



## Company Profile

Transcat, Inc. is a leading provider of accredited calibration, repair, inspection and compliance services, including analytical instrument qualifications, equipment and process validation. Targeted industries include life science, biotechnology, medical device, pharmaceutical and other FDA-regulated industries, industrial manufacturing, energy and utilities, chemical manufacturing and other industries. Throughout its 18 strategically located centers of excellence in the United States, Canada and Puerto Rico, Transcat delivers precise services with reliable turn-around times. The breadth and depth of measurement parameters addressed by Transcat's ISO/IEC 17025 scopes of accreditation are believed to be among the best in the industry.

In addition, Transcat operates as a leading distributor of professional grade handheld test, measurement and control instrumentation. Through its distribution products segment, Transcat markets and distributes premier and propriety brand instruments to nearly 15,000 customers. The Company offers access to more than 25,000 test, measurement and control products.

Transcat's growth strategy is to expand its product and service platform, comprised of a balanced suite of test products and analytical, calibration, compliance, and validation services. The goal is to deliver specialized technical services with a quality assurance approach, which maximizes document accuracy and on-time job delivery. Transcat answers the call with cGMP, GLP, and GXP compliant services. Transcat can provide life science companies with a reliable alternative service and product solution to the OEMs and to the "generalist" service providers who cannot meet the client's specialized needs.

## Calibration Services: Growth Opportunity

- Performs approximately 200,000 calibrations annually across 18 Calibration Centers of Excellence
- Market opportunity for companies requiring calibration and compliance services is estimated at over \$1.5 billion
- Provides an all encompassing outsource model for managing companies calibration programs

## Distribution Products: Core Strength

- Markets and distributes more than 25,000 test and measurement instruments to nearly 15,000 customers
- Presence in growth industries provides \$700 million market opportunity
- At the forefront of buying behavior shift by increasing online presence through search engine optimization, marketing automation and pay per click advertising

## Investment Considerations

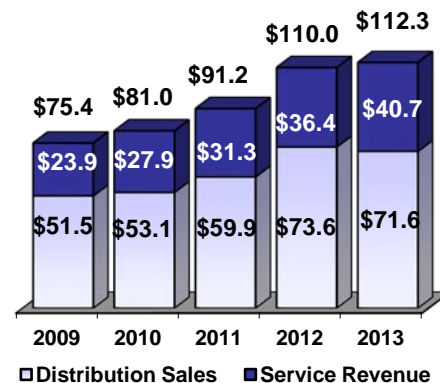
- Offers a wide breadth of products and services which can be leveraged for both sales opportunities and operating efficiency
- National brand name recognition and strong, credible management team with reputation for trust, honesty and reliability
- Strong balance sheet and cash flow
- Growing opportunity in life sciences, pharmaceutical and energy industries

## Market Data (as of June 28, 2013) & Financial Highlights

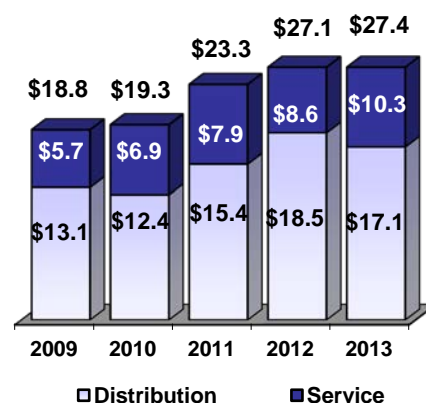
Shares Outstanding (millions) .....	7.5	Price to Book .....	1.57 x
Market Cap (millions) .....	\$51.6	Price to Earnings .....	13.6 x
Avg. Daily Volume (3 mos).....	12.2K	Operating Margin (Q4 2013).....	9.5%
Recent Price.....	\$6.92	Net Margin (Q4 2013).....	5.8%
52-Week Range .....	\$4.97 – \$8.55	EPS (Q4 2013).....	\$0.24

[Market Data Source: Bloomberg]

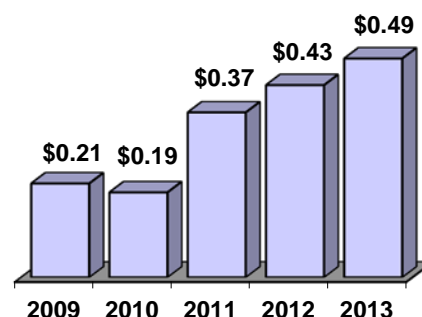
## Revenue (in millions)



## Gross Profit (in millions)



## Earnings per Share - diluted



## Investor Relations Contact

**Deborah Pawlowski**  
**Kei Advisors LLC**

7606 Transit Road, Suite 300  
Buffalo, NY 14221  
716.843.3908 ph  
dpawlowski@keiadvisors.com

## Financial Highlights

(in thousands, except per share data)

	Fourth Quarter Ended		Fiscal Year Ended		
	March 30, 2013	March 31, 2012	March 30, 2013	March 31, 2012	March 26, 2011
Service	\$ 12,199	\$ 10,691	\$ 40,655	\$ 36,406	\$ 31,324
Distribution	18,888	20,081	71,614	73,614	59,862
Total revenue	31,087	30,772	112,296	110,020	91,186
Total cost of products and services sold	22,598	22,887	84,892	82,896	67,888
Gross margin	27.3%	25.6%	24.4%	24.7%	25.5%
Total operating expenses	5,538	5,921	21,458	21,696	18,711
Operating margin	9.5%	6.4%	5.3%	4.9%	5.0%
Net Income	1,816	1,207	3,704	3,302	2,788
Earnings per share – diluted	\$ 0.24	\$ 0.16	\$ 0.49	\$ 0.43	\$ 0.37
Weighted average shares – diluted	7,583	7,678	7,592	7,651	7,521

	March 30, 2013	March 31, 2012	March 26, 2011	March 27, 2010
Cash	\$ 406	\$ 32	\$ 32	\$ 123
Other current assets	25,412	23,146	21,723	19,244
Non-current assets	29,229	21,799	19,605	16,346
Total assets	55,047	44,977	41,360	35,713
Current liabilities	13,327	13,053	12,028	12,220
Long-term debt	8,017	3,365	5,253	2,532
Other liabilities	2,053	1,181	750	704
Shareholders' equity	31,650	27,378	23,329	20,257
Total liabilities and shareholders' equity	\$ 55,047	\$ 44,977	\$ 41,360	\$ 35,713
Return on average assets	7.4%	7.6%	7.2%	4.5%
Return on average equity	12.5%	13.0%	12.8%	7.5%
Current ratio	1.9	1.8	1.8	1.6
Book value per share	\$ 4.17	\$ 3.58	\$ 3.10	\$ 2.68
Debt to total capital	20.2%	10.9%	18.4%	11.1%
Cash flow from operations	\$ 5,241	\$ 6,259	\$ 2,573	\$ 5,649

### EBITDA\* (\$ in millions)



### EBITDA Reconciliation (\$ in millions)

	FY2009	FY2010	FY2011	FY2012	FY2013
Net Income	\$ 1.56	\$ 1.45	\$ 2.79	\$ 3.30	\$ 3.70
+ Interest Expense	\$ 0.10	\$ 0.06	\$ 0.07	\$ 0.13	\$ 0.12
+ Income Tax Provision	\$ 0.96	\$ 0.83	\$ 1.89	\$ 1.94	\$ 2.01
+ Depreciation & Amortization	\$ 1.90	\$ 2.08	\$ 2.29	\$ 2.90	\$ 2.70
<b>EBITDA</b>	<b>\$ 4.52</b>	<b>\$ 4.43</b>	<b>\$ 6.85</b>	<b>\$ 8.28</b>	<b>\$ 8.53</b>

\*The Company believes that when used in conjunction with GAAP measures, EBITDA, or earnings before interest, taxes, depreciation and amortization, 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

## Fourth Quarter and Fiscal Year 2013 Highlights

- Fourth quarter revenue increased \$0.3 million, or 1%, over fourth quarter fiscal 2012. Record annual revenue for fiscal 2013 of \$112.3 million, up \$2.3 million, or 2.1%.
- Service segment revenue increased 14.1%, or \$1.5 million, to \$12.2 million in the fourth quarter of fiscal 2013 compared with the fourth quarter of the prior fiscal year.
- Online distribution sales increased 14.5% to \$2.4 million in the fourth quarter of fiscal 2013 from \$2.1 million in the prior-year period. Online sales accounted for 12.7% and 10.5% of Distribution segment sales in the fourth quarters of 2013 and 2012, respectively.
- Net income was \$1.8 million, or \$0.24 per diluted share, in the fourth quarter of fiscal 2013, compared with \$1.2 million, or \$0.16 per diluted share, in the prior-year period. For fiscal 2013, net income was \$3.7 million, up 12.2% over the prior year.
- Capital expenditures in fiscal 2013 were \$2.7 million compared with \$1.4 million in fiscal 2012, and were primarily to support the Service segment, including additional capabilities, expanded laboratories and Salesforce.com. Cash invested in business acquisitions in fiscal 2013 was \$7.0 million compared with \$3.1 million in fiscal 2012.
- EBITDA\* for FY2013 was \$8.5 million, up from \$8.3 million in the prior year. The compound annual growth rate since FY2009 is 17.2%.