

**New Orleans, Louisiana** **General Dentistry**  
**MERGER FINANCIAL SUMMARY FOR PRACTICE 6885** 4/29/2010 15:33

The following summary illustrates a projected year's income and expenses for the subject practice which incorporates a 4% increase in fees and overhead expense but no increase in production. Although all variable expenses are included, fixed expenses that will not be duplicated are not included. This summary is not a representation or warranty of future practice performance. Purchasers should obtain legal and accounting counsel prior to any purchase decision. **NOTE: Practice price does not include accounts receivable.**

<b>PRACTICE INCOME</b>				
EXPECTED GROSS COLLECTION INCREASE			\$754,190	100.0%
	HYGIENE COMPONENT		\$75,419	10.0%
	DENTIST COMPONENT		\$678,771	90.0%
		RETAINED SELLER	\$502,793	66.7%
		ASSOCIATE	\$0	0.0%
		PURCHASER	\$175,978	23.3%
<b>VARIABLE EXPENSE INCREASE</b>				
	WAGES, PAYROLL TAX, ETC.		\$128,603	17.1%
	LABORATORY		\$92,472	12.3%
	CLINICAL SUPPLIES		\$58,777	7.8%
	OTHER VARIABLE EXPENSE		\$200,829	26.6%
TOTAL VARIABLE EXPENSE INCREASE			\$480,680	63.7%
<b>FIXED EXPENSE INCREASE</b>				
	RENT		\$0	0.0%
	PHONE, UTILITIES		\$3,000	0.4%
	LEGAL & ACCOUNTING		\$3,500	0.5%
	INSURANCE		\$1,500	0.2%
	OTHER FIXED EXPENSE		\$8,630	1.1%
TOTAL FIXED EXPENSE INCREASE			\$16,630	2.2%
<b>DEBT SERVICE INCREASE</b>				
	INTEREST		\$46,835	6.2%
	PRINCIPAL		\$64,565	8.6%
TOTAL DEBT SERVICE - THIS IS BREAK-EVEN RETENTION PERCENTAGE			\$111,401	14.8%
<b>SUMMARY</b>				
EXPECTED INCREASED COLLECTIONS			\$754,190	100.0%
EXPECTED INCREASED EXPENSES			\$497,311	65.9%
EXPECTED INCREASED DEBT SERVICE			\$111,401	14.8%
<b>EXPECTED INCREASED NET INCOME &amp; PERCENT OF PERSONAL PRODUCTION</b>			<b>\$145,478</b>	<b>82.7%</b>
PURCHASER PRODUCED PRODUCTION			\$175,978	23.3%
EQUITY INCREASE & PERCENT OF PERSONAL PRODUCTION			\$64,565	36.7%
TAX SAVINGS FROM DEPRECIATION & PERCENT OF PERSONAL PRODUCTION			\$23,491	13.3%
<b>TOTAL ECONOMIC BENEFIT-CASH, TAX SAVINGS, EQUITY &amp; % PERSONAL PROD.</b>			<b>\$233,534</b>	<b>132.7%</b>
<b>THIS CASH FLOW EXAMPLE IS BASED ON THE FOLLOWING ASSUMPTIONS:</b>				
	SALES PRICE & PERCENT OF GROSS		\$539,000	71%
	WORKING CAPITAL		\$38,000	5.0%
	TOTAL LOAN		\$577,000	76.5%
	LOAN INTEREST RATE		9.00%	
	LOAN TERM IN MONTHS		84	
	MONTHLY PAYMENT		\$9,283	14.8%
	ESTIMATED MONTHLY HYGIENE/ASSOC PROFIT		\$17,407	27.7%

New Orleans, Louisiana

**MERGER DATA SUMMARY FOR PRACTICE NUMBER 6885**

The following data is provided by the owner of the practice. It is believed to the best of the owner's knowledge to be a true and accurate representation of the facts of the practice. It is the responsibility of any purchaser to verify all information contained herein and to seek qualified counsel in the interpretation and verification thereof.

**OFFICE DATA**

SQUARE FOOTAGE OF OFFICE	
EXPANDABLE FOOTAGE	
CURRENT MONTHLY RENTAL i.e. "1200"	\$250/day
PRICE PER SQUARE FOOT	#VALUE!
IS OFFICE HANDICAPPED ACCESSIBLE?	Yes
NUMBER OF PARKING SPACES	
PROXIMITY OF PARKING PLACES	
NUMBER OF OPERATORIES EQUIPPED FOR DENTIST	
NUMBER OF OPERATORIES EQUIPPED FOR HYGIENIST	1
NUMBER OF PLUMBED BUT UNEQUIPPED OPERATORIES	
NUMBER OF UNPLUMBED EMPTY OPERATORIES	
DATE OF LEASE i.e. "1/1/99"	
DATE LEASE ENDS - i.e. "1/1/04"	
TERM OF LEASE IN YEARS i.e. "5"	
YEARS REMAINING ON LEASE i.e. "2.5"	
RENEWAL OPTIONS	
DO YOU OWN YOUR BUILDING? "YES" OR "NO"	No
DO YOU WISH TO SELL THE BUILDING? "YES" OR "NO"	No
PRICE OF BUILDING	
IF NOT FOR SALE, MO. RENTAL AMOUNT	
ANNUAL REAL ESTATE TAXES	
ANNUAL REAL ESTATE INSURANCE COST	\$1,976
PURCHASER MORTGAGE INTEREST RATE	7.00%
PURCHASER MORTGAGE TERM - YEARS	15
PURCHASER MONTHLY PAYMENT	
PURCHASER CURRENT MONTHLY RENT	
PRICE PER SQUARE FOOT	#DIV/0!

**WORK SCHEDULE**

PLANS AFTER SALE OF PRACTICE	
DAYS/WEEK CURRENTLY WORKED	3
ENTER DESIRED DAYS WORKED FOR NEW BUYER SALE	
DESIRED WORK DAYS/WEEK 1ST YR	2
DESIRED WORK DAYS/WEEK 2ND YR	2
DESIRED WORK DAYS/WEEK 3RD YR	2
DESIRED WORK DAYS/WEEK 4TH YR	2
DESIRED WORK DAYS/WEEK 5TH YR	2
DESIRED WORK DAYS/WEEK 6TH YR	2

<b>PRACTICE DATA</b>	
WHAT CONSULTANT USED IN PAST 5 YRS	
RESULTS	
DESCRIBE INTERNAL MARKETING	Patient and doctor referrals
DESCRIBE EXTERNAL MARKETING	
HAS GROSS CHANGED SIGNIFICANTLY? WHY?	
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
ESTIMATE NUMBER OF PTS LAST 18 MONTHS	800
AVERAGE NUMBER OF NEW PATIENTS PER MONTH	7
AVERAGE NUMBER PTS TREATED PER DAY BY DENTIST	6
AVERAGE NUMBER PTS TREATED PER DAY BY HYGIENIST	8
HOW FAR AHEAD IS DENTIST SCHEDULED?	two weeks
HOW FAR AHEAD IS HYGIENIST SCHEDULED?	three to four weeks
% PRACTICE INCOME FROM CASH	100%
% OF PATIENTS PAYING CASH	100%
% PRACTICE INCOME FROM INSURANCE	
% OF PATIENTS WITH INSURANCE	
% PRACTICE INCOME FROM HMO	
% OF PATIENTS WITH HMO	
% PRACTICE INCOME FROM PPO	
% OF PATIENTS WITH PPO	
% PRACTICE INCOME FROM CAPITATION	
% OF PATIENTS WITH CAPITATION	
% PRACTICE INCOME FROM MEDICAID	
% OF PATIENTS WITH MEDICAID	
% PRACTICE INCOME WITH REDUCED FEE PLANS	
% OF PATIENTS WITH REDUCED FEE PLANS	
<b>PURCHASER MUST PERSONALLY VERIFY PATIENT POPULATION DATA &amp; REDUCED FEE PLANS</b>	
OFFICE HOURS	MONDAY
	TUESDAY 8:30 - 4:30
	WEDNESDAY 8:30 - 4:30
	THURSDAY 8:30 - 4:30
	FRIDAY
	SATURDAY
DENTIST HOURS WORKED PER WEEK	24
HYGIENIST HOURS WORKED PER WEEK	24
ASSOCIATE HOURS WORKED PER WEEK	
DENTIST PATIENT VISITS PER YEAR	864
HYGIENE PATIENT VISITS PER YEAR	1,152
NUMBER OF DAYS WORKED PER YEAR	144
NUMBER OF WEEKS WORKED PER YEAR	48
ACTUAL ACCOUNTS RECEIVABLE BALANCE	\$31,000
SIX WEEKS ACCOUNTS RECEIVABLE	\$90,503
WHAT IS YOUR COLLECTION PERCENTAGE	96%
WHAT TYPE RECALL SYSTEM	Cards
WHAT TYPE COMPUTER SYSTEM	

<b>WHAT % OF THE PRACTICE INCOME IS:</b>		
HYGIENIST PRODUCTION		10%
OPERATIVE		0%
PEDODONTICS		0%
ORTHODONTICS		0%
IMPLANTS		0%
REMOVABLE PROSTHETICS		0%
FIXED PROSTHETICS		0%
ENDODONTICS		0%
PERIODONTICS		0%
ORAL SURGERY		0%
COSMETIC		0%
TMJ TREATMENT		0%
SOFT TISSUE MANAGEMENT		0%
OTHER		0%
TOTAL		10%
<b>MARKET FACTOR DATA</b>		
EQUIPMENT FACTOR	SCALE 0% - 100%	50%
LOCATION DEMAND	SCALE 0% - 100%	90%
PLAN / MEDICAID PRACTICE %		
ANNUAL FEE INCREASE %		4%
ANNUAL OVERHEAD INCREASE %		4%
<b>FEE SCHEDULE</b>		
ADULT PROPHY 01110		
GOLD INLAY 02540		
TWO SURFACE POSTERIOR COMPOSITE 02386		
TWO SURFACE AMALGAM 02150		
CORE BUILD-UP INCLUDING PINS 02950		
GOLD / PORCELAIN CROWN 02750		
ANTERIOR CANAL ROOT CANAL 03310		
BICUSPID ROOT CANAL 03320		
LABIAL PORCELAIN VENEER 02962		
AVERAGE OF FEES		#DIV/0!
PERCENT OF FEE PARITY		#DIV/0!
<b>DEMOGRAPHIC DATA</b>		
WHAT IS APPROX. POPULATION OF YOUR CITY OR TOWN		
WHAT IS APPROX. POPULATION OF YOUR DRAWING AREA		
APPROXIMATE NUMBER OF GENERAL DENTAL PRACTICES	ten	
WITHIN	one mile	
MAJOR EMPLOYERS IN AREA		
DESCRIBE ANY MAJOR ECONOMIC CHANGES IN		
YOUR DRAWING AREA		

<b>STAFF DATA</b>			
DESCRIBE STAFF BY POSITION AS TO	ANNUAL SALARY	WILL POSSIBLY STAY?	YEAR HIRED
RECEPTIONIST	\$ _____	_____	_____
OFFICE MANAGER	\$43,500	Yes	2007
RECEPTIONIST	\$ _____	_____	_____
ASSISTANT	\$42,656	Yes	1993
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
ASSISTANT	\$ _____	_____	_____
HYGIENIST	\$41,280 PT	Yes	2006
HYGIENIST	\$ 8,215 PT	Yes	2005
HYGIENIST	\$ _____	_____	_____
HYGIENIST	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
LAB TECHNICIAN	\$ _____	_____	_____
OTHER _____	\$ _____	_____	_____
OTHER			
DESCRIBE FRINGE BENEFITS AND VALUE	Medical insurance, profit sharing plan, free parking		
DO YOU HIRE ANY UNPAID FAMILY MEMBERS			
DESCRIBE DUTIES			
ESTIMATED ANNUAL VALUE OF ABOVE			
<b>PRODUCTION CENTERS</b>			
	YEAR TO DATE	LAST YEAR	TWO YEARS AGO
ENTER YEAR	1/1/09 TO 10/31/09	2008	2007
GROSS PRODUCTION	\$681,872.50	\$802,564.00	\$883,279.50
HYGIENISTS	\$ _____	\$ _____	\$ _____
OWNER	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ASSOCIATE	\$ _____	\$ _____	\$ _____
ENTER ASSOCIATE SALARY IN DOLLARS IF FIXED			
ENTER ASSOCIATE COMMISSION PERCENTAGE			
ENTER HYGIENIST SALARY IN DOLLARS IF FIXED			
ENTER HYGIENIST COMMISSION PERCENTAGE			
<b>CONFORMITY DATA</b>			
DOES YOUR PRACTICE MEET OSHA STANDARDS?	Yes		
WHY NOT			
DOES YOUR PRACTICE MEET CDC STANDARDS?	Yes		
WHY NOT			
DOES PRACTICE MEET ALL GOVERNMENTAL REGULATIONS?	Yes		
EXPLAIN ANY DISCREPANCIES			
HAVE YOU HAD ANY DISCIPLINARY ACTION IN LAST 7 YRS	No		
EXPLAIN			
HAVE YOU HAD ANY PRACTICE RELATED SUITS FILED	No		
AGAINST YOU IN THE PAST TEN YEARS? EXPLAIN			
DESCRIBE ANY HEALTH PROBLEMS WHICH WOULD AFFECT	None		
YOUR PRACTICE OF DENTISTRY			