

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

Placement Date	05/10/04
NUMBER HEAD PLACED	67
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	66
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)	138
Projected Out Date	09/25/04
Current Live Cattle Futures for: Oct-04	\$84.50
Expected Basis	(\$1.50)
Expected Cash Price	\$83.00

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.)	\$93.00	\$88.00	\$83.00	\$78.00	\$73.00

ITEM	UNIT	UNITS PER CALF	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:			(units)	(\$/unit)	
CALF	CWT.	7.50	502.50	\$90.00	\$45,225
PROCUREMENT COST	HEAD	0.00	0.00	\$0.00	\$0
TRANSPORTATION	CWT.	7.50	502.50	\$6.75	\$3,392
PROCESSING CHARGE	HD.	1.00	67.00	\$0.00	\$0
CALF INTEREST	\$	725.63	48,617	7.50%	\$1,383
FEED	TONS	1.71	114.47	\$125.00	\$14,309
FEED MARKUP	TONS	1.71	114.47	\$0.00	\$0
YARDAGE	DAYS	138	9,277	\$0.27	\$2,505
VET.,MED. & SUPPLIES	HEAD	1.00	67	\$15.00	\$1,005
OTHER	HEAD	1.00	67	\$0.00	\$0
DEATH LOSS	\$	725.63	48,617	1.00%	\$486
INTEREST ON FEED ETC.	\$	273.20	18,305	7.50%	\$260
MARKETING	HEAD	1.00	67	\$6.60	\$442
TOTAL VARIABLE COST					\$69,007

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$54.69
FEEDING COST OF GAIN (\$/CWT)	\$70.96
TOTAL COST OF GAIN (\$/CWT)	\$90.90

MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)	\$78.89
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BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$69,007	\$67,987	88.08	1014.73
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	\$69,007	\$67,987	88.08	1014.73

EXPECTED RETURN TABLE

67 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)	TOTAL WEIGHT Cwt.	EXP.PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.52	764.12	83.00	63,422

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	2,215	169	-1,878	-3,924	-5,887	-7,850	-9,813
Chances	100%	16%	30%	49%	69%	84%	94%
Chances	93%	84%	70%	51%	31%	16%	6%

CHANCE FOR PROFIT	17%	BASE BUDGETED NET REVENUE	(\$5,585.20)
		NET REVENUE PER HEAD	(\$83.36)

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