



Espey Mfg. & Electronics Corp. reports first quarter results

Saratoga Springs, NY, November 3, 2014- Espey Mfg. & Electronics Corp. (NYSE MKT: ESP) reports results for the first three months of fiscal year 2015.

Net sales for the first quarter of fiscal 2015, July 1 to September 30, 2014 were \$5,693,472, as compared to last year's first quarter net sales of \$6,920,955. Net income for the quarter decreased to \$911,221, \$0.40 per diluted share, as compared to net income of \$1,048,907, \$0.46 per diluted share for the same quarter last year.

The sales order backlog for the Company was at \$35.1 million on September 30, 2014, a decrease of \$5.4 million from last year's sales order backlog of \$40.5 million on September 30, 2013. New sales orders in the first quarter of fiscal 2015 were \$5.0 million, as compared to \$5.4 million in the first quarter of fiscal 2014.

Mr. David O'Neil, Interim President and CEO, commented,

“Our financial results were as expected. Sales are down and margins have stabilized as compared to the 4th quarter of Fiscal 14. Net income as a percentage of sales was a respectable 16%. We are working hard to maintain profitability and grow our backlog with a long-term vision. To that end, we are starting to see some benefits from our revamped sales organization. Our order backlog at October 31, 2014 had grown by nearly \$4 million to approximately \$39 million, and we are pursuing many new opportunities with both existing and new customers.”

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.

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, 2014 and 2013		
	2014	2013
Sales	\$ 5,693,472	\$ 6,920,955
Net Income	911,221	1,048,907
Income per share:		
Basic	0.40	0.47
Diluted	0.40	0.46
Weighted average number of shares outstanding:		
Basic	2,270,949	2,231,072
Diluted	2,277,754	2,265,823