

(Variable Cost Budget)
Custom Finish 750 Pound Steer - October 2004 Steers

Placement Date	10/01/04
NUMBER HEAD PLACED	67
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	66
FEED CONVERSION	7.15
MARKETING SHRINK(%)	4.00
GROSS FINISHED WEIGHT (CWT.)	11.75
NET SELLING WEIGHT (CWT.)	11.28
FEEDING PERIOD (DAYS)	126
Projected Out Date	02/04/05
Current Live Cattle Futures for Delivery Month	\$89.00
Expected Basis	(\$2.66)
Expected Cash Price	\$86.34

PAYWEIGHT TO PAYWEIGHT- DAILY GAIN (LBS./DAY)	BEST	OPT.	MEDIAN	PESS.	WORST
	3.40	3.20	3.00	2.80	2.60
SELLING PRICE (\$/CWT.)	\$96.34	\$91.34	\$86.34	\$81.34	\$76.34

ITEM	UNIT	UNITS PER HEAD	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:			(units)	(\$/unit)	
CALF	CWT.	7.50	502.50	\$95.00	\$47,738
PROCUREMENT COST	HEAD	1.00	67.00	\$9.19	\$616
TRANSPORTATION	CWT.	7.50	502.50	\$5.40	\$2,714
PROCESSING CHARGE	HD.	1.00	67.00	\$0.00	\$0
CALF INTEREST	\$	762.19	51,067	\$0.06	\$1,058
FEED	TONS	1.35	90.54	\$105.00	\$9,507
FEED MARKUP	TONS	1.35	90.54	\$0.00	\$0
YARDAGE	DAYS	126	8,442	\$0.27	\$2,279
VET.,MED. & SUPPLIES	HEAD	1.00	67	\$15.00	\$1,005
COMMISSIONS, PREMIUMS, ETC	HEAD	1.00	67	\$1.86	\$125
DEATH LOSS	\$	762.19	51,067	1.00%	\$511
INTEREST ON FEED ETC.	\$	200.39	13,426	\$0.08	\$185
MARKETING	HEAD	1.00	67	\$6.60	\$442
TOTAL VARIABLE COST					\$66,179

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$37.54
FEEDING COST OF GAIN (\$/CWT)	\$53.75
TOTAL COST OF GAIN (\$/CWT)	\$72.81

MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)	\$93.16
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BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$66,179	\$66,224	87.63	988.42
DIRECT FIXED COST	\$0	\$0	0.00	0.00
OVERHEAD	\$0	\$0	0.00	0.00
MANAGEMENT	\$0	\$0	0.00	0.00
TOTAL COST	\$66,179	\$66,224	87.63	988.42

EXPECTED RETURN TABLE

67 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)		EXP. PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.28	755.76	86.34	65,252

RISK RATED RETURNS OVER VARIABLE COSTS

Net return levels (TOP ROW);
The chances of obtaining this level or more (MIDDLE ROW); and
The chances of obtaining this level or less (BOTTOM ROW).

	<u>Optimistic</u>				<u>Pessimistic</u>		
Returns	4,818	2,888	958	-972	-2,908	-4,845	-6,782
Chances	100%	16%	31%	50%	69%	84%	93%
Chances	93%	84%	69%	50%	31%	16%	7%

CHANCE FOR PROFIT	40%	BASE BUDGETED NET REVENUE	(\$926.25)
		EXPECTED PROFIT (LOSS) PER HEAD	(\$13.82)

PROFIT IS RETURN TO RISK AND ALL "ZERO" ITEMS IN THE BUDGET.
MAY ENTER YOUR OWN VALUES.