



FOR IMMEDIATE RELEASE

Espey Mfg. & Electronics Corp. reports first quarter results.

Saratoga Springs, NY, November 13, 2008- Espey Mfg. & Electronics Corp. (AMEX:ESP) reports results for the first three months of fiscal year 2008.

Net sales for the first quarter of fiscal 2009, July 1 to September 30, 2008, decreased 3.9% to \$6,053,519, compared with last year's first quarter net sales of \$6,301,786. Net income for the period fell to \$398,296, \$.19 per diluted share, as compared with net income of \$591,583, \$.28 per diluted share for the same period last year.

New sales orders in the first quarter of fiscal 2009 rose to approximately \$5.5 million, compared with \$4.2 million in the first quarter of fiscal 2008. The sales order backlog for the Company was \$44.2 million on September 30, 2008, an increase of \$10.1 million, compared with last year's sales backlog of \$34.1 million on September 30, 2007.

Mr. Howard Pinsley, President & CEO, commented, *"The current quarter decrease in net income is directly attributable to investments made in new programs with long-term growth potential. More importantly, the significant increase in the sales order backlog is an important indicator that our Company is in a strong financial position."*

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.

This press release may contain certain statements that 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 period ended September 30, 2008 and 2007.

	Three Months	
	2008	2007
Sales:	\$6,053,519	\$6,301,786
Net Income:	398,296	591,583
Income per share:		
Basic	.19	.29
Diluted	.19	.28
Weighted average number of Shares outstanding:		
Basic	2,102,306	2,065,879
Diluted	2,116,039	2,103,746

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