

Lease Equipment Analysis  
**EyeOR IN-OFFICE SURGERY CENTER PROFORMA WITH CASH FLOW**

Confidential

Date: Section A:

OPERATING STATEMENT	YEAR 1	% of Total Rev	YEAR 2	% of Total Rev	YEAR 3	% of Total Rev	YEAR 4	% of Total Rev	YEAR 5	% of Total Rev
<b>PROCEDURE VOLUME</b>										
Phakic Implants	0		0		0		0		0	
Refractive Lens Exchange	0		0		0		0		0	
Multifocal Implants	0		0		0		0		0	
Accomodative Implants	0		0		0		0		0	
Bio-Optics Planned Procedures	0		0		0		0		0	
CK	0		0		0		0		0	
YAG Laser	0		0		0		0		0	
Plastic/Reconstructive	0		0		0		0		0	
Other	100		150		200		225		250	
<b>Total Procedure Volume</b>	<b>100</b>		<b>150</b>		<b>200</b>		<b>225</b>		<b>250</b>	
<b>OPERATING REVENUE</b>										
Phakic Implants	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Refractive Lens Exchange	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Multifocal Implants	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Accomodative Implants	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Bio-Optics Planned Procedures	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
CK	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
YAG Laser	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Plastic/Reconstructive	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Other	\$49,500	100.0%	\$74,250	100.0%	\$99,000	100.0%	\$111,375	100.0%	\$123,750	100.0%
<b>TOTAL OPERATING REVENUE</b>	<b>\$49,500</b>	<b>100.0%</b>	<b>\$74,250</b>	<b>100.0%</b>	<b>\$99,000</b>	<b>100.0%</b>	<b>\$111,375</b>	<b>100.0%</b>	<b>\$123,750</b>	<b>100.0%</b>
<b>OPERATING EXPENSES:</b>										
VARIABLE COSTS:										
Surgical Services	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Surgical Supplies	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Implant Cost	6,500	13.1%	9,750	13.1%	13,000	13.1%	14,625	13.1%	16,250	13.1%
<b>TOTAL VARIABLE COSTS</b>	<b>\$6,500</b>	<b>13.1%</b>	<b>\$9,750</b>	<b>13.1%</b>	<b>\$13,000</b>	<b>13.1%</b>	<b>\$14,625</b>	<b>13.1%</b>	<b>\$16,250</b>	<b>13.1%</b>
<b>GROSS MARGIN</b>	<b>\$43,000</b>	<b>86.9%</b>	<b>\$64,500</b>	<b>86.9%</b>	<b>\$86,000</b>	<b>86.9%</b>	<b>\$96,750</b>	<b>86.9%</b>	<b>\$107,500</b>	<b>86.9%</b>
FIXED EXPENSES										
Depreciation	\$606	1.2%	\$606	0.8%	\$606	0.6%	\$606	0.5%	\$606	0.5%
Accreditation - AAAHC	12,000	24.2%	12,000	16.2%	12,000	12.1%	12,000	10.8%	12,000	9.7%
Insurance	6,000	12.1%	6,000	8.1%	6,000	6.1%	6,000	5.4%	6,000	4.8%
Interest	1,655	3.3%	1,655	2.2%	1,655	1.7%	1,655	1.5%	1,655	1.3%
Labor Cost	35,360	71.4%	35,360	47.6%	35,360	35.7%	35,360	31.7%	35,360	28.6%
Maintenance Fee - EyeOR	12,500	25.3%	1,500	2.0%	1,500	1.5%	1,500	1.3%	1,500	1.2%
Other Expenses	4,500	9.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Rent	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Repairs and Maintenance	2,500	5.1%	2,500	3.4%	2,500	2.5%	2,500	2.2%	2,500	2.0%
Sales and Marketing	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Utilities	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>TOTAL FIXED EXPENSES</b>	<b>\$75,121</b>	<b>151.8%</b>	<b>\$59,621</b>	<b>80.3%</b>	<b>\$59,621</b>	<b>60.2%</b>	<b>\$59,621</b>	<b>53.5%</b>	<b>\$59,621</b>	<b>48.2%</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>-\$32,121</b>	<b>-64.9%</b>	<b>\$4,879</b>	<b>6.6%</b>	<b>\$26,379</b>	<b>26.6%</b>	<b>\$37,129</b>	<b>33.3%</b>	<b>\$47,879</b>	<b>38.7%</b>
Plus Depreciation	\$606	1.2%	\$606	0.8%	\$606	0.6%	\$606	0.5%	\$606	0.5%
Plus Interest on leases	\$1,655	3.3%	\$1,655	2.2%	\$1,655	1.7%	\$1,655	1.5%	\$1,655	1.3%
Less Lease Payments	(18,318)	-37.0%	(18,318)	-24.7%	(18,318)	-18.5%	(18,318)	-16.4%	(18,318)	-14.8%
<b>CASH FLOW</b>	<b>-\$48,178</b>	<b>-97.3%</b>	<b>-\$11,178</b>	<b>-15.1%</b>	<b>\$10,322</b>	<b>10.4%</b>	<b>\$21,072</b>	<b>18.9%</b>	<b>\$31,822</b>	<b>25.7%</b>
<b>Annual Cash Return on Cash Investment</b>	<b>Annual</b>	<b>ROI</b>	<b>Annual</b>	<b>ROI</b>	<b>Annual</b>	<b>ROI</b>	<b>Annual</b>	<b>ROI</b>	<b>Annual</b>	<b>ROI</b>
	-\$88,678	-219.0%	-\$11,178	-27.6%	\$10,322	25.5%	\$21,072	52.0%	\$31,822	78.6%
Cost per Procedure: (full facility cost)	\$816		\$462		\$363		\$330		\$303	
Cost per Procedure: (full facility cost less implants &	\$398		\$162		\$121		\$108		\$97	