

(Variable Cost Budget)
Custom Finishing 650 Pound Steers - Fall 2005

Placement Date	10/01/05
NUMBER HEAD PLACED	76
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	75
FEED CONVERSION	7.15
MARKETING SHRINK(%)	4.00
GROSS FINISHED WEIGHT (CWT.)	11.60
NET SELLING WEIGHT (CWT.)	11.14
FEEDING PERIOD (DAYS)	157
Projected Out Date	03/07/06
Current Live Cattle Futures for Delivery Month	\$87.50
Expected Basis	\$1.18
Expected Cash Price	\$88.68

PAYWEIGHT TO PAYWEIGHT- DAILY GAIN (LBS./DAY)	BEST	OPT.	MEDIAN	PESS.	WORST
	3.35	3.15	2.95	2.75	2.55
SELLING PRICE (\$/CWT.)	\$98.68	\$93.68	\$88.68	\$83.68	\$78.68

ITEM	UNIT	UNITS PER HEAD	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:			(units)	(\$/unit)	
CALF	CWT.	6.50	494.00	\$100.00	\$49,400
PROCUREMENT COST	HEAD	1.00	76.00	\$0.00	\$0
TRANSPORTATION	CWT.	6.50	494.00	\$6.07	\$2,999
PROCESSING CHARGE	HD.	1.00	76.00	\$0.00	\$0
CALF INTEREST	\$	689.46	52,399	\$0.06	\$1,354
FEED	TONS	1.66	125.96	\$90.00	\$11,336
FEED MARKUP	TONS	1.66	125.96	\$0.00	\$0
YARDAGE	DAYS	157	11,944	\$0.27	\$3,225
VET.,MED. & SUPPLIES	HEAD	1.00	76	\$15.00	\$1,140
COMMISSIONS, PREMIUMS, ETC	HEAD	1.00	76	\$0.00	\$0
DEATH LOSS	\$	689.46	52,399	1.00%	\$524
INTEREST ON FEED ETC.	\$	213.49	16,225	\$0.08	\$279
MARKETING	HEAD	1.00	76	\$6.60	\$502
TOTAL VARIABLE COST					\$70,758

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$32.18
FEEDING COST OF GAIN (\$/CWT)	\$46.84
TOTAL COST OF GAIN (\$/CWT)	\$60.62

MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)	\$108.69
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BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$70,758	\$70,817	83.67	931.80
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	\$70,758	\$70,817	83.67	931.80

EXPECTED RETURN TABLE

76 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)		EXP. PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.14	846.34	88.68	75,053

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	10,757	8,583	6,410	4,236	2,053	-131	-2,314
Chances	100%	16%	31%	50%	69%	84%	93%
Chances	93%	84%	69%	50%	31%	16%	7%

CHANCE FOR PROFIT	83%	BASE BUDGETED NET REVENUE	\$4,294.67
		EXPECTED PROFIT (LOSS) PER HEAD	\$56.51

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