

For Immediate Release: April 20, 2009

HAMMOND POWER SOLUTIONS INC.

Positive Revenue and Earnings Trends Continue

Three months ended:

(dollars in thousands)

	<u>March 28, 2009</u>	<u>March 29, 2008</u>	<u>Change</u>
Sales	\$ 54,845	\$ 48,356	\$ 6,489
Earnings from Operations	\$ 6,612	\$ 5,347	\$ 1,265
Other Income:			
Gain on sale of investment & Associated properties	\$ -	\$ 2,095	\$ (2,095)
Net Earnings	\$ 4,242	\$ 5,120	\$ (878)
Earnings per Share			
Basic	\$ 0.36	\$ 0.44	\$ (.08)
Diluted	\$ 0.36	\$ 0.43	\$ (.07)

Guelph, Ontario, April 20, 2009 - Hammond Power Solutions Inc., ("HPS") (TSX: HPS.A) today announced results for the First Quarter 2009.

Sales for the quarter ended March 28, 2009 were \$54,845 up \$6,489 or 13.4% from the comparative quarter last year.

"HPS has continued to grow its sales and market share through the U.S. electrical distributor channel. Due to our dominant position in the Canadian market, we have maintained solid sales levels in our business. Our strategies of geographical, market and channel diversification have helped HPS weather this economic storm and will position us very positively when this recession is over. HPS continues to expand its market share of the electrical distributor channel in both the United States and Canada" said Bill Hammond, Chairman & Chief Executive Officer of Hammond Power Solutions Inc.

First Quarter 2009 gross margin dollars increased by \$2,350 or 17.32% compared to Quarter 1, 2008, due to a stronger U.S. dollar, favorable product mix and lower material costs. Gross margin rates for the quarter finished at 29.0%, versus 28.1% in Quarter 1, 2008, an increase of 0.9%.

Mr. Hammond commented, "we are also focusing our efforts on maximizing our profitability. This includes careful management of our market pricing strategies, manufacturing flexibility and our cost reduction initiatives."

Total selling, general and administrative expenses were \$9,319 in Quarter 1, 2009, versus \$8,234 in Quarter 1, 2008, an increase of \$1,085 or 13.2%. As a percentage of sales, SG&A expenses in Quarter 1, 2009 were the same as in Quarter 1, 2008, 17.0%. The increase in expenses was primarily due to the conversion of U.S. selling, general and administrative expenses translated with a stronger U.S. dollar as compared to a year ago.

The Company continued to deliver quarter-over-quarter increases in its earnings from operations. Quarter 1, 2009 posted an increase of \$1,265 or 23.7% from the same quarter last year, finishing at \$6,612 in the quarter, as compared to \$5,347 in Quarter 1, 2008.

The focus on market share expansion in the United States and Canada, sales mix, and more favourable commodity costs contributed to the increase in earnings from operations.

Quarter 1, 2009 income tax expense was \$2,275 as compared to \$2,226 in Quarter 1, 2008.

Net earnings for Quarter 1, 2009 were \$4,242 compared to adjusted net earnings of \$3,216 for Quarter 1, 2008, resulting in an increase in net earnings of \$1,026 or 31.9%. The net earnings for the quarter ended March 29, 2008 were impacted by the gains from the sale of the equity investment in Moloney Electric Inc. and related properties. Net earnings in Quarter 1 2009 decreased by \$878 finishing at \$4,242, compared to \$5,120 in Quarter 1, 2008.

Cash provided by operations for Quarter 1, 2009, was \$2,012, versus usage of \$2,824 in Quarter 1, 2008, a decrease in usage of \$4,836.

Overall bank operating lines of credit and long term debt, net of cash balances totaled \$6,035 as at March 28, 2009, a decrease of \$654 as compared to a balance of \$6,689 as at March 29, 2008.

Mr. Hammond concluded, "The end result of all of our efforts is a very positive quarter of financial performance, especially in light of what is what is happening around us. We will continue to manage our business in a fiscally conservative manner while looking for the opportunities that will inevitably surface for the company that is well financed and well positioned as a leader in its markets."

About Hammond Power Solutions Inc.

Hammond Power Solutions Inc. (the "Company") is a North American leader for the design and manufacture of dry-type custom electrical engineered magnetics and is also a leading manufacturer of standard electrical dry-type transformers. Leading edge engineering capabilities, high quality products, and fast, responsive service to customers' needs have all served to establish HPS as a technical and innovative leader in the electrical and electronic industries. The Company has three manufacturing plants in Canada, two in Mexico and one in the United States.

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