



Espey Mfg. & Electronics Corp. Reports Second Quarter Results

Saratoga Springs, NY, February 12, 2015- Espey Mfg. & Electronics Corp. (NYSE MKT: ESP) reports results for the second quarter and the first six months of fiscal year 2015, ended December 31, 2014.

Net sales for the second quarter of fiscal year 2015, October 1 to December 31, 2014, were \$5.7 million, compared with last year's second quarter net sales of \$6.6 million. The net income for the period was \$1,219,082, \$0.54 per diluted share, compared with \$111,152, \$0.05 per diluted share for the corresponding period the last fiscal year.

For the first six months of fiscal 2015, July 1 to December 31, 2014, net sales were \$11.4 million, compared with \$13.5 million for the first six months of fiscal 2014. Net income for the period was \$2,130,303, \$0.93 per diluted share, compared with net income of \$1,160,059, \$0.51 per diluted share, for the corresponding period last fiscal year.

The sales order backlog for the Company was \$41.2 million at December 31, 2014, compared with last year's sales backlog of \$37.8 million at December 31, 2013. New sales orders in the first half of fiscal 2015 were approximately \$16.8 million, compared with new sales orders in the first half of fiscal 2014 of approximately \$9.3 million.

Mr. David O'Neil, Treasurer and CFO, commented:

We are pleased with the quarterly results. Our team continues to execute effectively, maintaining profitability. In this quarter we continued to see an increase in new orders received which resulted in an overall increase to our order backlog. We plan to build on this momentum and look forward to continued future success that is consistent with our long term vision for the company.

Espey's primary business is the development, design, and production of standard and specialized military and industrial power electronics, power supplies, transformers and contract manufacturing. 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. Patrick Enright 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 six-month figures for the periods ended December 31, 2014 and 2013.

	Three Months		Six Months	
	2014	2013	2014	2013
Sales:	\$5,697,083	\$6,569,641	\$11,390,555	\$13,490,596
Net Income:	1,219,082	111,152	2,130,303	1,160,059
Income per share:				
Basic	0.54	.05	0.94	.52
Diluted	0.54	.05	0.93	.51
Weighted average number of Shares outstanding:				
Basic	2,265,460	2,242,436	2,268,205	2,236,754
Diluted	2,274,004	2,297,463	2,281,049	2,281,643