



## Company Profile

Transcat, Inc. is a leading provider of accredited calibration and compliance services including analytical instrument qualifications, equipment and process validation. The Company is focused on providing best-in-class calibration analytics to highly regulated industries, particularly life science, including pharmaceuticals, medical device manufacturing and biotechnology. Transcat performs more than 250,000 specialized technical services annually through a variety of delivery options, including permanent and periodic on-site services, mobile calibration services and in-house services (often accompanied by pick up and delivery). The in-house services are offered through 19 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 answers the call with cGMP and GLP compliant services.

In addition, Transcat operates as a leading distributor of professional grade handheld test, measurement and control instrumentation, marketing more than 100,000 premier and proprietary brand instruments to nearly 22,000 customers.

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: Growth Opportunity

- 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
- Expanded life science market position with the June 2015 acquisition of Calibration Technologies, Inc.

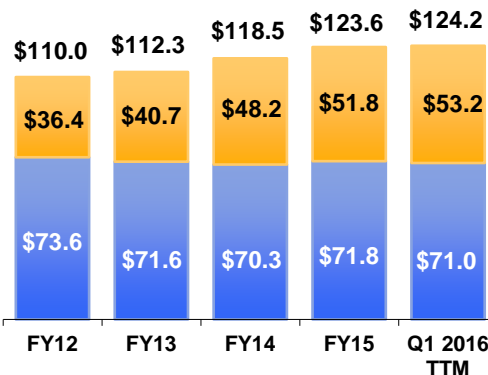
## Distribution: Core Strength

- Markets and distributes more than 100,000 test and measurement instruments to nearly 22,000 customers
- At the forefront of buying behavior shift by increasing online presence through search engine optimization, marketing automation and pay per click advertising

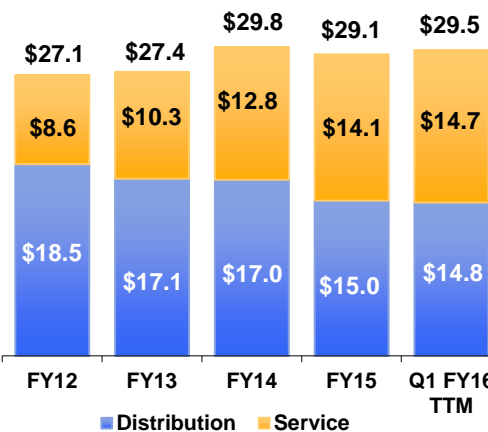
## Investment Considerations

- 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
- Acquisition strategy focused on geographic expansion, increased capabilities, and bolt-on opportunities

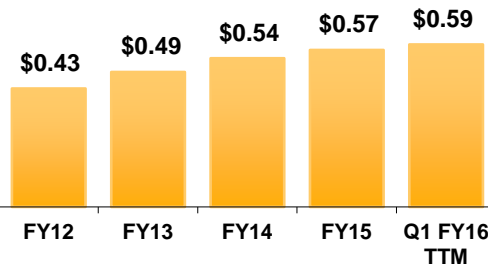
## Revenue (in millions)



## Gross Profit (in millions)



## Earnings per Share - diluted



## Market Data (as of August 5, 2015)

Shares Outstanding (millions)	6.9
Market Cap (millions)	\$64
Avg. Daily Volume (3 mos)	5.8k
Recent Price	\$9.37
52-Week Range	\$8.57 – \$10.55

[Source: Bloomberg]

## Financial Highlights

Price to Book	1.8x
Price to Earnings	15.9x
Operating Margin (Q1 FY16 TTM)	5.7%
Net Margin (Q1 FY16 TTM)	3.4%
EPS (Q1 FY16 TTM)	\$0.59

## Investor Relations Contact

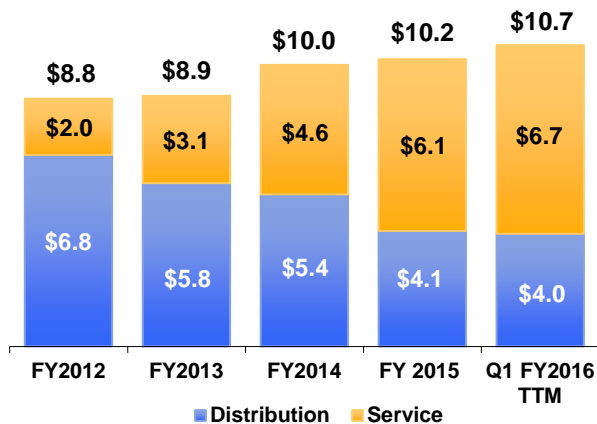
**Deborah Pawlowski**  
**Kei Advisors LLC**  
 716.843.3908  
 dpawlowski@keiadvisors.com

## Financial Highlights

(in thousands, except per share data)

	First Quarter Ended		Fiscal Year Ended		
	June 27, 2015	June 28, 2014	March 28, 2015	March 29, 2014	March 30, 2013
Service	\$ 13,535	\$ 12,138	\$ 51,801	\$ 48,184	\$ 40,655
Distribution	16,135	16,981	71,823	70,324	71,614
Total revenue	29,670	29,119	123,624	118,508	112,296
Total cost of products and services sold	22,608	22,450	94,537	88,718	84,892
Gross margin	23.8%	22.9%	23.5%	25.1%	24.4%
Total operating expenses	6,035	5,910	22,319	23,085	21,458
Operating margin	3.5%	2.6%	5.5%	5.7%	5.3%
Net Income	601	445	4,026	3,984	3,704
Earnings per share – diluted	\$ 0.08	\$ 0.06	\$ 0.57	\$ 0.54	\$ 0.49
Weighted average shares – diluted	7,132	7,025	7,059	7,357	7,592
	June 27, 2015	June 28, 2014	March 28, 2015	March 29, 2014	March 30, 2013
Cash	\$ 50	\$ 168	\$ 65	\$ 23	\$ 406
Other current assets	24,029	25,616	27,077	25,508	25,412
Non-current assets	36,605	28,784	35,007	28,343	29,229
Total assets	60,684	54,568	62,149	53,874	55,047
Current liabilities	10,378	10,321	11,933	13,857	13,327
Long-term debt	11,471	10,821	12,168	7,593	8,017
Other liabilities	3,604	2,574	3,730	2,341	2,053
Shareholders' equity	35,231	30,852	34,318	30,083	31,650
Total liabilities and shareholders' equity	\$ 60,684	\$ 54,568	\$ 62,149	\$ 53,874	\$ 55,047
Return on average assets	7.3%	6.9%	6.9%	7.3%	7.4%
Return on average equity	12.7%	11.7%	12.5%	12.9%	12.5%
Current ratio	2.3	2.5	2.3	1.8	1.9
Book value per share	\$ 4.94	\$ 4.39	\$ 4.86	\$ 4.09	\$ 4.17
Debt to total capital	24.6%	26.0%	26.2%	20.2%	20.2%
Cash flow from operations	\$ 2,636	\$ (2,414)	\$ 4,439	\$ 7,612	\$ 5,241

### Adjusted EBITDA\* (in millions)



### First Quarter Fiscal Year 2016 Highlights

- First quarter consolidated revenue was \$29.7 million, an increase of \$0.6 million, or 1.9%, over the prior-year period. Service segment revenue grew \$1.4 million, or 11.5%, more than offsetting a \$0.8 million, or 5.0%, decline in Distribution segment sales.
- Service segment operating income more than doubled to \$0.6 million, up \$0.4 million, and segment operating margin expanded 260 basis points to 4.8%.
- Consolidated operating income grew 35.3% to \$1.0 million on 1.9% revenue growth.
- First quarter net income was \$0.6 million, a 35.1% increase over the prior-year period. Diluted earnings per share increased 33.3% from \$0.06 to \$0.08.
- Consolidated adjusted EBITDA increased 30.8%, or \$0.5 million, to \$2.0 million, over the same quarter of the prior fiscal year.
- As of June 27, 2015, the Company had \$18.0 million in availability under its secured revolving credit facility.
- Capital expenditures in the first quarter of fiscal 2016 were \$1.1 million, up from \$0.7 million in the first quarter of fiscal 2015, and were primarily for expanded Service segment capabilities and assets for the Company's growing rental business.

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

	FY2012	FY2013	FY2014	FY2015	Q1 FY2016 TTM
Operating Income	\$5.43	\$5.95	\$6.71	\$6.77	\$7.04
Other (Expense) /Income	(\$0.11)	(\$0.11)	(\$0.13)	(\$0.11)	(\$0.14)
Noncash Stock Comp	\$0.55	\$0.34	\$0.52	\$0.51	\$0.52
Depreciation & Amortization	\$2.90	\$2.70	\$2.95	\$3.09	\$3.31
Adjusted EBITDA*	\$8.82	\$8.88	\$10.05	\$10.25	\$10.72

\* 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.

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.