Suggestion of format for analysis:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Current Machine | CAT-1 machine-purchase | CAT-1 machine - Lease |
| Operating cost (without operators) |  |  |  |
| Direct Labor |  |  |  |
| Depreciation (straight line) 4 months |  |  |  |
| Lease Expense 4 Months |  |  |  |
| Interest expense at 8% for 4 months |  |  |  |
| Salvage Value after 3 years |  |  |  |
| Unexpected Costs |  |  |  |
| Totals |  |  |  |