

# Break-Even Analysis & Profit Forecast

## Business/Project Name

Sample Company XYZ

### Break-Even Analysis

| Description   | Amount (\$)  |
|---|--------------|
| Fixed Costs   | 50,000       |
| Average Sales Price per Unit                                  | 50           |
| Variable Cost per Unit  | 30           |
| Contribution Margin per Unit<br>(Sales Price – Variable Cost) | 20           |
| <b>Break-Even Point (Units)</b>                               | <b>2,500</b> |

### Profit Forecast (Year 1)

| Sales Volume (Units) | Total Revenue (\$) | Total Variable Cost (\$) | Total Fixed Cost (\$) | Projected Profit (\$) |
|----------------------|--------------------|--------------------------|-----------------------|-----------------------|
| 2,500                | 125,000            | 75,000                   | 50,000                | 0                     |
| 3,000                | 150,000            | 90,000                   | 50,000                | 10,000                |
| 3,500                | 175,000            | 105,000                  | 50,000                | 25,000                |
| 4,000                | 200,000            | 120,000                  | 50,000                | 30,000                |

### Important Notes:

- Break-even analysis helps determine the minimum sales needed to cover all costs before making a profit.
- Accurately distinguish between fixed and variable costs for reliable results.
- Adjust input values based on latest market or internal data for higher relevance.
- Profit forecasts are projections and may vary due to actual market performance.
- Regular review and update of forecasts improve decision-making and business planning.