

**CUSTOM CATTLE FINISHING
(Variable Cost Budget)**

Placement Date	05/10/04
NUMBER HEAD PLACED	100
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	99
LB. OF FEED FED PER LB. NET GAIN (AS FED BASIS)	8.50
MARKETING SHRINK(%)	4.00
GROSS FINISHED WEIGHT (CWT.)	12.00
NET SELLING WEIGHT (CWT.)	11.52
FEEDING PERIOD (DAYS)	215
Projected Out Date	12/11/04
Current Live Cattle Futures for: Dec-04	\$83.50
Expected Basis	(\$1.50)
Expected Cash Price	\$82.00

PAYWEIGHT TO PAYWEIGHT- DAILY GAIN (LBS./DAY)	BEST	OPT.	MEDIAN	PESS.	WORST
	3.65	3.45	3.25	3.05	2.85
SELLING PRICE (\$/CWT.)	\$92.00	\$87.00	\$82.00	\$77.00	\$72.00

ITEM	UNIT	UNITS PER CALF	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:			(units)	(\$/unit)	
CALF	CWT.	5.00	500.00	\$105.00	\$52,500
PROCUREMENT COST	HEAD	0.00	0.00	\$0.00	\$0
TRANSPORTATION	CWT.	5.00	500.00	\$6.50	\$3,250
PROCESSING CHARGE	HD.	1.00	100.00	\$0.00	\$0
CALF INTEREST	\$	557.50	55,750	7.50%	\$2,467
FEED	TONS	2.77	277.10	\$125.00	\$34,638
FEED MARKUP	TONS	2.77	277.10	\$0.00	\$0
YARDAGE	DAYS	215	21,538	\$0.27	\$5,815
VET.,MED. & SUPPLIES	HEAD	1.00	100	\$15.00	\$1,500
OTHER	HEAD	1.00	100	\$0.00	\$0
DEATH LOSS	\$	557.50	55,750	1.00%	\$558
INTEREST ON FEED ETC.	\$	425.10	42,510	7.50%	\$941
MARKETING	HEAD	1.00	100	\$6.60	\$660
TOTAL VARIABLE COST					\$102,328

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$54.08
FEEDING COST OF GAIN (\$/CWT)	\$67.84
TOTAL COST OF GAIN (\$/CWT)	\$77.80

MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)	\$87.38
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BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$102,328	\$100,774	87.48	1007.74
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	\$102,328	\$100,774	87.48	1007.74

EXPECTED RETURN TABLE

100 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)	TOTAL WEIGHT Cwt.	EXP.PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.52	1140.48	82.00	93,519

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	3,432	185	-3,063	-6,310	-9,359	-12,409	-15,458
Chances	100%	16%	30%	49%	68%	84%	94%
Chances	93%	84%	70%	51%	32%	16%	6%

CHANCE FOR PROFIT	17%	BASE BUDGETED NET REVENUE NET REVENUE PER HEAD	(\$8,809.05) (\$88.09)
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*PROFIT IS RETURN TO RISK AND ALL "ZERO" ITEMS IN THE BUDGET.
MAY ENTER YOUR OWN VALUES.*