

ROI for Biovision NeedleView Arthroscope Suite: Small/Companion Animal (2020)

| ASSUMPTIONS | | |
|--|---------------------------------------|-----------|
| A. Equipment cost* | | \$ 14,950 |
| B. Interest rate on loan | | 6% |
| C. Average billed/procedure | | \$ 500 |
| D. Loan term (in months) | | 60 |
| E. Monthly procedures | | 2 |
| F. Estimated tax bracket | | 35% |
| RESULTS | CALCULATION | |
| G. Loan payment/month | $B * A / (1 - (1 + B)^{-D})$ | \$ 289 |
| H. Billings/month | $C * E$ | \$ 1,000 |
| I. Gross profit/month | $H - G$ | \$ 711 |
| J. Break-even procedures/month | G / C ; expressed as a whole number | 1 |
| K. IRS Section 179 allowance | A; max. of \$1,040,000 | \$ 14,950 |
| L. Bonus depreciation | N/A | \$ - |
| M. 100% bonus depreciation above \$1,000,000 | $A - 1,000,000$ | \$ - |
| N. Total tax savings in Year 1 | $K * F$ | \$ 5,233 |
| O. Equipment cost after Year 1 tax savings | $A - N$ | \$ 9,718 |
| P. Year 1 cash-on-cash return | $(H * 12) / O$ | 123% |

Section 179 provisions effective for U.S. practices for purchases made on or after January 1, 2020

* Equipment cost based on purchase price of NeedleView Arthroscope Suite from Biovision Veterinary Endoscopy