



Hammond Manufacturing Company Limited
394 Edinburgh Road North
Guelph, Ontario, Canada
N1H 1E5
Toronto: (905) 456-3770
Guelph: (519) 822-2960
Fax: (519) 822-8987

PRESS RELEASE

Trade Symbol **TSX:HMM.A**

HAMMOND MANUFACTURING COMPANY LIMITED announces financial results for the first quarter ending March 28, 2008:

	Three months ending:	
	3/28/08	3/30/07
Net sales	\$18,508,000	\$18,259,000
Earnings from operations	\$382,000	\$348,000
Net earnings	\$2,034,000	\$174,000
Basic Earnings per share	\$0.18	\$0.02
Shares outstanding	11,334,300	11,329,300
Net book value per share	\$2.11	\$1.92

GUELPH, ONTARIO – May 5, 2008

We are pleased to report that our plans to battle the inflated Canadian dollar and rapidly increasing material costs has resulted in income from operations, as shown in the attached quarterly report. This comes after two difficult quarters in the last half of 2007.

The value of the Canadian dollar has retreated a bit, however, it still remains close to parity with the U.S. dollar and is still compressing our margins. We are committed to continue our plans to defend and expand our market shares in a slowing North American economy.

Q1/08 was also helped by strong electronic growth in Europe and Australia. We are committed to global markets wherever we can develop niche opportunities. As well, our margins are beginning to reflect the lower costs from our Asian manufacturing and sourcing agreements. We are progressing toward a business model that blends high volume Asian production with lower volume, value-added products that can be economically manufactured in UK, U.S., or Canada.

Net earnings reflects the impact of the sale of the Moloney Electric business interest. We will be using the proceeds from the sale to strengthen the core business of our company. We have paid down our debts and are planning selective investments in automation and machinery upgrades.

Of most importance, the improvement in our quarter and our direction for the future is a result of many individual expense reductions and productivity improvements. All of us at Hammond are focused on the needs of our customers for high value products at competitive prices.

Hammond Manufacturing Company Limited manufactures a broad range of products for the electronic and electrical products industry, including metallic and non-metallic enclosures, racks, small cases, outlet strips, surge suppressors and electronic transformers.

Advisory – This discussion contains some forward-looking statements, which are subject to certain risks, uncertainties and assumptions. Should one or more of these risk factors materialize, or should assumptions prove incorrect, actual results may vary significantly from those expected.

For information, contact:

Hammond Manufacturing Company Limited

Robert F. Hammond, Chairman and CEO

Tel. (519) 822-2960

Fax. (519) 822-7289

Email: ir@hammfg.com