



FOR IMMEDIATE RELEASE

Espey Mfg. & Electronics Corp. Reports Third Quarter and Nine Month Results, Backlog increases by 25%.

Saratoga Springs, NY, May 11 2011 - Espey Mfg. & Electronics Corp. (NYSE-Amex: ESP) announces results for its third quarter and the nine months of fiscal 2011, ended March 31, 2011.

Net sales for the third quarter of fiscal year 2011, January 1 to March 31, 2011, increased to \$7,005,795 as compared with last fiscal year's third quarter net sales of \$6,955,827. Net income for the period was \$1,012,031, \$.46 per diluted share, as compared with net income of \$808,723, \$.38 per diluted share for the corresponding period the last fiscal year.

For the first nine months of fiscal year 2011, July 1, 2010 to March 31, 2011, net sales decreased to \$19,613,467, as compared with \$19,697,098 for the first nine months of fiscal 2010. Net income for the period increased to \$2,415,317, \$1.11 per diluted share, as compared with net income of \$2,315,657, \$1.08 per diluted share, for the corresponding period last fiscal year.

The sales order backlog for the Company was \$41.5 million at March 31, 2011, increasing by 25%, compared with last fiscal year's sales order backlog of \$33.1 million at March 31, 2010.

Mr. Mark St. Pierre, President and CEO, commented, "*While uncertainty dominates the United States Defense Dept. budget process, Espey's selected strategic military programs and a product mix of non-defense related business has resulted in stable sales and earnings and a robust backlog. At May 8, 2011 our sales order backlog is \$42 million.*"

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. 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 nine-month figures for the periods ended March 31, 2011 and 2010.

	Three Months		Nine Months	
	2011	2010	2011	2010
Sales:	\$7,005,795	\$6,955,827	\$19,613,467	\$19,697,098
Net Income:	1,012,031	808,723	2,415,317	2,315,657
Income per share:				
Basic	.47	.38	1.12	1.09
Diluted	.46	.38	1.11	1.08
Weighted average number of Shares outstanding:				
Basic	2,157,427	2,127,135	2,150,330	2,127,514
Diluted	2,181,559	2,138,898	2,173,518	2,135,836

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