

PRESS RELEASE

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HAMMOND, KENNEDY, WHITNEY & COMPANY, INC. (HKW) ANNOUNCES CLOSING OF THE SALE OF REINHOLD INDUSTRIES, INC.

Indianapolis, IN – HKW announced that the sale of Reinhold Industries, Inc. (NASDAQ: RNHDA), an HKW portfolio company, was completed via tender offer on December 11, 2006. HKW partners and affiliates of Babson Capital (a MassMutual Life Insurance Company) acquired control of Reinhold in 1999. Over the past seven years, HKW and Reinhold management completed two add-on acquisitions, two business line divestitures and dramatically renovated and expanded the manufacturing facility and headquarters in Santa Fe Springs, California.

The cash tender offer price of \$12.50 per share, together with \$20.75 of regular and special dividends paid in 2004 and 2005, generates a cash on cash return to HKW and affiliates of Babson Capital of 5.4 times the original investment with an internal rate of return of 30% per year.

Reinhold is a manufacturer of advanced custom composite components and sheet molding compounds for a variety of applications in the United States and Europe. www.reinhold-ind.com

HKW is a 103 year old private equity firm focusing on the small end of the middle market. HKW maintains offices in New York, Chicago, Indianapolis and Shanghai. www.hkwinc.com