

**FLUE-CURED TOBACCO - HAND HARVEST - BULK BARN
SOUTH GEORGIA AREA, 2010
ESTIMATED COSTS AND RETURNS ANALYSIS**

| EXPECTED YIELD (/ACRE): | 2200 | Lbs. | YIELD: YOUR FARM | | | |
|--|-------|------------|------------------|-------------------|---------------|-----------|
| VARIABLE COSTS: | Unit | No. Units | Price /Unit | Cost /Acre | Cost /Lb. | Your Farm |
| PREHARVEST | | | | | | |
| Plants | Thou. | 7.00 | \$32.00 | \$224.00 | \$0.10 | _____ |
| Lime | Ton | 0.33 | 33.00 | 10.89 | 0.00 | _____ |
| Fertilizer | | | | | | |
| 6-6-18 or Equiv. | Cwt. | 14.00 | 33.00 | 462.00 | 0.21 | _____ |
| 15.5-0-0 or Equiv. | Cwt. | 1.50 | 34.00 | 51.00 | 0.02 | _____ |
| Nematicide-cont. or fum. | Acre | 1.00 | 80.00 | 80.00 | 0.04 | _____ |
| Fungicide-Ridomil Gold, For Race 1 Blackshank | Pt. | 2.00 | 92.00 | 184.00 | 0.08 | _____ |
| Herbicides | Acre | 1.00 | 55.00 | 55.00 | 0.03 | _____ |
| Insecticides | | | | | | |
| Soil - Admire | Oz. | 12.50 | 4.50 | 56.25 | 0.03 | _____ |
| Soil - Actigard | Acre | 1.00 | 2.00 | 2.00 | 0.00 | _____ |
| Foliar-Orth,Trac,Dipl | Appl. | 4.00 | 11.50 | 46.00 | 0.02 | _____ |
| Sucker Control | | | | | | |
| Contact - 4 Appl. | Gal. | 6.00 | 14.00 | 84.00 | 0.04 | _____ |
| MH (2.25 lbs./gal.) | Gal. | 1.00 | 16.00 | 16.00 | 0.01 | _____ |
| Prime + | Qt. | 2.00 | 18.75 | 37.50 | 0.02 | _____ |
| Insurance- 65% Coverage | Dol. | 2200.00 | 0.04 | 77.00 | 0.04 | _____ |
| Machinery | | | | | | |
| Fuel - Diesel | Gal. | 11.30 | 2.50 | 28.25 | 0.01 | _____ |
| Repairs and Maint. | Acre | 1.00 | 49.16 | 49.16 | 0.02 | _____ |
| Irrigation | Appl. | 6.00 | 14.50 | 87.00 | 0.04 | _____ |
| Electric Meter Charge | Month | 12.00 | 2.00 | 24.00 | 0.01 | _____ |
| Labor, - Machinery | Hour | 17.20 | 11.00 | 189.20 | 0.09 | _____ |
| Labor - Topping | Hour | 14.00 | 11.00 | 154.00 | 0.07 | _____ |
| Other _____ | | 0.00 | 0.00 | 0.00 | 0.00 | _____ |
| Interest on Operating Capital (%) | Dol. | \$1,917.25 | 7.25 | \$69.50 | \$0.03 | _____ |
| Total Preharvest Variable Costs | | | | \$1,986.75 | \$0.90 | _____ |
| HARVEST | | | | | | |
| Curing Fuel - LP Gas* | Gal. | 350.00 | \$1.50 | \$525.00 | \$0.24 | _____ |
| Electricity | Kwh | 950.00 | 0.13 | 123.50 | 0.06 | _____ |
| Machinery: | | | | | | |
| Fuel - Diesel | Gal. | 8.00 | 2.50 | 20.00 | 0.01 | _____ |
| Repairs & Maint. | Acre | 1.00 | 79.62 | 79.62 | 0.04 | _____ |
| Labor - Harvest, & Put in Barn | Hr. | 48.00 | 11.00 | 528.00 | 0.24 | _____ |
| Unload & Bale | Hr. | 8.00 | 11.00 | 88.00 | 0.04 | _____ |
| Baling Supplies | Bale | 3.00 | 5.00 | 15.00 | 0.01 | _____ |
| Haul to Buying Station | Bale | 3.00 | 9.00 | 27.00 | 0.01 | _____ |
| Other _____ | | 0.00 | 0.00 | 0.00 | 0.00 | _____ |
| Total Harvest Variable Costs | | | | \$1,406.12 | \$0.64 | _____ |
| TOTAL ALL VARIABLE COSTS | | | | \$3,392.87 | \$1.54 | _____ |

Footnotes Located At Bottom Of Next Page.

FLUE-CURED TOBACCO, HAND HARVEST, CONTINUED

| FIXED COSTS: | Unit | No. Units | Price /Unit | Cost /Acre | Cost /Lb. | Your Farm |
|--|-------------|------------------|--------------------|-------------------|------------------|------------------|
| PREHARVEST | | | | | | |
| Machinery: Depreciation, Taxes, Investment, & Housing | Acre | 1.00 | \$96.41 | \$96.41 | \$0.04 | _____ |
| Irrigation | Acre | 1.00 | 60.00 | 60.00 | 0.03 | _____ |
| Owned Land Costs; Taxes, Cash Payment, Etc. | Acre | 0.00 | 0.00 | 0.00 | 0.00 | _____ |
| Other _____ | | 0.00 | 0.00 | 0.00 | 0.00 | _____ |
| Total Preharvest Fixed Costs | | | | \$156.41 | \$0.07 | _____ |
| HARVEST | | | | | | |
| Curing Barn | Acre | 1.00 | \$450.00 | \$450.00 | \$0.20 | _____ |
| Machinery: Depreciation, Taxes, Investment, & Housing | Acre | 1.00 | 107.40 | 107.40 | 0.05 | _____ |
| Heat Exch Replacement** | Acre | 1.00 | 80.00 | 80.00 | 0.04 | _____ |
| General Overhead | Dol. | \$3,392.87 | 0.05 | 169.64 | 0.08 | _____ |
| Management *** | Dol. | \$3,392.87 | 0.05 | 169.64 | 0.08 | _____ |
| Other _____ | | 0 | 0.00 | 0.00 | 0.00 | _____ |
| Total Harvest Fixed Costs | | | | \$976.69 | \$0.44 | _____ |
| TOTAL ALL FIXED COSTS | | | | \$1,133.10 | \$0.52 | |
| TOTAL COSTS AND PROFIT GOAL | | | | | | |
| Total Costs Excluding Land | | | | \$4,525.97 | \$2.06 | _____ |
| **** YOUR PROFIT GOAL ABOVE VARIABLE COSTS **** | | | | | \$ | _____ |

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* If Diesel Is Used For Curing, Substitute Fuel Costs For 270 Gallons Of Diesel @ \$2.50 / Gal. Instead Of LP Gas Cost Estimate.

** Annual Cost of a Heat Exchanger is Based On An Initial Investment of \$3,000 and a 10-Year Life, Five Cures Per Year.

*** Implies a return to the managerial ability of the farm operator. This return should be costed. If the operator were not working on a farm they could be earning a return in some other occupation.