Report of Organizational Actions Affecting Basis of Securities

Part I  Reporting Issuer

1 Issuer's name

The Female Health Company

2 Issuer's employer identification number (EIN)

39-1144397

3 Name of contact for additional information

Michele Greco

4 Telephone No. of contact

312-595-9123

5 Email address of contact

fnclineastor@femalehealthcompany.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

515 N. State Street, Suite 2225

Chicago, IL 60654

7 City, town, or post office, state, and Zip code of contact

8 Date of action

8-8-2012

9 Classification and description

Non-dividend distribution to shareholders of common stock

10 CUSIP number

1-13602

11 Serial number(s)

FHCO

12 Ticker symbol

13 Account number(s)

Part II  Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

As The Female Health Company has an accumulated deficit of earnings and profit, tax characterization of its cash distributions to shareholders is first determined with reference to the Company's current earnings and profits. When that calculation was made in December 2012, it was determined that 97.94% of the August 8, 2012 cash distribution of $0.06 per share was not a dividend distribution under Code Section 301(c)(1).

15 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.

97.94% of the August 8, 2012 cash distribution of $0.06 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).

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

Per share amount not treated as a dividend under Code Section 301(c)(1) is calculated by multiplying the $0.06 per share cash distribution received by 97.94%.
Part II  Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based
IRC Sections 301 (c), 316

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
2012

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 Foch  Date: 12/12/12
Print your name: Donna Foch

Paid Preparer Use Only

Print/Type preparer's name: Donna Foch
Preparer's signature: Donna Foch
Date: 12/12/12
Check [ ] if self-employed
PTIN

Firm's name: Donna Foch
Firm's address: Donna Foch
Phone no.: Donna Foch

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054