



FOR IMMEDIATE RELEASE

Espey reports fourth quarter and year-end results and announces dividend... Record fiscal year...

Saratoga Springs, NY, August 23, 2010- Espey Mfg. & Electronics Corp. (NYSE-Amex: ESP) announces results for its fiscal year and fourth quarter, both ended June 30, 2010. Net sales and net income for the fiscal year both achieved record highs over any year in Espey's 81-year history.

For the fourth quarter ended June 30, 2010, net sales increased by \$918,856, to \$9.2 million, compared with last year's fourth quarter net sales of \$8.3 million. Net income for the fourth quarter ended June 30, 2010 was \$1,249,305, \$.58 per diluted share, compared with net income of \$1,596,084, \$.75 per diluted share, for the corresponding period last year.

For the fiscal year ended June 30, 2010, the Company reported net sales of \$28.9 million, compared with \$27.2 million for the prior fiscal year. Net income increased to \$3,564,962, \$1.67 per diluted share for the year, compared with net income of \$2,733,240, \$1.29 per diluted share, for the fiscal year ended June 30, 2009. At June 30, 2010, the sales order backlog decreased to \$31 million, compared with last year's \$39.1 million on June 30, 2009.

New sales orders for the year totaled \$21 million.

Mr. Mark St. Pierre, President and CEO, commented, *"We are pleased to report another year of strong sales and earnings performance at Espey, results which are especially gratifying in view of the recessionary economy."*

Furthermore, the Espey Board of Directors has declared a cash dividend. The regular first quarter dividend for the fiscal year ending June 30, 2011 is \$.225 per share. The dividend will be payable on September 24, 2010, to all shareholders of record at September 3, 2010.

Espey's primary business is the development, design, and production of specialized military and industrial power supplies/transformers. The Company can be found on the Internet at www.espey.com. *For further information, contact Mr. David O'Neil or Mark St. Pierre 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 and audited twelve-month figures for the periods ended June 30, 2010 and 2009.

	Three Months		Twelve Months	
	2010	2009	2010	2009
Sales:	\$9,202,915	\$8,284,059	\$28,900,013	\$27,241,635
Net Income:	1,249,305	1,596,084	3,564,962	2,733,240
Income per share:				
Basic	.58	.76	1.67	1.30
Diluted	.58	.75	1.67	1.29
Weighted average number of Shares outstanding:				
Basic	2,135,147	2,107,367	2,129,417	2,107,643
Diluted	2,143,709	2,109,089	2,137,799	2,113,798

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