

(Variable Cost Budget)
Custom Finishing 750 Pound Steers - Fall 2005

Placement Date	10/01/05
NUMBER HEAD PLACED	66
DEATH LOSS (%)	1.00%
NUMBER HEAD FINISHED	65
FEED CONVERSION	7.15
MARKETING SHRINK(%)	4.00
GROSS FINISHED WEIGHT (CWT.)	12.00
NET SELLING WEIGHT (CWT.)	11.52
FEEDING PERIOD (DAYS)	130
Projected Out Date	02/07/06
Current Live Cattle Futures for Delivery Month	\$89.50
Expected Basis	(\$1.55)
Expected Cash Price	\$87.95

PAYWEIGHT TO PAYWEIGHT- DAILY GAIN (LBS./DAY)	BEST	OPT.	MEDIAN	PESS.	WORST
	3.50	3.30	3.10	2.90	2.70
SELLING PRICE (\$/CWT.)	\$97.95	\$92.95	\$87.95	\$82.95	\$77.95

ITEM	UNIT	UNITS PER HEAD	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:			(units)	(\$/unit)	
CALF	CWT.	7.50	495.00	\$95.00	\$47,025
PROCUREMENT COST	HEAD	1.00	66.00	\$0.00	\$0
TRANSPORTATION	CWT.	7.50	495.00	\$6.06	\$3,000
PROCESSING CHARGE	HD.	1.00	66.00	\$0.00	\$0
CALF INTEREST	\$	757.95	50,025	\$0.06	\$1,066
FEED	TONS	1.44	94.85	\$90.00	\$8,537
FEED MARKUP	TONS	1.44	94.85	\$0.00	\$0
YARDAGE	DAYS	130	8,559	\$0.27	\$2,311
VET.,MED. & SUPPLIES	HEAD	1.00	66	\$15.00	\$990
COMMISSIONS, PREMIUMS, ETC	HEAD	1.00	66	\$0.00	\$0
DEATH LOSS	\$	757.95	50,025	1.00%	\$500
INTEREST ON FEED ETC.	\$	186.94	12,338	\$0.08	\$175
MARKETING	HEAD	1.00	66	\$6.60	\$436
TOTAL VARIABLE COST					\$64,040

COST SUMMARY:	\$/CWT
FEED ONLY COST OF GAIN (\$/CWT)	\$32.18
FEEDING COST OF GAIN (\$/CWT)	\$47.16
TOTAL COST OF GAIN (\$/CWT)	\$64.13

MAX BREAKEVEN PURCHASE PRICE OF CALF (\$/CWT)	\$100.72
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BREAKEVEN TABLE

ITEM	BASE BUDGETED TOTAL	EXPECTED TOTAL	EXP. \$/CWT.	EXP. \$/HD.
VARIABLE COST	\$64,040	\$64,079	84.28	970.89
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	\$64,040	\$64,079	84.28	970.89

EXPECTED RETURN TABLE

66 head sold (death loss in cost)

EXP. WEIGHT (cwt./hd.)	EXP.PRICE (\$/cwt.)	TOTAL RETURN (\$)
11.52	87.95	66,870

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	8,590	6,657	4,724	2,791	853	-1,085	-3,023
Chances	100%	16%	31%	50%	69%	84%	93%
Chances	93%	84%	69%	50%	31%	16%	7%

CHANCE FOR PROFIT	76%	BASE BUDGETED NET REVENUE	\$2,830.37
		EXPECTED PROFIT (LOSS) PER HEAD	\$42.88

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