>(3,460,145)</u>
<b>Net increase (decrease) in cash</b>	535,261	(1,936,187)
<b>Cash, beginning of year</b>	<u>6,774,127</u>	<u>8,710,314</u>
<b>Cash, end of year</b>	<u>\$ 7,309,388</u>	<u>\$ 6,774,127</u>

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Source: Jewett-Cameron Trading Company Ltd.