



**FOR IMMEDIATE RELEASE**

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

Saratoga Springs, NY, November 11, 2010- Espey Mfg. & Electronics Corp. (NYSE-Amex: ESP) reports results for the first three months of fiscal year 2011.

Net sales for the first quarter of fiscal 2011, July 1 to September 30, 2010, decreased 12% to \$6,026,330, compared with last year's first quarter net sales of \$6,874,940. Net income for the period fell to \$753,539, \$.35 per diluted share, as compared with net income of \$992,763, \$.47 per diluted share for the same period last year.

New sales orders in the first quarter of fiscal 2011 increased 42%, to approximately \$6.8 million, compared with \$4.8 million in the first quarter of fiscal 2010. The sales order backlog for the Company was at \$31.8 million on September 30, 2010, a decrease of \$5.2 million, compared with last year's sales order backlog of \$37 million on September 30, 2009.

Mr. Mark St. Pierre, President and CEO, commented, *"We are pleased with our progress in developing new customers for our core power supply and transformer business, especially in the long-term military ground vehicle and naval surface fleet upgrade efforts. We are also continuing our efforts at "Lean Manufacturing" to eliminate waste at all levels of the operation, improve quality and shorten our delivery times. These combined efforts will result in another strong year for Espey in fiscal 2011."*

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).

*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, 2010 and 2009.

	Three Months	
	2010	2009
Sales:	\$6,026,330	\$6,874,940
Net Income:	753,539	992,763
Income per share:		
Basic	.35	.47
Diluted	.35	.47
Weighted average number of Shares outstanding:		
Basic	2,141,447	2,116,984
Diluted	2,153,627	2,118,848