



FOR IMMEDIATE RELEASE

Espey Reports Second Quarter and Six Month Results; Revenues and Profits Increase.

Saratoga Springs, NY; February 14, 2008- Espey Mfg. & Electronics Corp., (AMEX:ESP), announces results for the second quarter and the six months of fiscal year 2008 ended December 31, 2007.

Net sales for the second quarter of fiscal 2008, October 1 to December 31, 2007, increased by \$.6 million to \$6.7 million as compared with last year's second quarter net sales of \$6.1 million. Net income for the period increased approximately 66 percent to \$797,086, or 61 percent to \$.37 per diluted share as compared with net income of \$479,911, \$.23 per diluted share for the corresponding period last fiscal year.

For the first six months of fiscal 2008, July 1 to December 31, 2007, net sales rose by \$.8 million to \$13.0 million, as compared with \$12.2 million for the first six months of fiscal 2007. This represents a new Company record net sales amount for the six-month period as compared to prior years. Net income for the six months increased approximately 36 percent to \$1,388,669, or 33 percent to \$.65 per diluted share, as compared with net income of \$1,022,961, \$.49 per diluted share, for the corresponding period last fiscal year.

The total sales order backlog for the Company at December 31, 2007 decreased by \$2.3 million to \$31.4 million, compared with \$33.7 million at December 31, 2006. New sales orders for the six-month period totaled approximately \$8.2 million, identical to last year.

The Company has received a preliminary agreement to commence performance on a contract for military power supplies expected to be in the approximate amount of \$6 million. A definitive agreement is expected by April 30, 2008. Excluding the above preliminary contract, the Company's backlog is \$34.5 million at February 12, 2008.

Espey's primary business is the development, design, and production of specialized military and industrial power supplies/electronic equipment. The Company's web site can be found on the Internet at www.espey.com.

For further information, contact Mr. David O'Neil or Mr. Howard Pinsley at (518) 245-4400.

Certain statements in this press release are "forward-looking statements" and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent the Company's current expectations or beliefs concerning future events. The matters covered by these statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those set forth in the forward-looking statements. The Company wishes to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

Espey Mfg. & Electronics Corp. comparative unaudited three-month and six-month figures for the periods ended December 31, 2007 and 2006.

	Three Months		Six Months	
	2007	2006	2007	2006
Sales:	\$6,732,144	\$6,119,320	\$13,033,930	\$12,191,226
Net Income:	797,086	479,911	1,388,669	1,022,961
Income per share:				
Basic	.38	.23	.67	.50
Diluted	.37	.23	.65	.49
Weighted average number of Shares outstanding:				
Basic	2,074,789	2,047,803	2,070,334	2,040,909
Diluted	2,109,650	2,071,693	2,125,632	2,066,015

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