



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

Saratoga Springs, NY, November 9, 2011- Espey Mfg. & Electronics Corp. (NYSE-Amex: ESP) reports results for the first three months of fiscal year 2012.

Net sales for the first quarter of fiscal 2012, July 1 to September 30, 2011, increased 32.7% to \$7,993,927, compared with last year's first quarter net sales of \$6,026,330. Net income for the period climbed to \$926,904, \$.42 per diluted share, as compared with net income of \$753,539, \$.35 per diluted share for the same period last year.

New sales orders in the first quarter of fiscal 2012 increased 38.5%, to approximately \$9.4 million, compared with \$6.8 million in the first quarter of fiscal 2011. The sales order backlog for the Company was at \$40.1 million on September 30, 2011, an increase of \$8.3 million, compared with last year's sales order backlog of \$31.8 million on September 30, 2010.

Mr. Mark St. Pierre, President and CEO, commented, *"Despite the continued lackluster performance of the global economy, Espey is pleased to report significant increase to sales , backlog, and earnings. We are far from complacent, however.*

Like every company in the defense sector, we are watching carefully the course of events in Washington as the so-called congressional "Super Committee" struggles to produce \$1.2 Trillion in Federal budget cuts over 10 years. We are sticking closely to careful alignment of our strategy of positioning ourselves on essential (and upgradeable) legacy programs, and select new programs deemed indispensable regardless of cuts that may be made to the defense portion of the Federal budget.

We also continue to nurture our high reliability non-defense business as a hedge against such cuts."

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 period ended September 30, 2011 and 2010.

	Three Months	
	2011	2010
Sales:	\$7,993,927	\$6,026,330
Net Income:	926,904	753,539
Income per share:		
Basic	.43	.35
Diluted	.42	.35
Weighted average number of Shares outstanding:		
Basic	2,164,202	2,141,447
Diluted	2,196,104	2,153,627