

**(Variable Cost Budget)
PLACING 700 POUND STEERS**

Placement Date	10/15/03
NUMBER HEAD PLACED	72
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	71
FEED CONVERSION	7.00
MARKETING SHRINK(%)	4.00
GROSS FINISHED WEIGHT (CWT.)	12.00
NET SELLING WEIGHT (CWT.)	11.52
FEEDING PERIOD (DAYS)	139
Projected Out Date	03/02/04
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)	BEST	OPT.	MEDIAN	PESS.	WORST
	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.	7.00	504.00	\$82.00	\$41,328
PROCUREMENT COST	HEAD	0.00	0.00	\$0.00	\$0
TRANSPORTATION	CWT.	7.00	504.00	\$4.00	\$2,016
PROCESSING CHARGE	HD.	1.00	72.00	\$0.00	\$0
CALF INTEREST	\$	602.00	43,344	7.00%	\$1,156
FEED	TONS	1.58	113.90	\$110.00	\$12,529
FEED MARKUP	TONS	1.58	113.90	\$0.00	\$0
YARDAGE	DAYS	139	10,014	\$0.27	\$2,704
VET.,MED. & SUPPLIES	HEAD	1.00	72	\$15.00	\$1,080
OTHER	HEAD	1.00	72	\$0.00	\$0
DEATH LOSS	\$	602.00	43,344	1.00%	\$433
INTEREST ON FEED ETC.	\$	232.59	16,747	7.00%	\$223
MARKETING	HEAD	1.00	72	\$6.60	\$475
TOTAL VARIABLE COST					\$61,945

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$38.50
FEEDING COST OF GAIN (\$/CWT)	\$52.14
TOTAL COST OF GAIN (\$/CWT)	\$63.35

MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)	\$97.00
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BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$61,945	\$61,995	74.74	861.04
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	\$61,945	\$61,995	74.74	861.04

EXPECTED RETURN TABLE

72 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)		EXP.PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.52	829.44	83.80	69,507

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	13,890	11,764	9,638	7,512	5,378	3,244	1,110	
Chances	100%	16%	31%	50%	69%	84%	93%	
Chances	93%	84%	69%	50%	31%	16%	7%	

CHANCE FOR PROFIT	96%	BASE BUDGETED NET REVENUE	\$7,561.92
		EXPECTED PROFIT PER HEAD	\$105.03

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