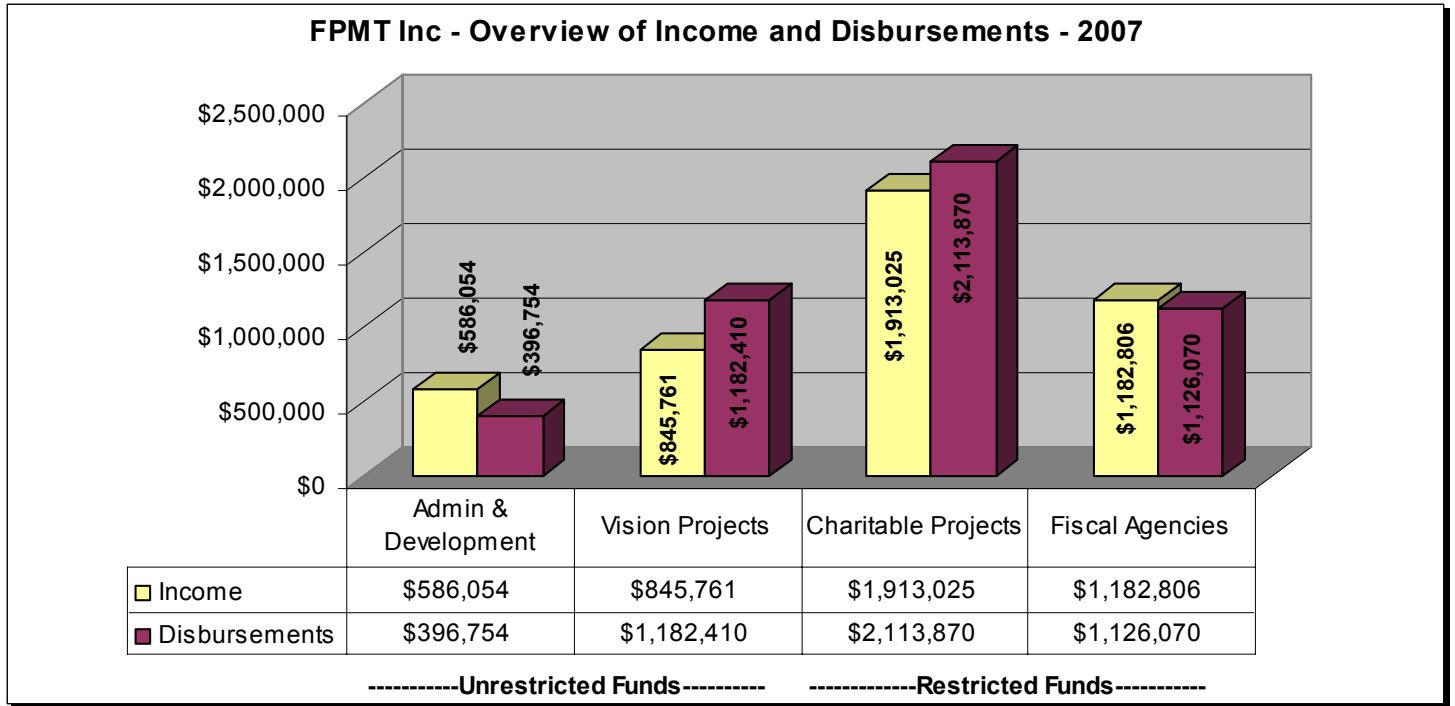


SUMMARY OF FINANCIAL PERFORMANCE: FY 2007

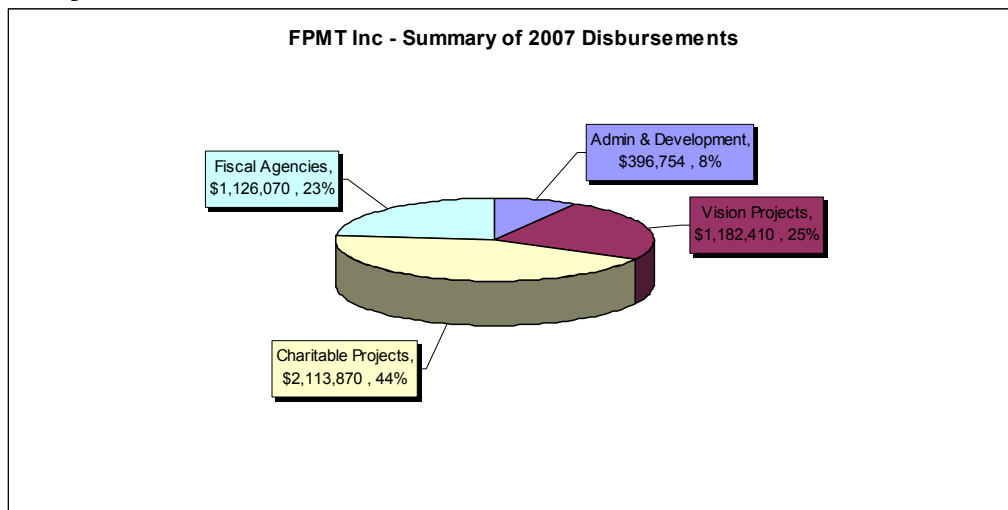
The CFO of FPMT International Office¹ is responsible for managing and supervising the finances of FPMT Inc as directed by its Board of Directors. Finances are divided between general (unrestricted) funds, and funds earmarked for certain projects (restricted funds). Unrestricted funds are further divided into 'Admin & Development'² funds and 'Vision Projects'³ funds, and restricted funds are further divided into 'Charitable Projects'⁴ funds and 'Fiscal Agencies'⁵ funds. The following charts give an overview of the income and disbursements for 2007.⁶



Total unrestricted Income in 2007 was \$1,431,815 and total unrestricted Disbursements in 2007 was \$1,579,164 which resulted in a deficit during 2007 of -\$147,349.

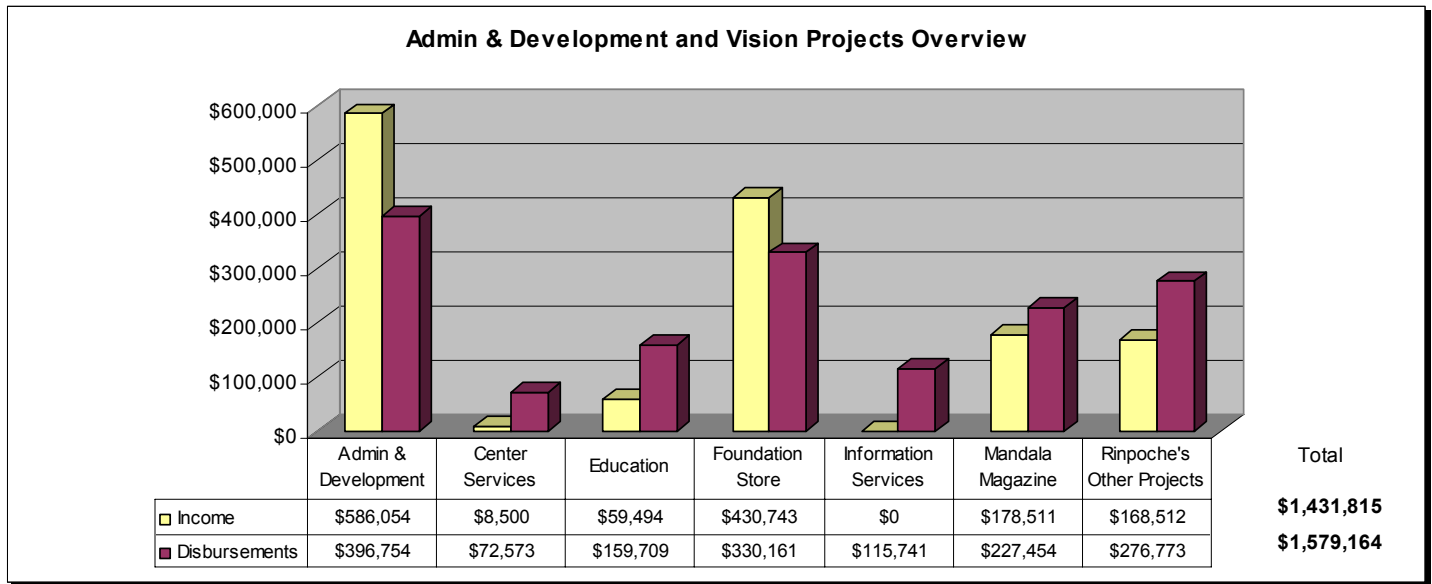
Total Income for the Charitable Projects was \$1,913,025 and total Disbursements in 2007 was \$2,113,870. Of this a total of \$1,954,246 was disbursed directly to the projects. A more detailed breakdown of these disbursements can be seen below.

The following chart shows all the disbursements for 2007 from the various fund categories. Overall the admin and development expenses were 8% of total disbursements in 2007.



Admin & Development and Vision Projects Overview

The following chart gives a summary of the income and disbursements for Admin & Development and for the various Vision Projects during 2007.



The following table gives a more detailed overview of the income sources in 2007 and presents the income and expenses using Gross Profit for Income instead of Gross Sales for the Foundation Store and Mandala.¹

P&L Summary	Admin & Development	Center Services	Education	Information Services	Foundation Store	Mandala	Rinpoche's Other Projects	Total
Income								
Donation Received	140,860		30,394		915	5,589	5,032	182,790
Admin Fee Income	177,746							177,746
Investment Income	28,950							28,950
Other Income	29,823					2,605		32,428
Income Transferred from Restricted Funds	208,676	8,500	29,100				163,480	409,756
Foundation Store Gross Profit					214,533			214,533
Mandala Gross Profit						36,279		36,279
Total Income / Gross Profit	586,054	8,500	59,494	0	215,448	44,474	168,512	1,082,482
Total Expenses	396,754	72,573	159,709	115,741	114,866	93,416	276,773	1,229,831
Net Income	189,300	(64,072)	(100,215)	(115,741)	100,582	(48,942)	(108,261)	(147,349)

Total income⁷ for Admin and Development was \$586,054 and total disbursements were \$396,754. The Income includes any fundraising from the Work a Day campaign which was allocated to fulfill the Vision Projects of FPMT. The surplus of income over disbursements of \$189,300 was used to finance the Vision Projects.

Total income for the Vision Projects was \$845,761 (or \$496,428 when using Gross Profit instead of Total Sales) and total disbursements were \$1,182,410 (or \$833,077 if Cost of Goods sold are excluded).

¹ In the chart, the Income for the Foundation Store and Mandala include the Gross Sales and the direct cost of these sales are included in the figures for disbursements. The table gives this presentation in a different way using Gross Profit for Income which is the total Sales less the direct costs of production.

FPMT Charitable Projects Overview

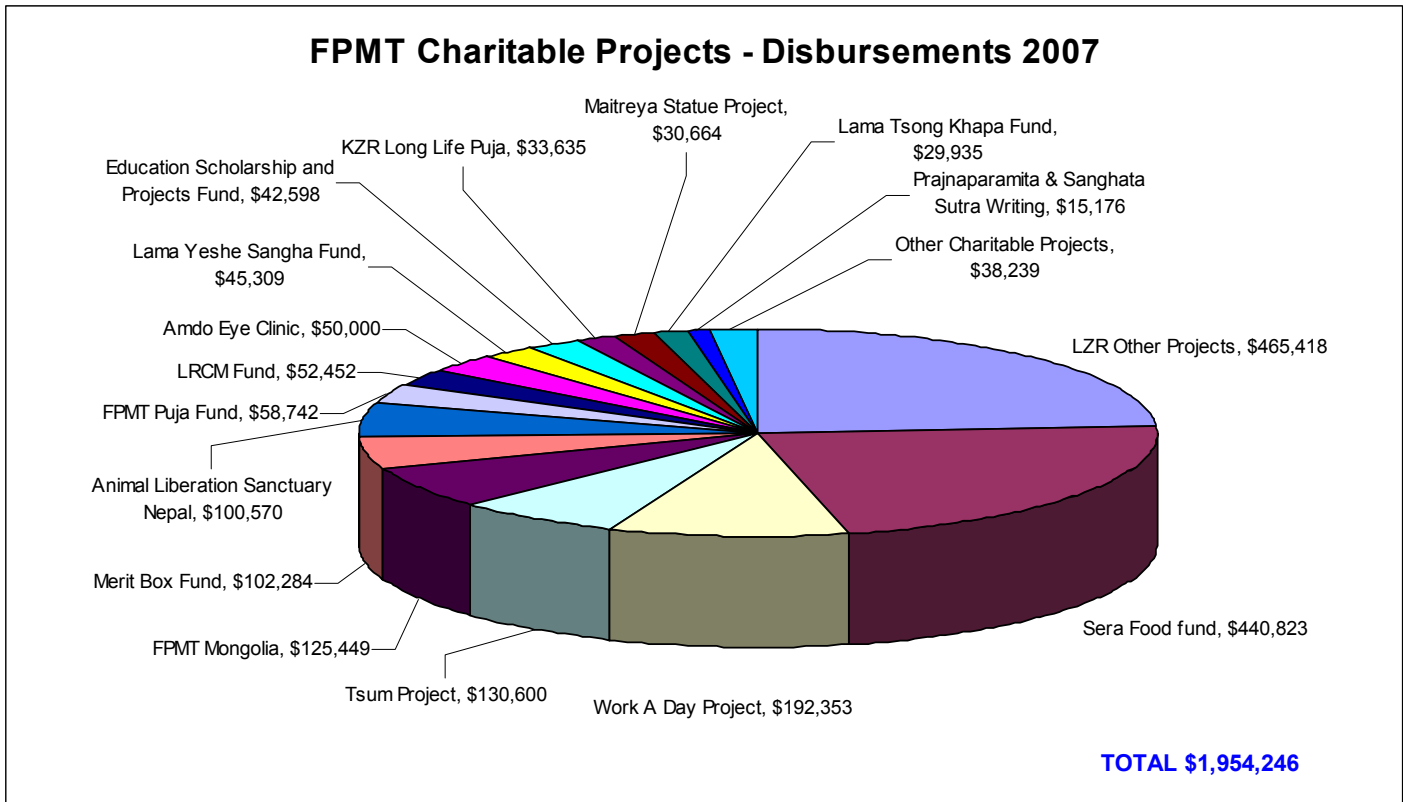


The FPMT Charitable Projects include all the [Charitable Projects of the FPMT](#) which are listed on our website as well as certain other charitable projects as directed by Lama Zopa Rinpoche and the Board of Directors.

Charitable Project's total income and disbursements for 2007 are summarized as follows.

	2007
Total Income Received	\$1,913,025
Credit Card, Project Management, Fundraising and Administration Expenses	(\$159,623)
Direct Expenditure on the Projects	<u>(\$1,954,246)</u>
Surplus / (Deficit) ⁸	<u>(\$200,844)</u>

The pie-chart below, shows how the Direct Expenditure on the Projects for 2007 was allocated.



Other charitable projects include disbursements of \$10,388 from the Prayers for the Dead Fund, \$7,680 from the Stupa Fund, \$5,844 from the LL Puja for HHDL, \$5,844 from Sarnath Teachings Fund, \$5,000 from the Mani Wheel Fund, \$3,144 from the LCA Fund, \$1,724 from Animal Liberation in Aptos Fund and \$779 from a Guru Rinpoche Statue Fund.

NOTES

¹ FPMT Inc. is the legal entity of FPMT International Office. The terms FPMT Inc. and International Office are interchangeable. In practical terms, this is Lama Zopa Rinpoche's office, therefore whenever FPMT Inc. or International Office is mentioned, the guidance of our Spiritual Director is implicit.

² Admin and Development include the Administration department, the Finance Department and the Development (Fundraising) department. These departments are responsible for managing all aspects of administration of the office, accounting accurately for the finances and fundraising for the different Vision and Charitable Projects.

³ Vision Project Funds are activities which further the charitable mission of FPMT Inc. These include the following departments:

- Education Department
- Center Services Department
- Information Services Department
- Foundation Store
- Mandala Magazine
- Rinpoche's Other Projects (which is partly financed by the LZR Other Project Restricted fund).

A description of these departments can be seen on the website at <http://www.fpmt.org/organization/descriptions.asp>

⁴ FPMT Charitable Projects include all the Charitable Projects of the FPMT which are listed on our website as well as certain other charitable projects as directed by Lama Zopa Rinpoche and the Board of Directors.

⁵ Fiscal Agency funds are funds which are received on behalf of and held in trust for certain affiliates mainly based in India and Nepal. As such funds are under the control and direction of foreign affiliates, any donations originating in the U.S. for these funds do not attract U.S. tax relief.

⁶ The figures presented in this report are the un-audited financial figures for 2007. They exclude depreciation and exceptional items such as gains or losses on the sale of fixed assets and special project disbursements which are privately financed. These figures are subject to adjustments (such as interfund offsets) during our annual audit which is conducted each year by our auditor, Respass and Respass PC.

⁷ Income for Admin & Development includes Investment Income, Admin Fee Income, Fundraising Income, General Donations and Other Income. The investment income includes any losses in the value of investments during the year and in particular during August 2007. FPMT Inc has adopted SFAS No. 124, Accounting for Certain Investments Held by Not-for-Profit Organizations. Under SFAS No. 124, 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.

⁸ Surplus / (Deficit) was the increase or decrease in the retained balances for the charitable projects.