



For Immediate Release: April 27, 2010
Hammond Power Solutions Inc.
Reports Solid Results for Quarter 1, 2010

Three months ended:
(dollars in thousands)

	April 3, 2010	March 28, 2009	Change
Sales	\$ 44,273	\$ 54,845	\$ (10,572)
Earnings from Operations	\$ 3,580	\$ 6,072	\$ (2,492)
Exchange Gain	\$ 247	\$ 540	\$ (293)
Net Earnings	\$ 2,224	\$ 4,242	\$ (2,018)
Earnings per share			
Basic	.19	.36	(.17)
Diluted	.19	.36	(.17)
Cash Provided by Operations	\$ 1,645	\$ 2,012	\$ (367)

Guelph, Ontario, April 27, 2010 - Hammond Power Solutions Inc., ("HPS") (TSX: HPS.A) today announced results for the First Quarter 2010.

"HPS has delivered solid results given the uncertain global economy and strengthened Canadian dollar. Our focus on geographical market and channel diversification has delivered increases in our booking rates. We continue to expand our North American Electrical Distributor presence in Canada and the United States and saw some improvement in our OEM segment." said Bill Hammond, Chairman & Chief Executive Officer of Hammond Power Solutions Inc.

Sales for the quarter ended April 3, 2010, were \$44,273 down \$10,572 or 19.3% from the comparative quarter last year, and were \$4,348 lower, or 8.9% from Quarter 4, 2009. Approximately \$5,699 or 54% of the decline was due solely to U.S. dollar translation. Quarter 1, 2009 sales benefited from the more robust order levels of Quarter 4, 2008 that spilled over into the backlog levels carried forward into 2009 as compared to the first quarter of 2010 which had much lower backlog levels going into the quarter.

"HPS realized a 4.5% increase in bookings in Quarter 1, 2010 over the previous quarter as several of our markets have shown increases in order activity and many of our customers are starting to increase their stocking levels" Bill Hammond further commented.



The Company delivered decent gross margin rates considering pricing margin pressures, lower sales volumes and the negative impact that a stronger Canadian dollar had on margins. Quarter 1, 2010 gross margin rates finished at 26.7% versus 29.0% in Quarter 1, 2009, a decrease of 2.3%.

Mr. Hammond commented, "Achieving and stabilizing gross margin rates is a key focal point for the Company."

Total selling, general and administrative expenses were \$8,245 in Quarter 1, 2010, versus \$9,859 in Quarter 1, 2009, a decrease of \$1,614 or 16.4%. HPS continues to invest in information systems infrastructure and engineering strategic initiatives.

Earnings from operations for the quarter continue to be suppressed by the significant impact of U.S. dollar translation exchange losses and the general economic conditions. Earnings from operations decreased by \$2,492 or 41.0% from the same quarter last year, finishing at \$3,580 in the quarter, as compared to \$6,072 in Quarter 1, 2009.

The Company continues to concentrate on the development of organic and new customer sales, capacity capabilities, lead-time reduction and multinational operations presence which will support new sales development and solid revenue and profitability performance going forward.

Quarter 1, 2010, income tax expense was \$1,533 as compared to \$2,275 in Quarter 1, 2009.

Although net earnings were hurt by the uncertain economic and U.S. currency environment and a lower opening backlog, the Company delivered respectable net earnings of \$2,224 for Quarter 1, 2010, compared to \$4,242 in Quarter 1, 2009.

Cash provided by operations for Quarter 1, 2010 was \$1,645 versus \$2,012 in Quarter 1, 2009. Bank operating lines of credit finished Quarter 1, 2010 at \$2,169 compared to \$6,241 at the end of Quarter 1, 2009, a decrease of \$4,072. The Company's overall cash balances, net of bank indebtedness, resulted in a net cash position of \$10,464 in Quarter 1, 2010, a net improvement of \$14,991 when compared to a net debt position of \$4,527 in Quarter 1, 2009.

Mr. Hammond concluded, "HPS's delivered respectable financial results and a solid Balance Sheet in Quarter 1, 2010. The Company is not untouchable to the business and profitability pressures it must endure, but is confident that the business fundamentals that it has built and the strategic plans it implements will sustain and breed growth opportunities as HPS moves forward."

Hammond Power Solutions Inc. will hold a conference call on Wednesday, April 28, 2010 at 10:00 a.m. EST, to discuss the Company's financial results for the First Quarter 2010.

The dial in number for the live audio call is:

Participant dial-in number(s)

Local access: 416-695-6623
Toll Free access: 800-766-6630

Instant replay Access Information:

Local access: 416-695-5800
Toll Free access: 800-408-3053
Pass code: 2016676

Caution Regarding Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable securities laws. The forward-looking information contained in this press release is subject to known and unknown risks, uncertainties and other factors that are not within the control of HPS. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "believe", "estimate", "expect", "intend", "should", "scheduled", "will", "plan" and similar expressions. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause HPS's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information and developed based on assumptions about such risks, uncertainties and other factors set out herein.

A discussion of factors that may affect HPS' actual results, performance, achievements or financial position is contained in the filings by HPS with the Canadian securities regulatory authorities, including HPS' Annual Information Form. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. HPS disclaims any intent or obligations to update or revise publicly any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

About Hammond Power Solutions Inc.

Hammond Power Solutions Inc., ("HPS" or the "Company") is the North American leader for the design of custom electrical engineered magnetics as well as the leading manufacturer of standard electrical dry type transformers. Advanced engineering capabilities, high quality products and fast responsive service to customers' needs have established the Company, as a technical and innovative leader in the electrical and electronic industries. The Company has manufacturing plants in Canada, the United States and Mexico.

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