

**MALIGNANT HYPERTHERMIA ASSOCIATION
OF THE UNITED STATES, INC.**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2007, 2006 AND 2005

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

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Independent Auditors' Report

To the Board of Directors
Malignant Hyperthermia Association of the United States, Inc.
Sherburne, New York

We have audited the accompanying statements of financial position of Malignant Hyperthermia Association of the United States, Inc. as of September 30, 2007, 2006 and 2005, and the related statements of activities, functional expenses, and cash flow for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Malignant Hyperthermia Association of the United States, Inc. as of September 30, 2007, 2006 and 2005, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The information included in the accompanying supplementary charts and graphs, referenced on the table of contents, is presented only for supplementary analysis purposes. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The logo for Cwynar & Company is written in a cursive, handwritten-style font.

Norwich, New York
December 12, 2007

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MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

STATEMENT OF FINANCIAL POSITION

At September 30,	2007	2006	2005
ASSETS			
CURRENT ASSETS			
Cash and equivalents	\$ 426,270	364,884	327,322
Investment in marketable securities	343,557	368,230	236,753
Pledges receivable, net	52	206	4,857
Inventories	42,185	49,629	45,201
Prepaid expenses	13,731	43,600	12,738
Total current assets	825,795	826,549	626,871
ENDOWMENT INVESTMENTS			
Cash and equivalents	155,364	140,027	128,811
Investment in marketable securities	19,968	19,711	20,502
Total endowment investments	175,332	159,738	149,313
FIXED ASSETS			
Equipment	32,475	28,857	36,019
Furniture and fixtures	11,080	11,080	21,754
Leasehold improvements	1,200	-	-
Accumulated depreciation	(33,103)	(28,236)	(44,091)
Total net fixed assets	11,652	11,701	13,682
Total assets	\$ 1,012,779	997,988	789,866
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	\$ 18,489	18,401	16,539
Accrued liabilities	5,695	4,390	3,655
Total current liabilities	24,184	22,791	20,194
NET ASSETS			
Unrestricted	813,262	714,246	605,360
Temporarily restricted	32,251	125,341	34,121
Permanently restricted	143,082	135,610	130,191
Total net assets	988,595	975,197	769,672
Total liabilities and net assets	\$ 1,012,779	997,988	789,866

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MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

STATEMENT OF ACTIVITIES

For the years ended September 30,	2007	2006	2005
UNRESTRICTED NET ASSETS			
UNRESTRICTED REVENUE AND GAINS			
CONTRIBUTIONS			
General public	\$ 107,213	158,860	108,185
PROGRAM SERVICE FEES			
General public	79,263	86,850	45,601
Business community	62,841	58,437	68,180
INVESTMENT TRANSACTIONS			
Interest income	28,698	18,885	10,428
Dividend income	2,697	1,549	1,265
Unrealized gains (losses) on investments	9,956	4,614	3,783
Realized gains (losses) on investments	14,571	395	-
Other gains (losses)	620	(97)	125
Total unrestricted revenue and gains	305,859	329,493	237,567
Net assets released from donor restrictions	518,184	407,138	395,468
Total unrestricted revenues, gains and other support	824,043	736,631	633,035
FUNCTIONAL EXPENSES			
PROGRAM SERVICES			
Education	311,245	282,194	255,156
Research & clinical	180,484	142,269	152,155
Patient	38,781	38,396	33,506
Neuroleptic Malignant Syndrome	66,934	60,428	54,501
Total program services	597,444	523,287	495,318
SUPPORTING SERVICES			
General & Administrative	79,735	56,318	55,218
Fundraising	47,848	48,140	45,297
Total supporting services	127,583	104,458	100,515
Total functional expenses	725,027	627,745	595,833
Change in unrestricted net assets	99,016	108,886	37,202
Beginning of the year	714,246	605,360	568,158
End of the year	\$ 813,262	714,246	605,360

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For the years ended September 30,	2007	2006	2005
TEMPORARILY RESTRICTED NET ASSETS			
Grants	\$ 43,750	51,500	66,450
Contributions	370,000	433,285	336,500
Contributions from general public	2,972	7,871	7,517
Interest income	8,115	5,991	3,030
Dividend income	-	-	107
Unrealized gains (losses) on investments	257	(289)	320
Net assets released from donor restrictions	(518,184)	(407,138)	(395,468)
Change in temporarily restricted net assts	(93,090)	91,220	18,456
Beginning of the year	125,341	34,121	15,665
End of the year	\$ 32,251	125,341	34,121
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See accompanying notes to the financial statements			

For the years ended September 30,	2007	2006	2005
PERMANENTLY RESTRICTED NET ASSETS			
Contributions from general public	\$ 7,472	5,419	5,818
Net assets released from donor restrictions	-	-	-
Change in permanently restricted net assets	7,472	5,419	5,818
Beginning of the year	135,610	130,191	124,373
End of the year	\$ 143,082	135,610	130,191
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MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

STATEMENT OF CASH FLOW

For the years ended September 30,	2007	2006	2005
OPERATING ACTIVITIES			
Change in net assets	\$ 13,398	205,525	61,476
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	4,867	4,791	5,642
Unrealized (Gain)Loss on marketable securities	(10,213)	(4,325)	(4,103)
(Gain)Loss on disposal of assets	(14,571)	42	-
Accounts receivable	154	4,651	(2,833)
Prepaid expenses	29,869	(30,862)	(6,823)
Inventories	7,444	(4,428)	4,783
Accounts payable	88	1,862	12,734
Accrued liabilities	1,305	735	(772)
CASH FROM OPERATING ACTIVITIES	32,341	177,991	70,104
INVESTING ACTIVITIES			
Purchase of equipment	(4,818)	(3,247)	(3,151)
Proceeds from sale of marketable securities	231,654	99,637	64,000
Purchase of marketable securities	(182,454)	(225,603)	(117,138)
Net change in endowment cash investments	(15,337)	(11,216)	(8,772)
CASH USED FOR INVESTING ACTIVITIES	29,045	(140,429)	(65,061)
INCREASE (DECREASE) IN CASH DURING YEAR	61,386	37,562	5,043
Cash at the beginning of the year	364,884	327,322	322,279
Cash at the end of the year	\$ 426,270	364,884	327,322
SUPPLEMENTAL CASH FLOW DISCLOSURES			
Bank charges	\$ (456)	\$ (456)	(423)

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MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

PROGRAM SERVICES

For the year ended September 30, 2007	Education	Research & Clinical	Patient	Neuroleptic Malignant Syndrome	Total
Salaries & Wages	\$ 109,453	27,310	20,482	29,370	\$ 186,615
Payroll expenses	28,258	6,648	4,986	5,540	45,432
Materials	26,169	6,158	4,618	5,131	42,076
Telephone	2,990	703	527	586	4,806
Postage & Shipping	10,991	2,586	1,939	2,155	17,671
Insurance	-	1,748	-	1,748	3,496
Occupancy	-	-	-	-	-
Bank charges	-	-	-	-	-
Professional fees	12,398	-	-	1,522	13,920
Contracted services	15,491	3,645	2,734	3,038	24,908
Printing & Publications	23,474	4,659	3,495	2,712	34,340
Conferences & Meetings	27,601	5,496	-	4,580	37,677
Awards & Honors	-	4,500	-	4,000	8,500
Research grants	-	117,031	-	-	117,031
Travel	54,420	-	-	6,552	60,972
Other	-	-	-	-	-
Depreciation	-	-	-	-	-
Total program services	\$ 311,245	180,484	38,781	66,934	\$ 597,444

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SUPPORTING SERVICES

For the year ended September 30, 2007	General & Administrative	Fundraising	Total	2007
Salaries & Wages	\$ 15,931	25,034	\$ 40,965	\$ 227,580
Payroll expenses	3,878	6,094	9,972	55,404
Materials	3,592	5,645	9,237	51,313
Telephone	410	645	1,055	5,861
Postage & Shipping	1,508	2,370	3,878	21,549
Insurance	3,272	-	3,272	6,768
Occupancy	14,316	-	14,316	14,316
Bank charges	470	-	470	470
Professional fees	13,620	2,639	16,259	30,179
Contracted services	2,126	3,341	5,467	30,375
Printing & Publications	3,462	1,026	4,488	38,828
Conferences & Meetings	8,122	-	8,122	45,799
Awards & Honors	100	-	100	8,600
Research grants	-	-	-	117,031
Travel	3,493	1,054	4,547	65,519
Other	568	-	568	568
Depreciation	4,867	-	4,867	4,867
Total supporting services	\$ 79,735	47,848	\$ 127,583	\$ 725,027

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

STATEMENT OF NATURAL EXPENSES

For the years ended September 30,	2007	2006	2005
Salaries & Wages	\$ 227,580	220,200	200,347
Payroll expenses	55,404	51,957	51,748
Copywriting	-	-	4,000
Materials	51,313	36,213	21,092
Telephone	5,861	6,646	6,018
Postage & Shipping	21,549	21,914	14,782
Insurance	6,768	5,118	6,253
Occupancy	14,316	11,455	11,980
Bank charges	470	456	423
Professional fees	30,179	14,592	19,429
Contracted services	30,375	39,282	36,993
Printing & Publications	38,828	47,836	35,980
Conferences & Meetings	45,799	35,409	37,376
Symposium	-	-	987
Awards & Honors	8,600	7,155	7,500
Research grants	117,031	84,902	99,500
Travel	65,519	37,235	34,456
Other	568	2,584	1,327
Depreciation	4,867	4,791	5,642
Total natural expenses	\$ 725,027	627,745	595,833

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MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

Nature of Activities and Significant Accounting Policies

The Malignant Hyperthermia Association of the United States, Inc. (MHAUS or the Organization) is a not-for-profit corporation that was formed for the purpose of increasing the medical professions' and the general public's awareness and understanding of the syndrome, malignant hyperthermia (MH). MHAUS is dedicated to reducing the morbidity and mortality of MH by improving medical care related to MH, providing support information for patients and improving the scientific understanding and research related to MH. It performs these objectives by publishing newsletters and articles, hosting educational seminars, attending appropriate professional and public seminars to disseminate information about the syndrome and performing such other functions as required to increase the knowledge of the syndrome.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities, and the reported revenue and expenses.

Inventory

Consists of educational materials. Videotapes, audio tapes, brochures, pamphlets, etc. in inventory are stated at the lower of cost or market, cost being determined using the first-in, first-out (FIFO) method.

Investments

Investments are carried at fair value. Unrealized gains and losses, if any, are included in the change in net assets.

Securities Transactions

The Organization records securities transactions and recognizes related revenues on a trade date basis. Investment banking fees and expenses are recorded on an accrual basis.

Promises to Give

Contributions from the public are recognized when the donor makes an unconditional promise to give cash (or any other valuable asset) to the Organization. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine collectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

At the balance sheet date, there are no significant promises to give.

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

NOTES TO THE FINANCIAL STATEMENTS

Cash and Cash Equivalents

The Organization considers cash in operating bank accounts, cash on hand, and certificates of deposit, U.S. Treasury Bills and other highly liquid debt instruments purchased with maturity of three months or less to be cash and cash equivalents.

Pledges Receivable

The Organization uses the allowance for doubtful accounts method for valuing accounts receivable. This reduces the current balance of pledges receivable by the estimated bad debts expected to occur based on previous experience.

Property and Equipment

The Organization capitalizes all expenditures for land and land improvements, buildings, and equipment costing \$500 or more at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Equipment and furniture	2-10 years
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Contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted support. If the donor does not stipulate how long those assets must be maintained, the Organization reports expirations of donor restrictions when the acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Donated Materials and Services

Donated materials are recorded as contributions at their estimated fair values at the date of donation. Contribution of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided. No amounts have been reflected in the financial statements for those services.

Advertising

Advertising costs are generally charged to operations as incurred.

Income Taxes

MHAUS has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Functional Classification of Expenses

Functional expenses are charged to each program based on direct expenditures incurred. Any program expenditures not directly chargeable are allocated to a program based on units of

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

NOTES TO THE FINANCIAL STATEMENTS

service and support costs are allocated to a program based on total program costs. Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function.

Education

The Malignant Hyperthermia Association of the United States, Inc provides a variety of educational support services for medical professionals and patients susceptible to malignant hyperthermia. These include videos, audio tapes, literature, monographs, professional conferences, special meetings, Web site, and newsletters.

Research & Clinical

This includes all activities that support the Malignant Hyperthermia Hotline, North American Malignant Hyperthermia Registry of MHAUS (located at the University of Pittsburgh Medical School, Pennsylvania) and research programs.

Patient

This includes programs directed to educate and support Malignant Hyperthermia Susceptible (MHS) patients and their families. The programs include all the materials mentioned under the education section but with the expansion emphasis on a patient educational conference and seminars, a patient identification tag program, a patient news bulletin and a patient liaison committee program where MHS patients work together to provide local and national support.

Neuroleptic Malignant Syndrome (NMS)

This category includes formation of a NMS hotline, educational support services and a database for medical professionals and patients' involvement in this syndrome caused by antipsychotic drugs.

General & Administrative

Expenditures associated with the overall operation of the Organization. These expenditures are not directly part of the program services operating at the Organization. They are indirect and necessary for the Organization's existence.

Fundraising

Expenditures associated with fundraising activities of the Organization. These expenditures are not directly part of the program services operating at the Organization.

Compensated Absences and Employee Benefits

Employees of the Organization are entitled to paid vacations, sick days, and personal days off, depending on job classification, length of service, and other factors.

There are no unfunded health care or retirement plans.

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2

Restrictions on Net Assets

The Organization's unrestricted net assets:

September 30,	2007	
Designated for property and equipment	\$	11,652
Undesignated		801,610
Unrestricted net assets	\$	813,262

Restricted net assets are available for the following purposes or periods:

September 30, 2007	Permanent	Temporary	Total
Lila and Jerry Lewis Memorial Fund	\$ 77,690	19,533	\$ 97,223
Rosenberg Research Fund	43,804	9,808	53,612
Shah Educational Awareness Fund	21,588	2,910	24,498
Restricted net assets	\$ 143,082	32,251	\$ 175,333

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

September 30, 2007	Permanent	Temporary	Total
Procter & Gamble Pharmaceuticals	\$ -	461,079	\$ 461,079
American Society of Anesthesiologists	-	19,500	19,500
American Association of Nurse Anesthetists	-	5,250	5,250
Sharn	-	2,000	2,000
Daniel Massik Memorial Fund	-	4,000	4,000
Janssen Medical Affairs, LLC	-	10,000	10,000
AstraZeneca LP	-	3,000	3,000
Bristol-Myers Squibb Co.	-	5,000	5,000
US WorldMeds, LLC	-	5,000	5,000
Napolitano Fund	-	235	235
Neuroleptic Malignant Syndrome Donors	-	2,737	2,737
Rosenberg Research Fund	-	233	233
Lila and Jerry Lewis Memorial Fund	-	150	150
Total net assets released from restrictions	\$ -	518,184	\$ 518,184

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3

Endowment Funds and Trusts

LILA & JERRY LEWIS MEMORIAL FUND

During fiscal 1987, the Organization became the recipient of this memorial fund. Use of monies contributed to this fund and any earnings are restricted for use in special programs, as designated and approved by the Board of Directors. The programs increase the general understanding of malignant hyperthermia. The fund is further restricted in that the Board may not use more than 20% of the corpus in any one fiscal year for such programs. It may, however, use any and all of the earnings from the fund for these programs.

ROSENBERG RESEARCH FUND

During fiscal 1995, the Organization became the recipient of this research fund. Use of monies contributed to this fund and any earnings are restricted for use in support of any type of research related to malignant hyperthermia or allied syndromes. The Board of Directors has ultimate authority on the use of the funds. However, the fund is further restricted in that the Board may not use more than 20% of the corpus at any one time. It may, however, use any and all of the earnings from the fund for these purposes.

SHAH EDUCATIONAL AWARENESS FUND

During fiscal 2000, the Organization established this fund. The purpose of the fund is to alert and educate medical professionals, assist patients, and disseminate new knowledge about Neuroleptic Malignant Syndrome. NMSIS will use publications, educational brochures, conferences and other methods for increasing awareness and ensuring that patients with NMS are recognized and treated efficiently and effectively. The Board of Directors has ultimate authority on the use of the funds.

NOTE 4

Investments in Marketable Securities

A Board of Directors governs the Organization's investment policies. The Organization has entered into an investment management agreement with a local financial institution in order to maximize return on their idle cash.

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Investments in marketable securities are summarized as follows:

September 30, 2007	Cost	Market	Unrealized Gain(Loss)
Domestic Equity Securities	\$ 61,416	\$ 78,963	\$ 17,547
Mutual Funds	6,903	9,672	2,769
Fixed Income Securities	256,017	254,922	(1,095)
	<u>\$ 324,336</u>	<u>\$ 343,557</u>	<u>\$ 19,221</u>

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

NOTES TO THE FINANCIAL STATEMENTS

The investments are sold when cash needs develop or when good investment management dictates a change in the securities held. The difference between the net proceeds from sale and cost represents the realized gain or loss on the sale of securities. The unrealized gain or loss for a year is the relative change in the market values from the beginning to the end of the year for securities that were not sold.

For the years ended September 30,	2007	2006	2005
Capital Gains			
Realized gains (loss)	\$ 14,571	395	-
Unrealized gains (loss)	10,213	4,325	4,103
Capital gain distributions	347	259	-
Interest earned			
Fixed income securities	13,434	7,017	4,726
Government obligations	18,189	16,103	7,034
Insurance company CD	2,450	1,756	1,698
Dividends			
Equities	2,697	1,549	1,372
	<u>\$ 61,901</u>	<u>31,404</u>	<u>18,933</u>

The Organization may, at times throughout the year, maintain certain bank accounts in excess of the FDIC insured limits.

NOTE 5 Post Employment Employee Benefits

The Organization currently has no retirement plan or post employment benefit package.

NOTE 6 Economic Dependency

A major part of the Organization's contributions come from Procter & Gamble. Procter & Gamble's Pharmaceuticals division produces the drug, dantrolene sodium (Dantrium). Dantrium has been found to be a fast acting, effective treatment of malignant hyperthermia. A loss of the Procter & Gamble contribution would have a materially adverse effect on the Organization.

**MALIGNANT HYPERTHERMIA ASSOCIATION
OF THE UNITED STATES, INC.**

**SUPPLEMENTARY CHARTS AND GRAPHS
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

SUPPLEMENTARY CHARTS AND GRAPHS

Figure 1

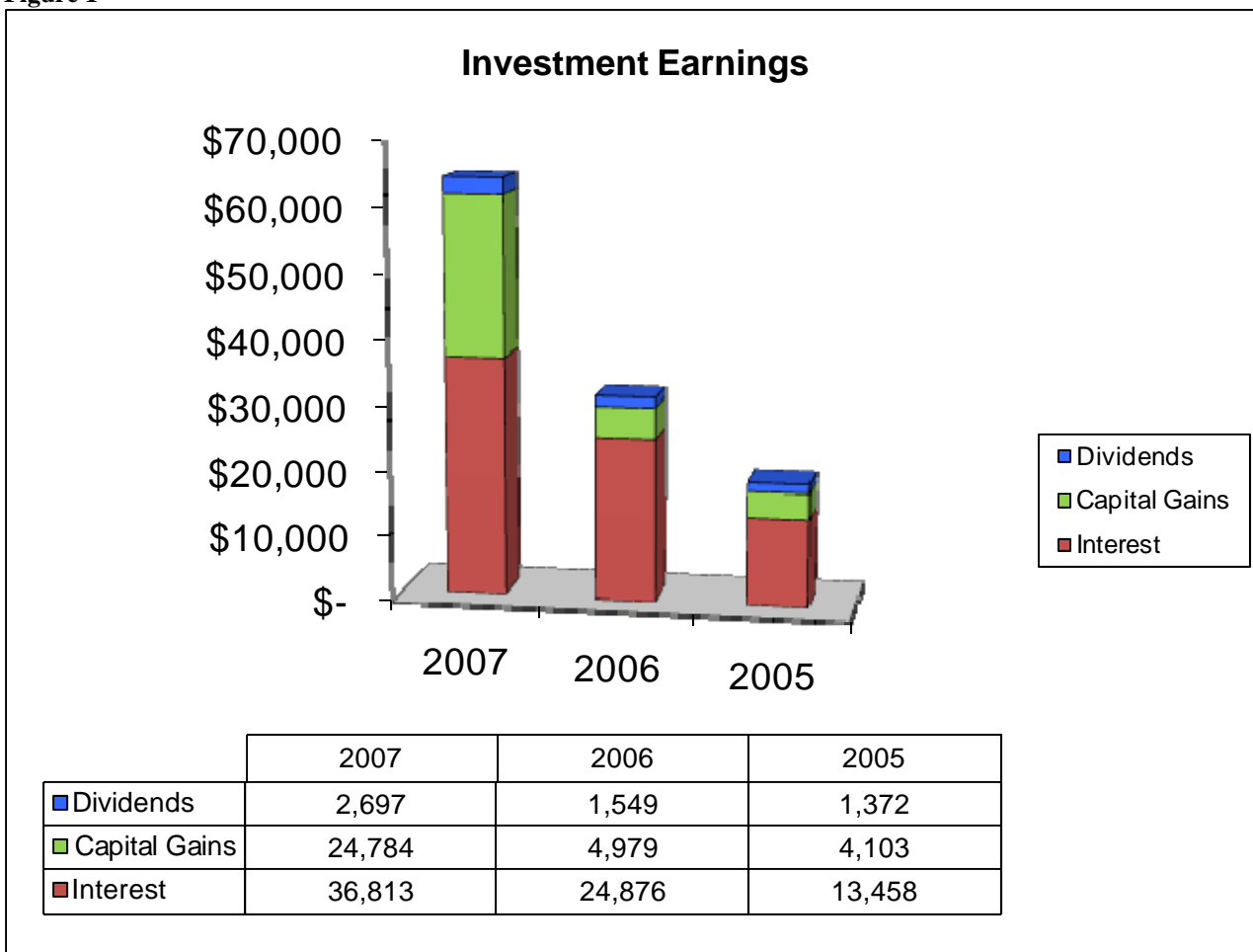


Figure 1 represents a yearly comparison of earnings on investments broken down into three categories of income.

Investment income again increased, which is a reflection of continuing to move idle cash into income producing securities. Interest income earned on certificates of deposit investments increased approximately \$10,000 from the prior year. Capital gains earnings represent the total of unrealized gains on held securities and realized gains on securities sold. During the year there were two large stock sales which resulted in a total gain of more than \$14,500.

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

SUPPLEMENTARY CHARTS AND GRAPHS

Figure 2

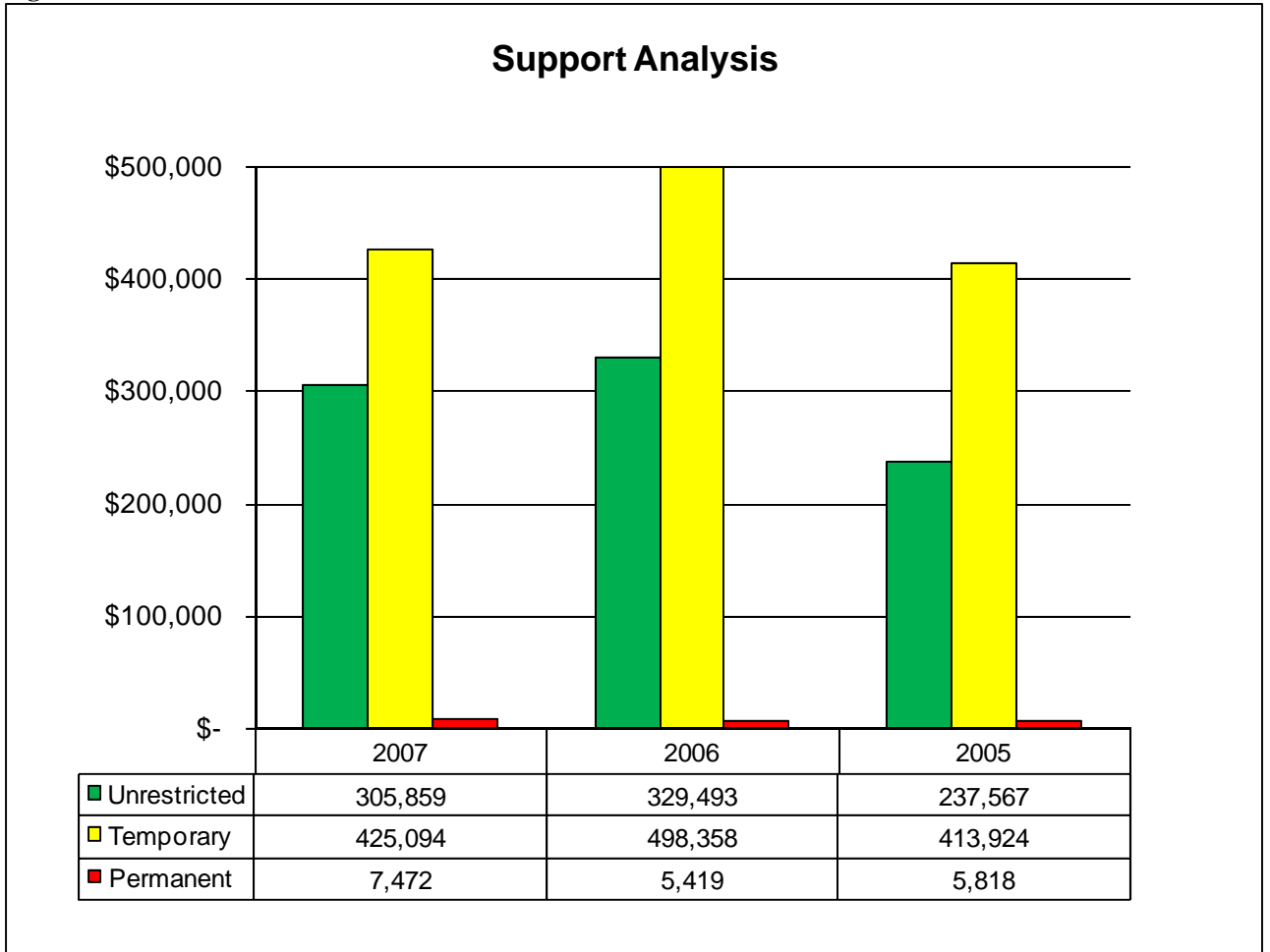


Figure 2 provides an analysis of support over a three year period. Support is classified into three categories: Unrestricted, temporarily restricted, and permanently restricted.

Unrestricted support in the current year is lower than in the prior year. The primary reason for the decrease is that a significant donation was received in 2006 that would not normally occur in an average year.

Temporary restricted revenue also decreased in the current year. The prior year included an additional grant from the organizations largest grantor for a special project amounting to \$100,000.

Permanently restricted revenue experienced an increase due to increased contributions to the Shah Fund.

MALIGNANT HYPERTHERMIA ASSOCIATION OF THE UNITED STATES, INC.

SUPPLEMENTARY CHARTS AND GRAPHS

Figure 3

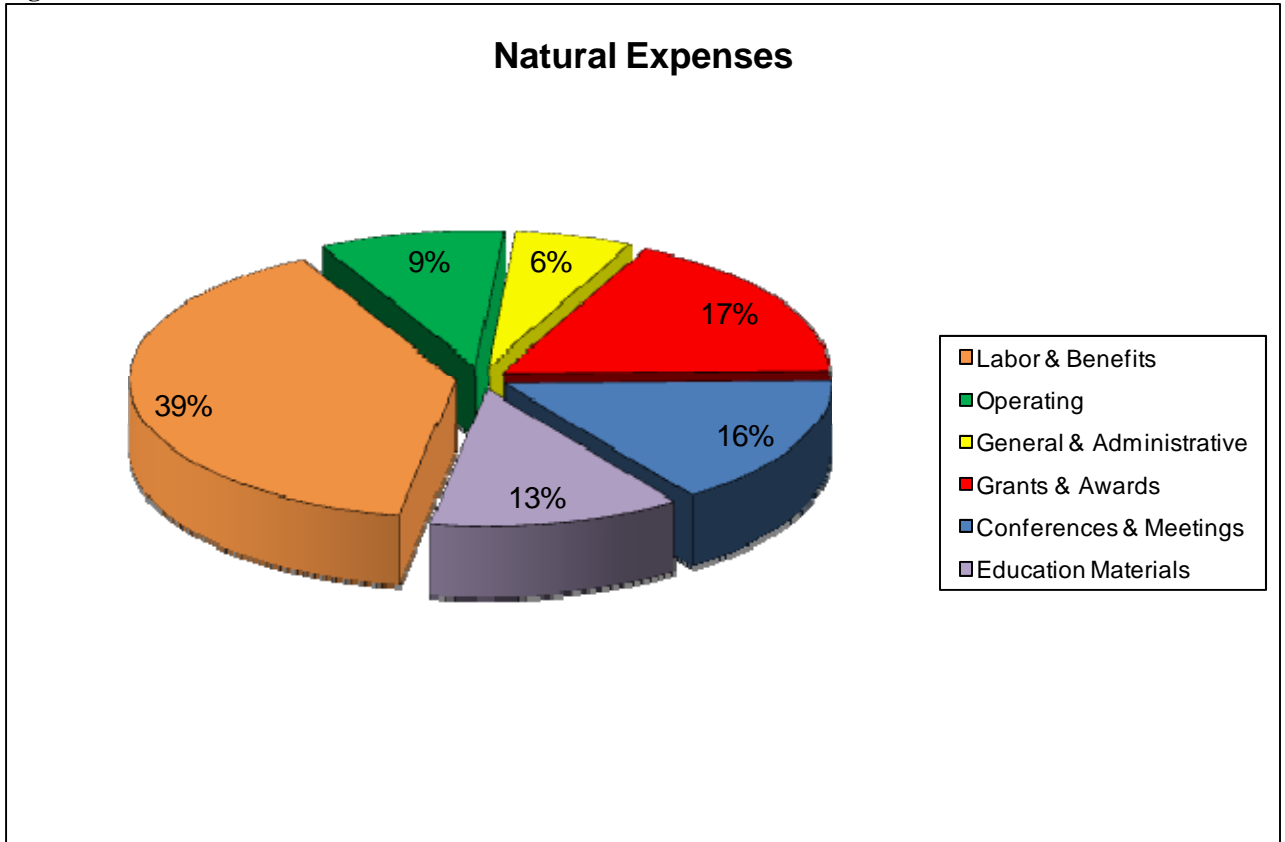


Figure 3 breaks down total expenses into natural expense categories.

There were changes in staffing during the year which involved updating and reorganizing job positions and functions. Due to the changes implemented, total labor and benefits expense decreased more than \$10,000.

Expenses for grants and awards rose this year due to an increase in funding to the University of Pittsburgh for molecular genetics testing. The increase was in excess \$30,000. In 2006, expenses for grants and awards made up 15% of total expenses.

The most significant change in expenses from the prior year was an increase in expenses for conferences and meetings, which accounted for only 12% of total expenses in the prior year. The increase in this expense category was approximately \$38,000. Conference and meeting expenses increased significantly due to travel expenses related to the ASA 25th anniversary celebration and a genetics conference in which an individual was flown in from Europe. There were also additional travel expenses incurred from board members traveling to meet with potential candidates to serve as a scientific advisor. During the year, a board meeting was held through the use of a webcast and a webinar was used in a separate event. The technology costs contributed to the increase of conference and meeting expenses.

Operating, educational materials, and general and administrative expenses remained virtually unchanged from the prior year.