

Company Profile

Transcat, Inc. is a leading provider of accredited calibration, repair, inspection and laboratory instrument services. The Company is focused on providing best-in-class services and products to highly regulated industries, including life science, aerospace and defense, pharmaceutical, medical device manufacturing and biotechnology. Transcat provides permanent and periodic on-site services, mobile calibration services and in-house services through 20 Calibration Service Centers strategically located across the United States, Puerto Rico and Canada. The breadth and depth of measurement parameters addressed by Transcat's ISO/IEC 17025 scopes of accreditation are believed to be the best in the industry.

Transcat also operates as a leading value-added distributor that markets, sells and rents national and proprietary brand instruments to customers globally. Its e-commerce focused website and product catalog offer access to more than 100,000 test, measurement and control instruments, including products from approximately 540 leading manufacturers.

Transcat's growth strategy is to leverage its service capabilities, strong brand and leading distribution platform to drive organic sales growth and to expand its addressable calibration market through acquisitions and capability investments to further realize the inherent leverage of its business model.

Service: Primary Growth Engine

- Market opportunity for companies requiring calibration and compliance services is estimated at over \$1.0 billion
- Provides an all-encompassing outsource model for managing companies' calibration programs
- Further expansion in Southern California and key radio frequency market with the April 2016 acquisition of Excalibur Engineering, Inc.

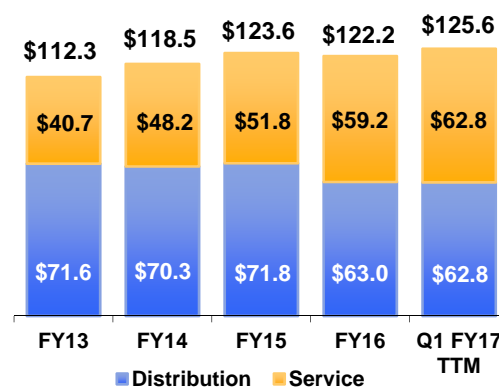
Distribution: Stabilize Cash Generator

- Expanding rental business, and added used equipment business via Excalibur acquisition
- Leverage digital transformation: enhanced web platform with search engine optimization, strategic vendor stores and more products

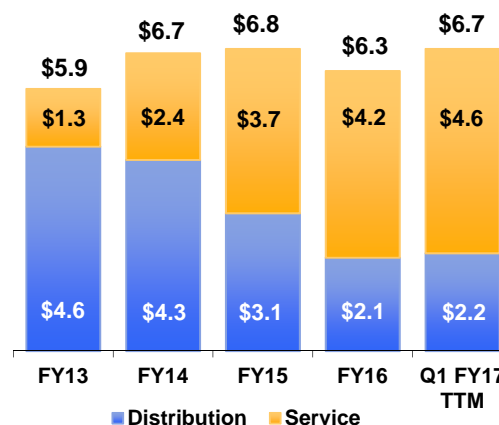
Investment Considerations

- Offers a wide breadth of products and services which can be leveraged for both sales opportunities and operating efficiency
- National brand name recognition and strong, credible management team with reputation for trust, honesty and reliability
- Strong balance sheet and cash flow
- Growing opportunity in life sciences
- Acquisition strategy focused on geographic expansion, increased capabilities, and bolt-on opportunities

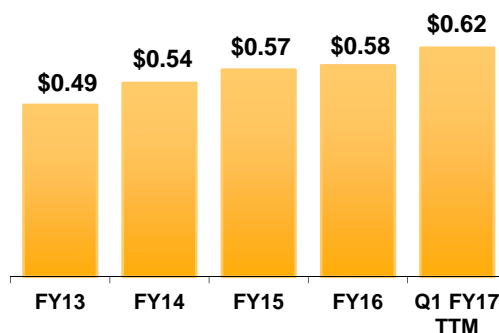
Revenue (in millions)



Operating Income (in millions)



Earnings per Share - diluted



Market Data (as of August 12, 2016)

Shares Outstanding (millions)	7.0
Market Cap (millions)	\$72.6
Avg. Daily Volume (3 mos)	6.2k
Recent Price	\$10.39
52-Week Range	\$8.26 – \$11.85

[Source: Bloomberg, including intra-day pricing]

Financial Highlights

Price to Book	1.8x
Price to Earnings	16.8x
Operating Margin (Q1 FY17 TTM)	5.3%
Net Margin (Q1 FY17 TTM)	3.5%
EPS (Q1 FY17 TTM)	\$0.62

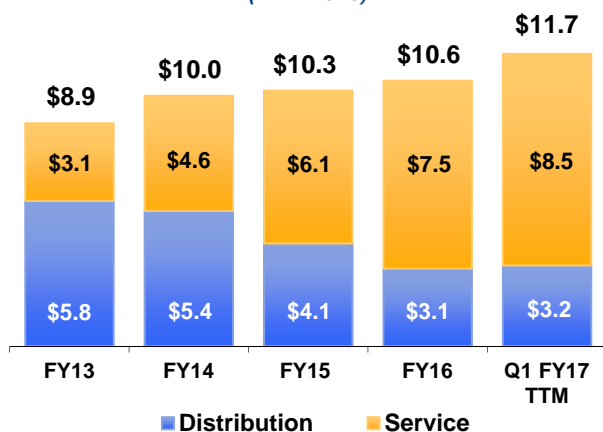
Investor Relations Contact

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Financial Highlights <i>(in thousands, except per share data)</i>	First Quarter Ended		Fiscal Year Ended		
	June 25, 2016	June 27, 2015	March 26, 2016	March 28, 2015	March 29, 2014
Service	\$ 17,175	\$ 13,535	\$ 59,202	\$ 51,801	\$ 48,184
Distribution	15,972	16,135	62,964	71,823	70,324
Total revenue	33,147	29,670	122,166	123,624	118,508
Total cost of revenue	24,901	22,608	93,047	94,537	88,718
Gross margin	24.9%	23.8%	23.8%	23.5%	25.1%
Total operating expenses	6,808	6,035	22,817	22,319	23,085
Operating margin	4.3%	3.5%	5.2%	5.5%	5.7%
Net Income	834	601	4,124	4,026	3,984
Earnings per share – diluted	\$ 0.12	\$ 0.08	\$ 0.58	\$ 0.57	\$ 0.54
Weighted average shares – diluted	7,161	7,132	7,121	7,059	7,357
Cash	\$ 781	\$ 50	\$ 641	\$ 65	\$ 23
Other current assets	27,040	24,029	25,577	27,077	25,508
Non-current assets	57,400	36,605	50,489	35,007	28,343
Total assets	85,221	60,684	76,707	62,149	53,874
Current liabilities	16,159	10,378	15,829	11,933	13,857
Long-term debt	25,917	11,471	19,073	12,168	7,593
Other liabilities	3,095	3,604	2,894	3,730	2,341
Shareholders' equity	40,050	35,231	38,911	34,318	30,083
Total liabilities and shareholders' equity	\$ 85,221	\$ 60,684	\$ 76,707	\$ 62,149	\$ 53,874
Return on average assets	6.0%	7.3%	6.0%	6.9%	7.3%
Return on average equity	11.6%	12.7%	11.3%	12.5%	12.9%
Current ratio	1.7	2.3	1.7	2.3	1.8
Book value per share	\$ 5.59	\$ 4.94	\$ 5.46	\$ 4.86	\$ 4.09
Debt to total capitalization	40.6%	24.6%	32.9%	26.2%	20.2%
Cash flow from operations	\$ (140)	\$ 2,636	\$ 10,982	\$ 4,439	\$ 7,612

Adjusted EBITDA* *(in millions)*



* Adjusted EBITDA Reconciliation *(in millions)*

	FY2013	FY2014	FY2015	FY2016	Q1 FY2017 TTM
Operating Income	\$5.95	\$6.71	\$6.77	\$6.30	\$6.71
Other (Expense) /Income	(\$0.11)	(\$0.13)	(\$0.11)	(\$0.05)	(\$0.04)
Noncash Stock Comp	\$0.34	\$0.52	\$0.51	\$0.36	\$0.34
Depreciation & Amortization	\$2.70	\$2.95	\$3.09	\$3.95	\$4.66
Adjusted EBITDA*	\$8.88	\$10.05	\$10.25	\$10.56	\$11.67

* The Company believes that when used in conjunction with GAAP measures, Adjusted EBITDA, or earnings before interest, taxes, depreciation and amortization, other income and expenses, and noncash stock compensation expense, which is a non-GAAP measure, allows investors to view its performance in a manner similar to the methods used by management and provides additional insight into its operating results.

First Quarter FY 2017 Highlights

- Achieved record first quarter revenue of \$33.1 million, driven by Service segment revenue growth.
- Service revenue increased to a first quarter record and was driven by a combination of strong organic and acquisition-related growth. On a trailing twelve-month basis*, Service segment revenue was \$62.8 million, up 18.1% compared with the corresponding trailing-twelve month period of fiscal 2016.
- Distribution segment sales were essentially flat year-over-year, helped by a combination of strategic growth initiatives and incremental sales from the April 2016 Excalibur acquisition.
- Consolidated operating income improved 40% on 12% revenue growth.
- Net income was \$834 thousand, or \$0.12 per diluted share, compared with \$601 thousand, or \$0.08 per diluted share in the prior-year quarter. Leverage from higher sales, improved mix and disciplined cost management drove higher net income.
- At June 25, 2016, the Company had total debt of \$27.3 million with \$11.4 million available under its secured revolving credit facility.
- Capital expenditures in the quarter were \$1.0 million and were primarily for expanded Service segment capabilities and assets for the Company's rental business.

* The Company believes that trailing twelve-month data is more indicative of the long-term progress of the Service segment.