TRANSCAT®
Trust in every measure

Instrument Distribution | Calibration Services | Analytical & Validation Services | Consulting Services

NASDAQ: TRNS | www.TRANSCAT.com | **Investor Fact Sheet – Q2 FY2017**

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.

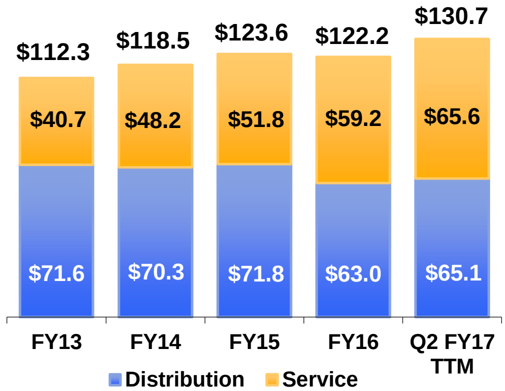
Distribution: *Gaining Traction Through Diversification*

- 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

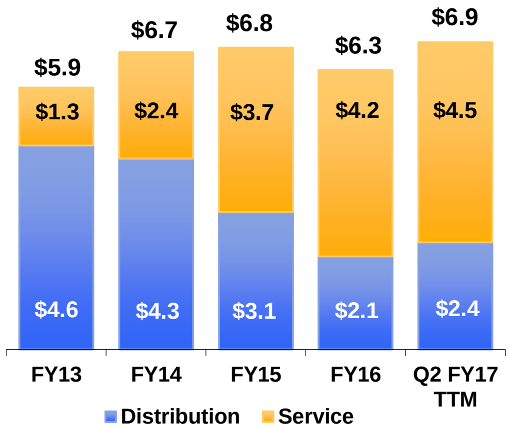
Investment Considerations

- 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

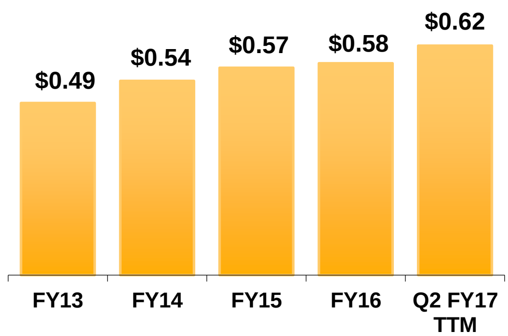
Revenue *(in millions)*



Operating Income *(in millions)*



Earnings per Share - diluted



Market Data *(as of October 25, 2016)*

Shares Outstanding *(millions)*	7.0
Market Cap *(millions)*	$72.4
Avg. Daily Volume *(3 mos)*	6.2k
Recent Price	$10.35
52-Week Range	$8.26 – $11.85

[Source: Bloomberg, including intra-day pricing]

Financial Highlights

Price to Book	1.8x
Price to Earnings	16.7x
Operating Margin *(Q2 FY17 TTM)*	5.3%
Net Margin *(Q2 FY17 TTM)*	3.4%
EPS *(Q2 FY17 TTM)*	$0.62

Investor Relations Contact

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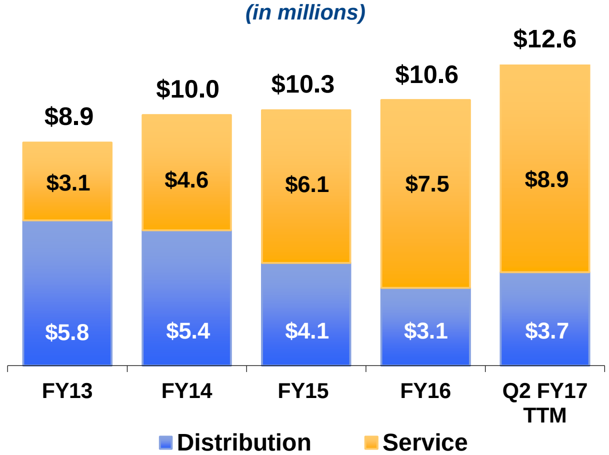
Financial Highlights (in thousands, except per share data)	*Second Quarter Ended* Sept 24, 2016	*Second Quarter Ended* Sept 26, 2015	*Fiscal Year Ended* March 26, 2016	*Fiscal Year Ended* March 28, 2015	*Fiscal Year Ended* March 29, 2014
Service	$ 16,947	$ 14,190	$ 59,202	$ 51,801	$ 48,184
Distribution	17,538	15,286	62,964	71,823	70,324
Total revenue	34,485	29,476	122,166	123,624	118,508
Total cost of revenue	26,458	22,739	93,047	94,537	88,718
Gross margin	*23.3%*	*22.9%*	*23.8%*	*23.5%*	*25.1%*
Total operating expenses	6,449	5,367	22,817	22,319	23,085
Operating margin	*4.6%*	*4.6%*	*5.2%*	*5.5%*	*5.7%*
Net Income	896	878	4,124	4,026	3,984
Earnings per share – diluted	$ 0.12	$ 0.12	$ 0.58	$ 0.57	$ 0.54
Weighted average shares – diluted	7,201	7,119	7,121	7,059	7,357
Cash	$ 598	$ 163	$ 641	$ 65	$ 23
Other current assets	28,170	25,075	25,577	27,077	25,508
Non-current assets	57,271	39,202	50,489	35,007	28,343
Total assets	86,039	64,440	76,707	62,149	53,874
Current liabilities	19,606	12,756	15,829	11,933	13,857
Long-term debt	22,362	11,984	19,073	12,168	7,593
Other liabilities	2,873	3,704	2,894	3,730	2,341
Shareholders' equity	41,198	35,996	38,911	34,318	30,083
Total liabilities and shareholders' equity	$ 86,039	$ 64,440	$ 76,707	$ 62,149	$ 53,874
Return on average assets	5.8%	6.6%	5.9%	6.9%	7.3%
Return on average equity	11.3%	12.4%	11.3%	12.5%	12.9%
Current ratio	1.5	2.0	1.7	2.3	1.8
Book value per share	$5.72	$ 5.06	$ 5.46	$ 4.86	$ 4.09
Debt to total capitalization	36.6%	25.0%	32.9%	26.2%	20.2%
Cash flow from operations (YTD)	$ 5,009	$ 5,314	$ 10,982	$ 4,439	$ 7,612

Adjusted EBITDA*
(in millions)



Second Quarter FY 2017 Highlights

- Achieved record second quarter revenue of $34.5 million, driven by both Service and Distribution segments revenue growth.
- Service revenue was driven by a combination of organic and acquisition-related growth and increased 19.4% to $16.9 million.
- Distribution segment sales were up 15% and were supported by incremental sales from Excalibur, expansion of the higher margin rental business and demand from alternative energy markets.
- Consolidated operating income improved 15%.
- At quarter-end, the Company had total debt of $23.8 million with $15.6 million available under its secured revolving credit facility.
- Capital expenditures in the quarter were $1.5 million and were primarily for assets for the rental business and expanded Service segment capabilities.

*** Adjusted EBITDA Reconciliation** *(in millions)*

	FY13	FY14	FY15	FY16	Q2 FY17 TTM
Net Income	$ 3,704	$ 3,984	$ 4,026	$ 4,124	$ 4,375
+ Interest	117	130	234	247	465
+ Other Expense / (Income)	111	129	111	48	58
+ Tax Provision	2,014	2,462	2,397	1,883	2,023
Operating Income	$ 5,946	$ 6,705	$ 6,768	$ 6,302	$ 6,921
+ Depreciation & Amortization	2,702	2,945	3,090	3,946	5,309
+ Other (Expense) / Income	(111)	(129)	(111)	(48)	(58)
+ Noncash Stock Comp	343	527	507	359	405
Adjusted EBITDA	**$ 8,880**	**$ 10,048**	**$ 10,254**	**$ 10,559**	**$ 12,577**

In addition to reporting net income, a U.S. generally accepted accounting principle ("GAAP") measure, we present Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, and non-cash stock compensation expense), which is a non-GAAP measure. The Company's management believes Adjusted EBITDA is an important measure of operating performance because it allows management, investors and others to evaluate and compare the performance of its core operations from period to period by removing the impact of the capital structure (interest), tangible and intangible asset base (depreciation and amortization), taxes, and stock-based compensation expense, which is not always commensurate with the reporting period in which it is included. Adjusted EBITDA is not calculated through the application of GAAP and is not the required form of disclosure by the Securities and Exchange Commission. As such, it should not be considered as a substitute for the GAAP measure of net income and, therefore, should not be used in isolation of, but in conjunction with, the GAAP measure. The use of any non-GAAP measure may produce results that vary from the GAAP measure and may not be comparable to a similarly defined non-GAAP measure used by other companies.

This fact sheet may contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. One can identify these forward-looking statements by the use of the words such as "expects," "estimates," "projects," "anticipates," "believes," "could," and other similar words. Because such statements apply to future events, they are subject to risks and uncertainties that could cause the actual results to differ materially. Important factors, which could cause actual results to differ materially, are described in Transcat's reports on Form 10-K and 10-Q on file with the Securities and Exchange Commission.