

## **Jewett-Cameron Announces Fiscal 2013 Financial Results**

North Plains, Oregon, October 30, 2013 – Jewett-Cameron Trading Company Ltd. (NASDAQ: JCTCF) today reported financial results for its fourth quarter and fiscal year ended August 31, 2013.

For the fiscal year ended August 31, 2013 Jewett-Cameron reported net income after other items and income taxes of \$3,132,019, or \$1.00 per diluted share, on sales of \$49.29 million, compared to net income of \$3,059,931, or \$0.89 per diluted share, on sales of \$45.95 million, reported for fiscal 2012. The net income in the current year was positively affected by a one-time gain on the sale of property of \$353,852 and the prior year's net income was positively affected by litigation income and related interest of \$1,457,096. Excluding other items and taxes, income from operations rose to \$4,673,690 in fiscal 2013 from \$3,563,140 in fiscal 2012.

Sales for the fourth quarter of fiscal 2013 totaled \$10.7 million compared to sales of \$10.8 million for the fourth quarter of fiscal 2012. The company reported net income of \$842,078, or \$0.27 per diluted share compared to net income of \$771,034, or \$0.23 per diluted share, in the fourth quarter of fiscal 2012. All per share amounts have been adjusted for the 2 for 1 stock split of the common shares effective May 2, 2013.

"Our higher sales were primarily due to successful sales efforts and the introduction of several new products," said CEO Don Boone. "We also completed an expansion of our North Plains warehouse which will more easily support the Company's sales growth."

As of August 31, 2013, the Company's cash position was \$8.3 million, and currently there is no borrowing against its \$5.0 million line of credit. During fiscal 2013, the company repurchased and cancelled a total of 1,006 common shares at a total cost of \$7,188, which represents an average price of \$7.15 per share.

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>2013</b>	<b>2012</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 8,308,445	\$ 7,309,388
Accounts receivable, net of allowance of \$Nil (August 31, 2012 - \$6,509)	3,344,777	3,092,842
Inventory, net of allowance of \$134,259 (August 31, 2012 - \$139,869) (note 3)	8,520,991	7,085,389
Note receivable	15,000	20,000
Prepaid expenses	587,609	388,957
Prepaid income taxes	270,423	-
Total current assets	21,047,245	17,896,576
<b>Property, plant and equipment, net</b> (note 4)	2,241,950	1,997,109
<b>Intangible assets, net</b> (note 5)	368,662	444,203
<b>Deferred tax assets</b> (note 6)	-	101,573
<b>Total assets</b>	\$ 23,657,857	\$ 20,439,461
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 1,715,458	\$ 1,577,182
Litigation reserve (note 13(a))	144,103	170,819
Accrued liabilities	1,149,882	1,181,067
Accrued income taxes	-	37,203
Total current liabilities	3,009,443	2,966,271
<b>Deferred tax liability</b> (note 6)	50,393	-
<b>Total liabilities</b>	3,059,836	2,966,271
<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		
3,134,936 common shares (August 31, 2012 - 3,135,942)	1,479,246	1,479,721
Additional paid-in capital	600,804	600,804
Retained earnings	18,517,971	15,392,665
Total stockholders' equity	20,598,021	17,473,190
<b>Total liabilities and stockholders' equity</b>	\$ 23,657,857	\$ 20,439,461

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

	<b>2013</b>	<b>2012</b>
<b>SALES</b>	\$ 49,286,147	\$ 45,945,530
<b>COST OF SALES</b>	39,455,054	37,306,129
<b>GROSS PROFIT</b>	9,831,093	8,639,401
<b>OPERATING EXPENSES</b>		
Selling, general and administrative	1,503,226	1,463,550
Depreciation and amortization	256,487	244,216
Wages and employee benefits	3,397,690	3,368,495
	5,157,403	5,076,261
<b>Income from operations</b>	4,673,690	3,563,140
<b>OTHER ITEMS</b>		
Gain on sale of property, plant and equipment	353,852	-
Interest and other income	37,383	13,225
Litigation income (note 13(a))	-	1,443,629
	391,235	1,456,854
<b>Income before income taxes</b>	5,064,925	5,019,994
<b>Income taxes</b> (note 6)		
Current	1,780,940	1,903,774
Deferred	151,966	56,289
<b>Net income for the year</b>	\$ 3,132,019	\$ 3,059,931
<b>Basic earnings per common share</b>	\$ 1.00	\$ 0.89
<b>Diluted earnings per common share</b>	\$ 1.00	\$ 0.89
<b>Weighted average number of common shares outstanding:</b>		
Basic	3,135,509	3,444,212
Diluted	3,135,509	3,444,212

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

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the year	\$ 3,132,019	\$ 3,059,931
Items not affecting cash:		
Depreciation and amortization	256,487	244,216
Gain on sale of property, plant and equipment	(353,852)	-
Deferred income taxes	151,966	56,289
Litigation income	-	(1,443,629)
Interest income on litigation	(26,716)	(13,467)
Changes in non-cash working capital items:		
Decrease (increase) in accounts receivable	(251,935)	804,244
Decrease in note receivable	5,000	21,500
Increase in inventory	(1,435,602)	(1,269,796)
Decrease (increase) in prepaid expenses	(198,652)	459,384
Decrease (increase) in prepaid income taxes	(270,423)	682,527
Increase in accounts payable and accrued liabilities	107,091	1,297,138
Increase (decrease) in accrued income taxes	(37,203)	37,203
Net cash provided by operating activities	<u>1,078,180</u>	<u>3,935,540</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds on sale of property, plant and equipment	410,000	-
Purchase of property, plant and equipment	(481,935)	(311,670)
Purchase of intangible assets and other	-	(13,050)
Net cash used in investing activities	<u>(71,935)</u>	<u>(324,720)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Redemption of common stock	(7,188)	(3,075,559)
Net cash used in financing activities	<u>(7,188)</u>	<u>(3,075,559)</u>
<b>Net increase in cash</b>	999,057	535,261
<b>Cash, beginning of year</b>	<u>7,309,388</u>	<u>6,774,127</u>
<b>Cash, end of year</b>	<u>\$ 8,308,445</u>	<u>\$ 7,309,388</u>

Contact: Don Boone, President & CEO, (503) 647-0110

Source: Jewett-Cameron Trading Company Ltd.