The Female Health Company
312-595-9123, ext. 232
fhcinvestor@femalehealthcompany.com
Chicago, IL 60654
515 N. State Street, Suite 2202

Part II: Organizational Action

As The Female Health Company has an accumulated deficit of earnings and profits, tax characterization of its cash distributions to shareholders is determined by a calculation of the Company's current earnings and profits. When that calculation was made in December 2011, it was determined that 78.93951% of the November 9, 2011 cash distribution of $0.05 per share was not a dividend distribution under Code Section 301(c)(1).

Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

78.93951% of the November 9, 2011 cash distribution of $0.05 per share is treated as either a reduction of basis under Code Section 301(c)(2) or gain (if the distribution is in excess of basis) under Code Section 301(c)(3).

For Paperwork Reduction Act Notice, see the separate instructions.
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC Section 301 (c)

18 Can any resulting loss be recognized? ▶ Not Applicable

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
2011

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Donna Feld
Date ▶ 8/14/12
Title ▶ V.R. C.F.O.
Print your name ▶ Donna Feld

Paid Preparer Use Only
Print/Type preparer's name
Preparer's signature
Date
Check □ if self-employed
PTIN
Firm's name ▶
Firm's address ▶
Firm's EIN ▶
Phone no.