

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 third quarter ended October 1, 2010:

	Nine mont	Three months ending:					
	10/1/10		10/2/09	10/1/10			10/2/09
Net Sales	\$ 59,317,000	\$	53,216,000	\$ 19,	726,000	\$	16,499,000
Earnings from operations(*)	3,111,000		1,370,000	1,262,000			(124,000)
Net Earnings	1,578,000		(113,000)	775,000		(564,000)	
Earnings per share	\$ 0.14	\$	(0.01)	\$	0.07	\$	(0.05)
Shares outstanding	11,334,300		11,334,300				
Net Book value per share	\$ 2.43	\$	2.40				

^(*) Earnings from operations is before interest, foreign exchange, equity and taxes

GUELPH, ONTARIO - October 21, 2010

To all employees and shareholders:

The team efforts to deal with the recession are being successful and third quarter sales increased 19.6% from the same period last year. However this was only 3.6% over the pre-recession 2008 third quarter.

With the Canadian dollar close to par with the US dollar and signs that the economy is slowing we have to be cautious with our outlook. We will continue to manage conservatively.

Our focus continues to be cost reduction, customer service and product innovation.

We believe this strategy will build shareholder value and a secure company.

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.

For information, contact:
Hammond Manufacturing Company Limited
Robert F. Hammond, Chairman and CEO
Tel. (519) 822-2960

Fax. (519) 822-7289 Email: <u>ir@hammfg.com</u>