

**(Variable Cost Budget)  
PLACING 550 POUND STEERS**

Placement Date	10/15/03
NUMBER HEAD PLACED	91
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	90
FEED CONVERSION	7.00
MARKETING SHRINK(%)	4.00
GROSS FINISHED WEIGHT (CWT.)	12.00
NET SELLING WEIGHT (CWT.)	11.52
FEEDING PERIOD (DAYS)	185
Projected Out Date	04/17/04
Current Live Cattle Futures for Delivery Month	\$84.80
Expected Basis	(\$1.00)
Expected Cash Price	\$83.80

PAYWEIGHT TO PAYWEIGHT- DAILY GAIN (LBS./DAY)	<b>BEST</b>	<b>OPT.</b>	<b>MEDIAN</b>	<b>PESS.</b>	<b>WORST</b>
	3.65	3.45	3.25	3.05	2.85
SELLING PRICE (\$/CWT.)	\$93.80	\$88.80	\$83.80	\$78.80	\$73.80

ITEM	UNIT	UNITS PER HEAD	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:			(units)	(\$/unit)	
CALF	CWT.	5.50	500.50	\$90.00	\$45,045
PROCUREMENT COST	HEAD	0.00	0.00	\$0.00	\$0
TRANSPORTATION	CWT.	5.50	500.50	\$4.00	\$2,002
PROCESSING CHARGE	HD.	1.00	91.00	\$0.00	\$0
CALF INTEREST	\$	517.00	47,047	7.00%	\$1,671
FEED	TONS	2.11	191.74	\$110.00	\$21,091
FEED MARKUP	TONS	2.11	191.74	\$0.00	\$0
YARDAGE	DAYS	185	16,856	\$0.27	\$4,551
VET.,MED. & SUPPLIES	HEAD	1.00	91	\$15.00	\$1,365
OTHER	HEAD	1.00	91	\$0.00	\$0
DEATH LOSS	\$	517.00	47,047	1.00%	\$470
INTEREST ON FEED ETC.	\$	301.95	27,478	7.00%	\$488
MARKETING	HEAD	1.00	91	\$6.60	\$601
<b>TOTAL VARIABLE COST</b>					<b>\$77,285</b>

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$38.50
FEEDING COST OF GAIN (\$/CWT)	\$51.05
TOTAL COST OF GAIN (\$/CWT)	\$58.85

<b>MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)</b>	<b>\$111.11</b>
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### BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$77,285	\$77,369	73.80	850.21
DIRECT FIXED COST	\$0	\$0	0.00	0.00
OVERHEAD	\$0	\$0	0.00	0.00
MANAGEMENT	\$0	\$0	0.00	0.00
<b>TOTAL COST</b>	<b>\$77,285</b>	<b>\$77,369</b>	<b>73.80</b>	<b>850.21</b>

### EXPECTED RETURN TABLE

91 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)		EXP. PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.52	1048.32	83.80	87,849

### 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	18,697	15,958	13,219	10,480	7,723	4,965	2,208	
Chances	100%	16%	31%	50%	69%	84%	93%	
Chances	93%	84%	69%	50%	31%	16%	7%	

<b>CHANCE FOR PROFIT</b>	<b>97%</b>	<b>BASE BUDGETED NET REVENUE</b>	<b>\$10,564.62</b>
		<b>EXPECTED PROFIT PER HEAD</b>	<b>\$116.09</b>

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