



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

Saratoga Springs, NY, November 14, 2013- Espey Mfg. & Electronics Corp. (NYSE MKT: ESP) reports results for the first three months of fiscal year 2014.

Net sales for the first quarter of fiscal 2013, July 1 to September 30, 2013 declined to \$6,920,955, compared with last year's first quarter net sales of \$7,891,877. Net income for the quarter decreased to \$1,048,907, \$.46 per diluted share as compared with net income of \$1,280,718, \$.57 per diluted share for the same quarter last year.

The sales order backlog for the Company was at \$40.5 million on September 30, 2013, a decrease of \$9.6 million from last year's sales order backlog of \$50.1 million on September 30, 2012. New sales orders in the first quarter of fiscal 2014 decreased to approximately \$5.4 million, compared with \$7.2 million in the first quarter of fiscal 2013.

Mr. Mark St. Pierre, President and CEO, commented:

*“Espey’s first quarter results are down 12% in sales and 18% in income from the previous quarter in line with our expectations and generally reflect the ongoing pressure from defense spending slowdown, sequestration, and budget uncertainty that have plagued the entire industry.*

*“Nevertheless on a relative basis, sales of just under \$7M and earnings of \$.46 per share are outperforming our industry peers. As has been communicated, our challenge ahead will be to land and convert to short-term revenue, the large long-term programs-of-record that are core to our strategy. We know this will be a challenging year for the entire industry but we continue to believe that if we ‘stick to our core strategy,’ and invest in our future, Espey will weather the storm and continue to deliver outstanding long-term value to our stakeholders.”*

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](http://www.espey.com).

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 figures for the period ended September 30, 2013 and 2012		
	2013	2012
Sales	\$ 6,920,955	\$ 7,891,877
Net Income	1,048,907	1,280,718
Income per share:		
Basic	.47	.59
Diluted	.46	.57
Weighted average number of shares outstanding:		
Basic	2,231,072	2,186,424
Diluted	2,265,823	2,234,361