

TRANSCAT[®]

Better by every measure.

Annual Meeting of Shareholders

September 10, 2013

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Lee D. Rudow

President and Chief Executive Officer

Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as “expects,” “estimates,” “projects,” “anticipates,” “believes,” “could,” and other similar words. All statements addressing operating performance, events, or developments that Transcat, Inc. expects or anticipates will occur in the future, including but not limited to statements relating to anticipated revenue, profit margins, sales operations, its strategy to build its sales representative channel, customer preferences and changes in market conditions in the industries in which Transcat operates are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. These risk factors and uncertainties are more fully described in Transcat’s Annual and Quarterly Reports filed with the Securities and Exchange Commission, including under the heading entitled “Risk Factors.” Should one or more of these risks or uncertainties materialize, or should any of the Company’s underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on the Company’s forward-looking statements. Except as required by law, the Company disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this press release.

Senior Management Team

Lee Rudow

President and Chief Executive Officer

John Zimmer

Senior Vice President of Finance and Chief Financial Officer

Michael Craig

Vice President of Human Resources

John Hennessy

Vice President of Sales and Marketing

Rainer Stellrecht

Vice President of Laboratory Operations

Scott Sutter

Vice President of Strategic Business Development

Jay Woychick

Vice President of Special Markets

Agenda

FY 2013 in Review

Strategy and Outlook

FY14 Q1 Update

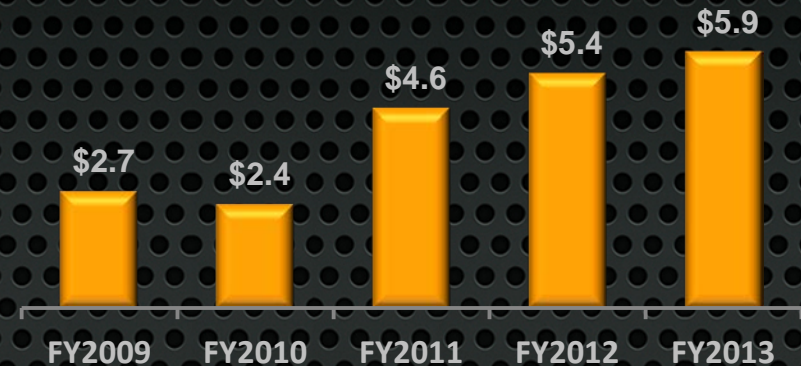
Record Revenue & Operating Income

(\$ in millions)

Consolidated Revenue



Operating Income

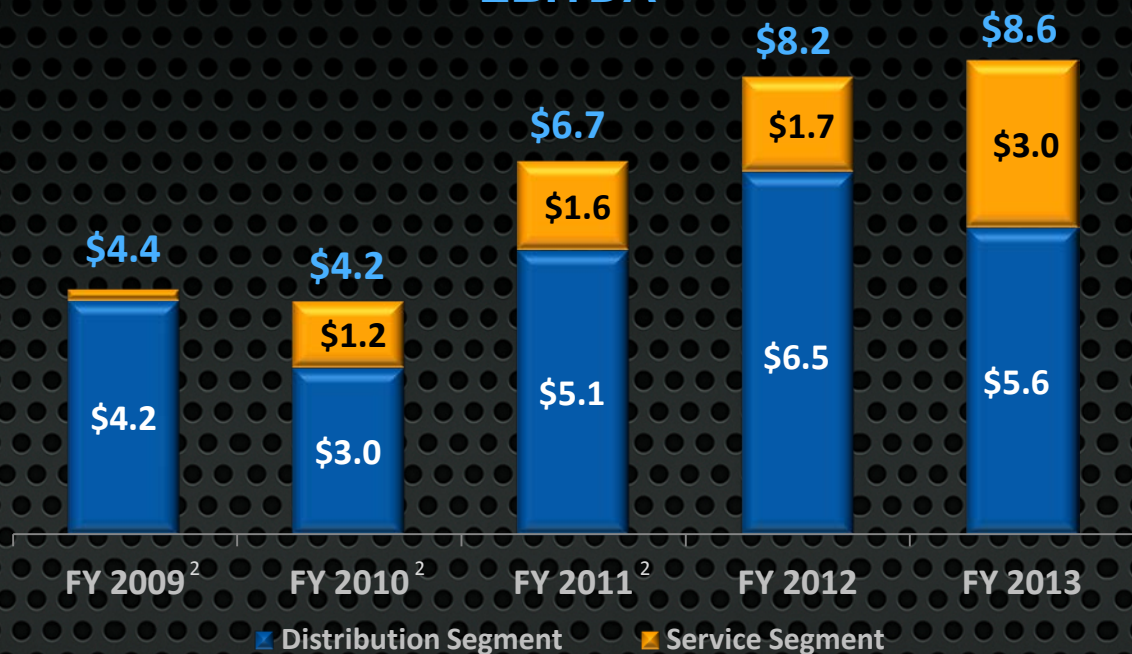


- Revenue 10.5% CAGR*
- Operating Income 21.6% CAGR*

Strong Cash Generation

(\$ in millions)

EBITDA*



- Service Segment's CAGR¹ was 97%
- Achieved an 18% consolidated EBITDA CAGR¹
- Strengthened earnings power

* See supplemental slides for EBITDA reconciliation and other important disclaimers regarding EBITDA.

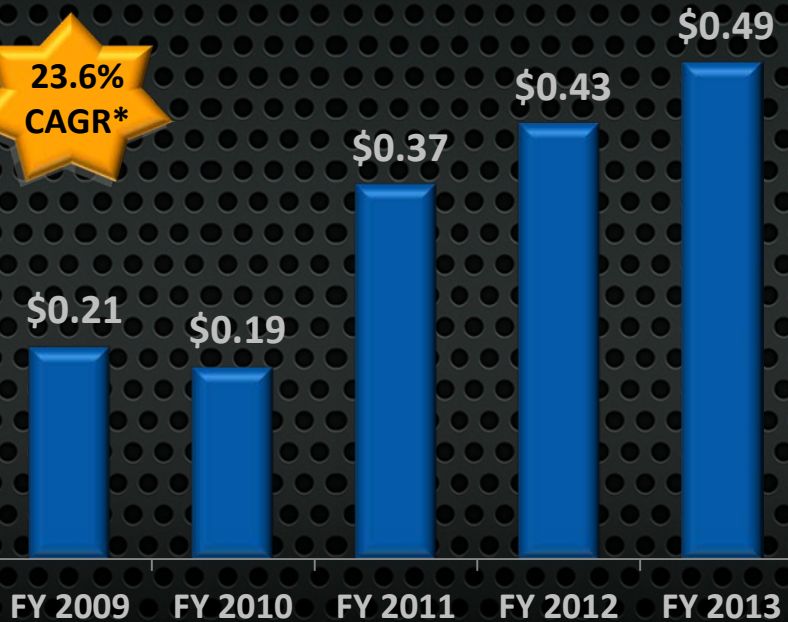
¹ CAGR – Compound annual growth rate $(FY2013 / FY2009)^{(1/4)} - 1$

² The chart above excludes unallocated amounts of \$0.1 million for FY09, \$0.2 million for FY10 and \$0.2 million for FY11. These amounts include previously unallocated administrative-related depreciation, amortization and other non-operating expense. These items have been allocated by segment beginning in fiscal year 2012.

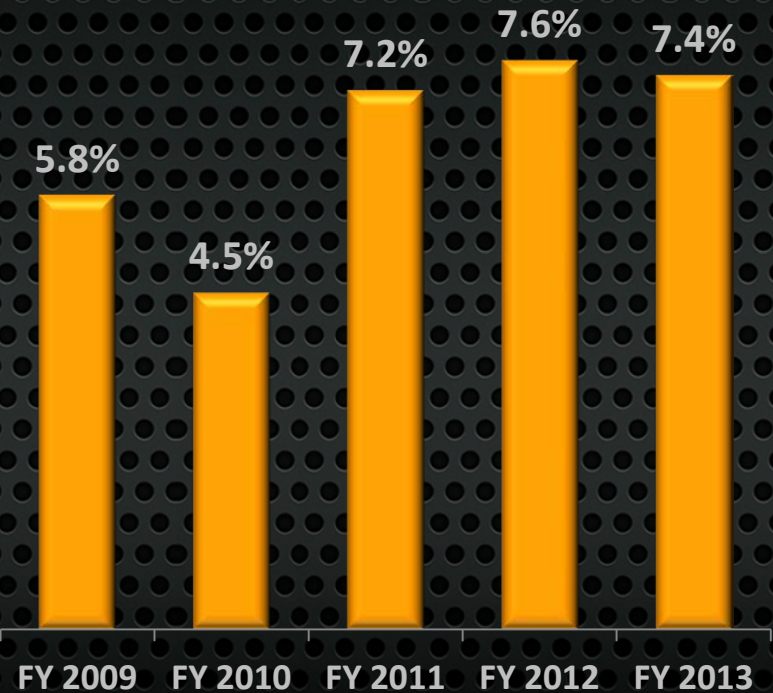
Strong Performance

EPS

23.6%
CAGR*



Return on Assets



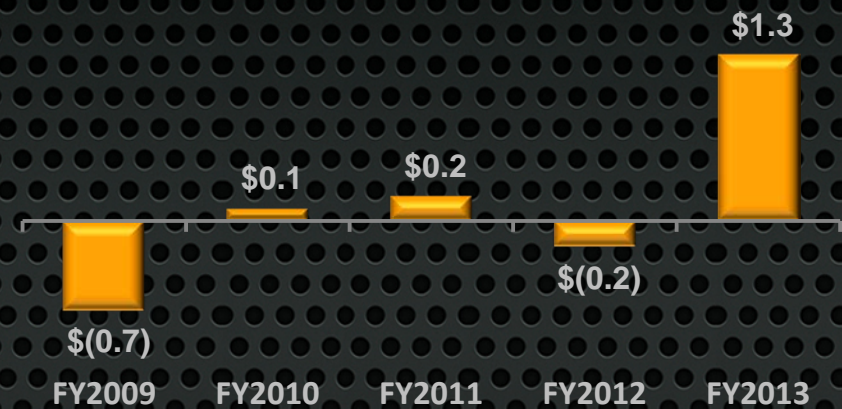
Service Segment

(\$ in millions)

Revenue



Operating Income



- Service Revenue 14.2% CAGR*

Distribution Segment

(\$ in millions)

Revenue

Operating Income



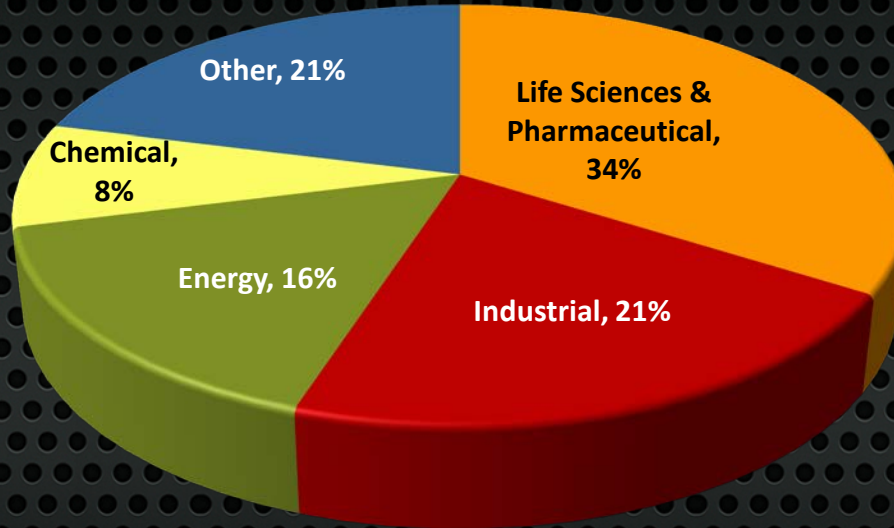
- Distribution Revenue 8.6% CAGR*
- Distribution Operating Income 7.9% CAGR*

STRATEGY AND OUTLOOK

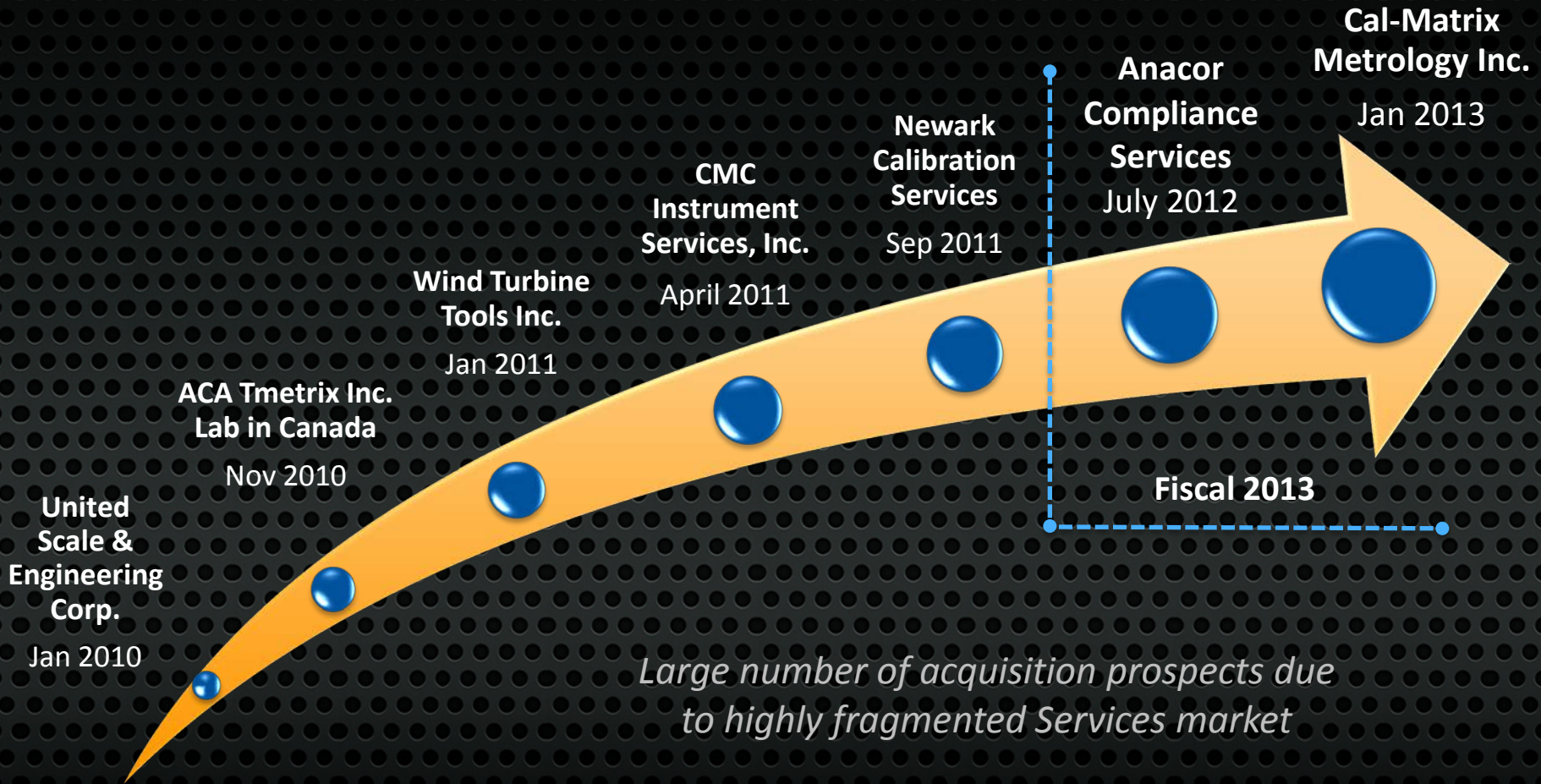
Key Customers



Percentage of Service Revenue
\$40.7 mm*



Successful Acquisition Strategy



Unique Service Value Proposition

Fully Accredited Calibration Provider
with highest Quality in the Industry

On Site Services

18 Centers of Excellence

High-Demand Disciplines:

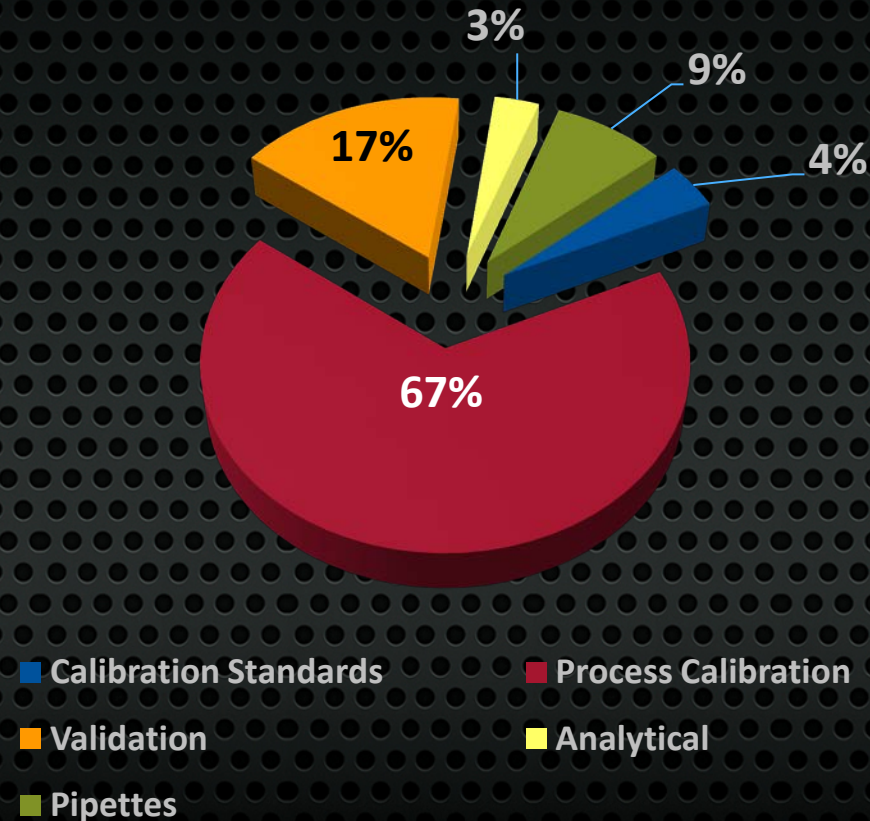
- Electrical
- Temperature
- Pressure
- Dimensional



Growth Opportunity: *Life Sciences Market*

- Highly regulated Industry
- Quality orientated
- Estimated \$1.6 billion+ market*

Typical Suite of Services Life Science Company



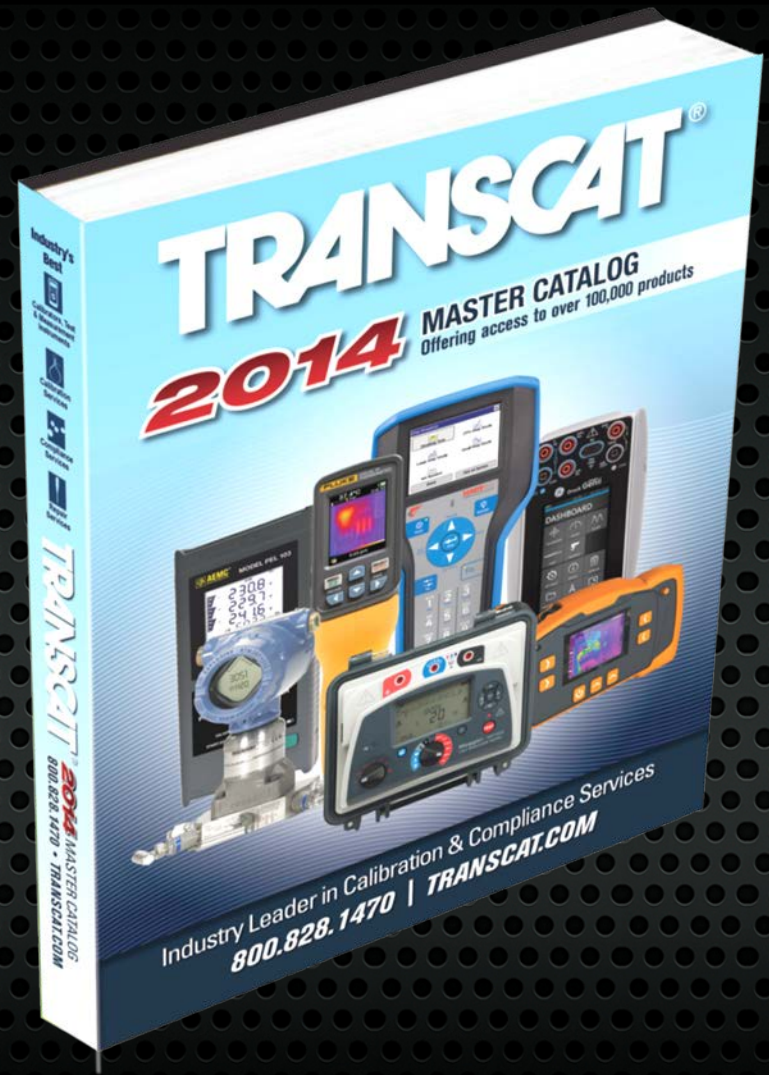
**Source: Frost & Sullivan, North American Analytical Instrumentation and Serves Markets in Life Sciences*

Distribution Segment: *Products and Customer Base*

- 500+ of the Industry's leading brands
- More than 100,000 test, measurement and control instruments
- Comprehensive selection of new products

Driving demand through
integrated marketing:

Direct Mail
Transcat.com
Direct Sales



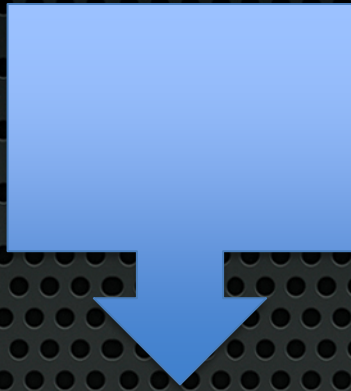
Leveraging our Distribution Segment

- Uniquely positioned to capitalize on inherent leverage between business segments
- Sell more services to distribution customers and more distribution products to service customers
- Provide calibrations with new product sale



Multi-Faceted Growth Strategy

Strategic Acquisitions

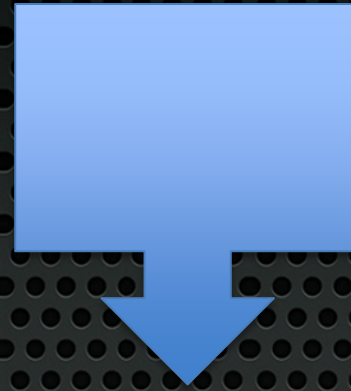


Geographic footprint

Increased capabilities

Acquired expertise

Organic Growth



Leveraging business segments

Outsourcing of internal labs

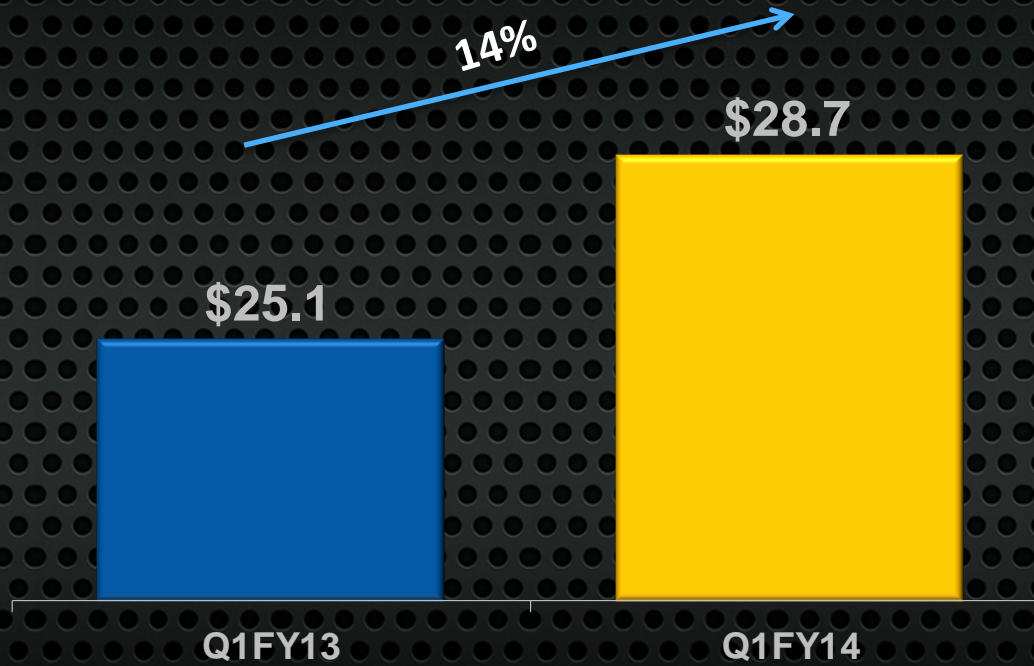
Integrated sales model

FIRST QUARTER FY14 RESULTS

Quarterly Results

(in millions)

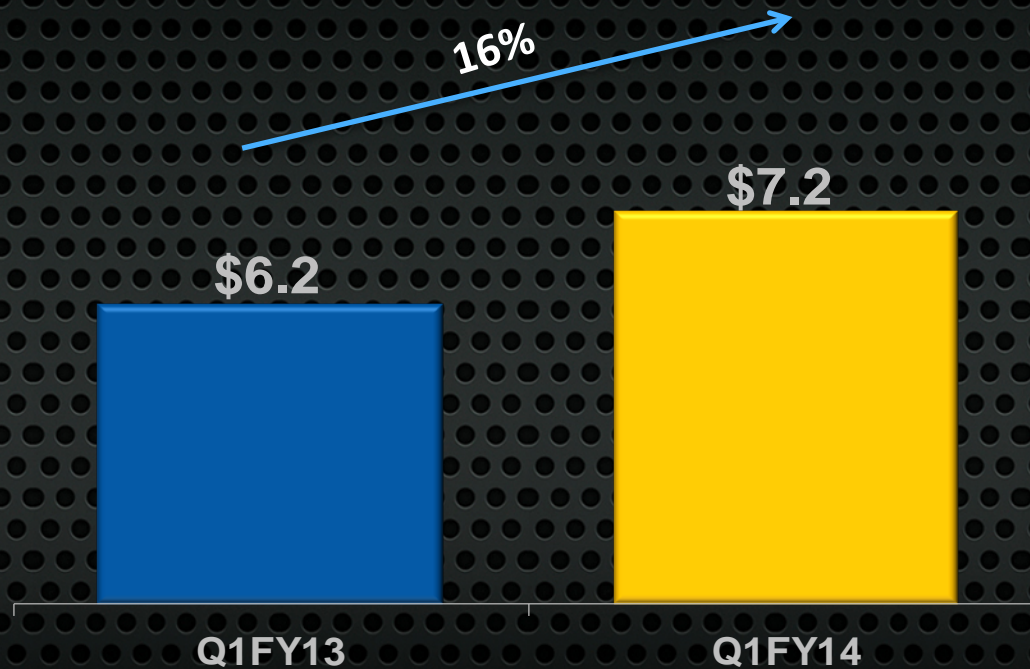
Revenue



Quarterly Results

(in millions)

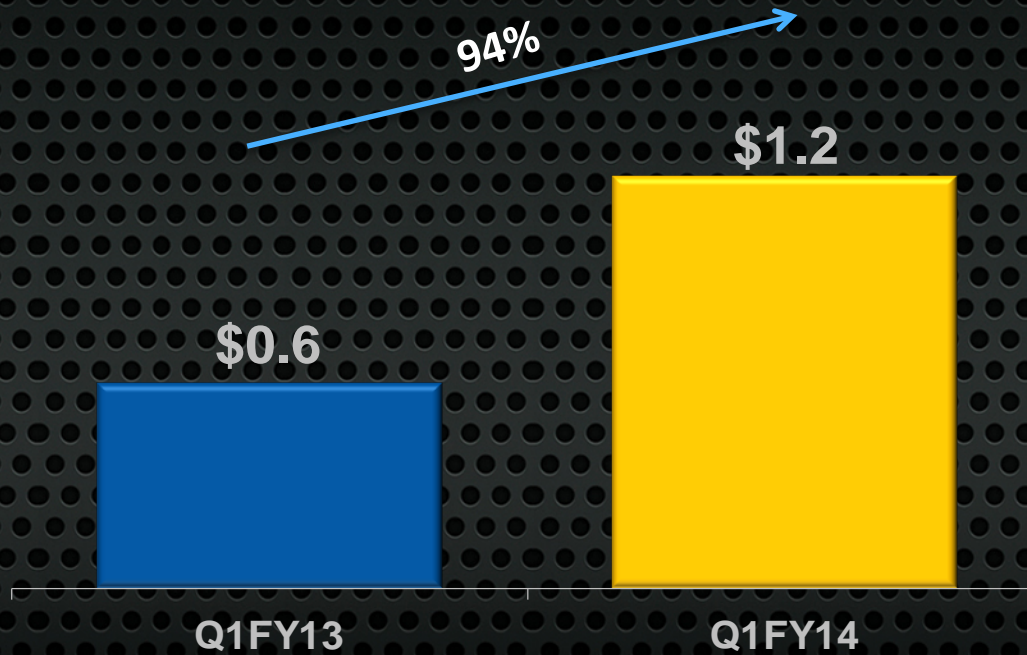
Gross Profit



Quarterly Results

(in millions)

Operating Income



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SUPPLEMENTAL INFORMATION

EBITDA Reconciliation

	FY09	FY10	FY11	FY12	FY2013
Service Operating Income	\$ (762)	\$ 94	\$ 192	\$ (175)	\$ 1,311
+Depreciation & Amortization	\$ 954	\$ 1,136	\$ 1,377	\$ 1,959	\$ 1,740
+Other (Expense) / Income	-	-	-	\$ (37)	\$ (84)
Service EBITDA	\$ 192	\$ 1,230	\$ 1,569	\$ 1,747	\$ 2,967
Distribution Operating Income	\$ 3,448	\$ 2,287	\$ 4,395	\$ 5,603	\$ 4,635
+Depreciation & Amortization	\$ 778	\$ 742	\$ 673	\$ 937	\$ 962
+Other (Expense) / Income	-	-	-	\$ (11)	\$ (27)
Distribution EBITDA	\$ 4,226	\$ 3,029	\$ 5,068	\$ 6,529	\$ 5,570
Service	\$ 192	\$ 1,230	\$ 1,569	\$ 1,747	\$ 2,967
Distribution	\$ 4,226	\$ 3,029	\$ 5,068	\$ 6,529	\$ 5,570
Unallocated	\$ 98	\$ 167	\$ 211	\$ -	\$ -
Total EBITDA	\$ 4,516	\$ 4,426	\$ 6,848	\$ 8,276	\$ 8,537

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