

THE STREET, INC.

FORM 10-Q (Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

Commission File Number 000-25779

THE STREET, INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or
organization)

06-1515824

(I.R.S. Employer Identification Number)

14 Wall Street
New York, New York 10005

(Address of principal executive offices, including zip code)

(212) 321-5000

(Registrant's telephone number, including area code)

Indicate by a check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant as required to submit and post such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

(Title of Class)

Common Stock, par value \$0.01 per share

(Number of Shares Outstanding
as of August 1, 2012)

32,863,532

TheStreet, Inc.
Form 10-Q

As of and for the Three and Six Months Ended June 30, 2012

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Item 1. Interim Condensed Consolidated Financial Statements.

THE STREET, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2012	December 31, 2011
	(unaudited)	(audited)
ASSETS		
Current Assets:		
Cash and cash equivalents (Note 2)	\$ 20,535,644	\$ 44,865,191
Marketable securities (Note 2)	20,182,450	20,895,238
Accounts receivable, net of allowance for doubtful accounts of \$140,027 as of June 30, 2012 and \$158,870 as of December 31, 2011	4,732,132	6,225,424
Other receivables, net	824,280	356,219
Prepaid expenses and other current assets	1,791,938	1,421,955
Restricted cash	660,370	660,370
Total current assets	48,726,814	74,424,397
Property and equipment, net of accumulated depreciation and amortization of \$15,036,740 as of June 30, 2012 and \$13,466,365 as of December 31, 2011	6,666,870	8,494,648
Marketable securities (Note 2)	26,644,072	7,894,365
Other assets	125,312	172,055
Goodwill	24,057,616	24,057,616
Other intangibles, net of accumulated amortization of \$5,852,290 as of June 30, 2012 and \$5,529,730 as of December 31, 2011	4,509,575	5,370,135
Restricted cash (Note 2)	1,000,000	1,000,000
Total assets	\$ 111,730,259	\$ 121,413,216
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 2,403,355	\$ 2,305,589
Accrued expenses	5,489,694	7,970,802
Deferred revenue	18,306,929	17,625,666
Other current liabilities	537,723	509,214
Total current liabilities	26,737,701	28,411,271
Deferred tax liability	288,000	288,000
Other liabilities	3,922,943	4,569,497
Total liabilities	30,948,644	33,268,768
Stockholders' Equity		
Preferred stock; \$0.01 par value; 10,000,000 shares authorized; 5,500 issued and outstanding as of June 30, 2012 and December 31, 2011; the aggregate liquidation preference totals \$55,000,000 as of June 30, 2012 and December 31, 2011	55	55
Common stock; \$0.01 par value; 100,000,000 shares authorized; 39,441,933 shares issued and 32,755,904 shares outstanding as of June 30, 2012, and 38,461,595 shares issued and 32,131,188 shares outstanding as of December 31, 2011	394,419	384,616
Additional paid-in capital	269,809,193	270,230,246
Accumulated other comprehensive income	(293,820)	(394,600)
Treasury stock at cost; 6,686,029 shares as of June 30, 2012 and 6,330,407 shares as of December 31, 2011	(11,750,434)	(11,010,149)
Accumulated deficit	(177,377,798)	(171,065,720)
Total stockholders' equity	80,781,615	88,144,448
Total liabilities and stockholders' equity	\$ 111,730,259	\$ 121,413,216

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

THE STREET, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
	(unaudited)		(unaudited)	
Net revenue:				
Subscription services	\$ 8,849,822	\$ 10,074,931	\$ 18,039,803	\$ 19,684,432
Media	3,631,334	4,953,857	7,257,180	9,465,237
Total net revenue	12,481,156	15,028,788	25,296,983	29,149,669
Operating expense:				
Cost of services	5,699,899	6,802,481	12,135,061	13,761,529
Sales and marketing	3,268,859	4,110,501	7,359,108	8,481,274
General and administrative	3,277,171	4,400,438	7,099,692	8,409,104
Depreciation and amortization	1,158,190	1,545,192	2,445,452	3,166,041
Restructuring and other charges	1,280,195	—	2,993,693	—
Gain on disposition of assets	(220,000)	—	(220,000)	—
Total operating expense	14,464,314	16,858,612	31,813,006	33,817,948
Operating loss	(1,983,158)	(1,829,824)	(6,516,023)	(4,668,279)
Net interest income	107,858	176,748	203,945	374,775
Loss from continuing operations before income taxes	(1,875,300)	(1,653,076)	(6,312,078)	(4,293,504)
Provision for income taxes	—	—	—	—
Loss from continuing operations	(1,875,300)	(1,653,076)	(6,312,078)	(4,293,504)
Discontinued operations:				
Loss from discontinued operations	—	136	—	1,752
Net loss	(1,875,300)	(1,653,212)	(6,312,078)	(4,295,256)
Preferred stock cash dividends	96,424	96,424	192,848	192,848
Net loss attributable to common stockholders	\$ (1,971,724)	\$ (1,749,636)	\$ (6,504,926)	\$ (4,488,104)
Basic and diluted net loss per share				
Loss from continuing operations	\$ (0.06)	\$ (0.05)	\$ (0.19)	\$ (0.13)
Loss from discontinued operations	—	(0.00)	—	(0.00)
Net loss	(0.06)	(0.05)	(0.19)	(0.13)
Preferred stock cash dividends	(0.00)	(0.00)	(0.01)	(0.01)
Net loss attributable to common stockholders	\$ (0.06)	\$ (0.05)	\$ (0.20)	\$ (0.14)
Weighted average basic and diluted shares outstanding	32,752,651	31,923,813	32,547,596	31,902,326

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

THE STREET, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2012	2011	2012	2011
Net loss	\$ (1,875,300)	\$ (1,653,212)	\$ (6,312,078)	\$ (4,295,256)
Unrealized gain (loss) on marketable securities	46,866	(82,227)	100,780	(215,895)
Comprehensive loss	\$ (1,828,434)	\$ (1,735,439)	\$ (6,211,298)	\$ (4,511,151)

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements

THE STREET, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Six Months Ended June 30,	
	2012	2011
	(unaudited)	
Cash Flows from Operating Activities:		
Net loss	\$ (6,312,078)	\$ (4,295,256)
Loss from discontinued operations	—	1,752
	(6,312,078)	(4,293,504)
Loss from continuing operations		
Adjustments to reconcile loss from continuing operations to net cash (used in) provided by operating activities:		
Stock-based compensation expense	1,066,804	1,429,963
Provision for doubtful accounts	76,382	80,690
Depreciation and amortization	2,445,452	3,166,041
Restructuring and other charges	1,396,695	—
Deferred rent	(159,979)	671,474
Noncash barter activity	109,510	—
Gain on disposition of assets	(220,000)	—
Changes in operating assets and liabilities:		
Accounts receivable	1,416,910	518,124
Other receivables, net	(468,061)	40,997
Prepaid expenses and other current assets	(715,217)	(218,065)
Other assets	32,961	15,000
Accounts payable	97,766	(466,223)
Accrued expenses	(2,534,003)	(2,183,027)
Deferred revenue	280,976	3,275,530
Other current liabilities	27,221	(16,172)
	(3,458,661)	2,020,828
Net cash (used in) provided by continuing operations		
Net cash used in discontinued operations	—	(3,577)
	(3,458,661)	2,017,251
Net cash (used in) provided by operating activities		
Cash Flows from Investing Activities:		
Purchase of marketable securities	(41,151,130)	(16,466,052)
Sale and maturity of marketable securities	23,214,991	28,452,354
Capital expenditures	(714,193)	(1,012,748)
Proceeds from the disposition of assets	220,000	—
Sale of Promotions.com	—	265,000
	(18,430,332)	11,238,554
Net cash (used in) provided by investing activities		
Cash Flows from Financing Activities:		
Cash dividends paid on common stock	(1,642,421)	(1,729,303)
Cash dividends paid on preferred stock	(192,848)	(192,848)
Proceeds from the sale of common stock	135,000	—
Purchase of treasury stock	(740,285)	(321,533)
	(2,440,554)	(2,243,684)
Net cash used in financing activities		
Net (decrease) increase in cash and cash equivalents	(24,329,547)	11,012,121
Cash and cash equivalents, beginning of period	44,865,191	20,089,660
	\$ 20,535,644	\$ 31,101,781
Cash and cash equivalents, end of period		
Supplemental disclosures of cash flow information:		
Cash payments made for interest	\$ —	\$ —
Cash payments made for income taxes	\$ —	\$ —

Notes to Condensed Consolidated Financial Statements
(unaudited)

1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

Business

TheStreet, Inc., together with its wholly owned subsidiaries (“TheStreet”, “we”, “us” or the “Company”), is a leading digital financial media company whose collection of digital services provides users, subscribers and advertisers with a variety of content and tools through a range of online, social media, tablet and mobile channels. Our mission is to provide actionable ideas from the world of investing, finance and business in order to break down information barriers, level the playing field and help all individuals and organizations grow their wealth. With a robust suite of digital services, TheStreet offers the tools and insights needed to make informed decisions about earning, investing, saving and spending money.

Since its inception in 1996, TheStreet believes it has distinguished itself from other financial media companies with its journalistic excellence, unbiased approach and interactive multimedia coverage of the financial markets, economy, industry trends, investment and financial planning.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information and with the instructions to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and for quarterly reports on Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The financial statements require the use of management estimates and include the accounts of the Company as required by GAAP. Operating results for the six month period ended June 30, 2012 is not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

The consolidated balance sheet at December 31, 2011 has been derived from the audited financial statements at that date, but does not include all of the information and notes required by GAAP for complete financial statements.

For further information, refer to the consolidated financial statements and accompanying notes included in the Company’s annual report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission (“SEC”) on March 7, 2012 (“2011 Form 10-K”).

During 2011 and the three months ended March 31, 2012, the Company accrued quarterly expenses related to its full year cash incentive compensation on a straight-line basis based on the Company’s estimate of expected full year cash incentive compensation. Beginning with the three months ended June 30, 2012, the Company accrued expenses based upon achievement of periodic performance objectives and full year expectations.

The Company has evaluated subsequent events for recognition or disclosure.

Recent Accounting Pronouncements

In May 2011, the FASB issued FASB ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* (“ASU 2011-04”). ASU 2011-04 provides new guidance for fair value measurements intended to achieve common fair value measurement and disclosure requirements in U.S. GAAP and International Financial Reporting Standards. The amended guidance provides a consistent definition of fair value to ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. The amended guidance changes certain fair value measurement principles and enhances the disclosure requirements, particularly for Level 3 fair value measurements. The amended guidance is effective for interim and annual periods beginning after December 15, 2011. Early adoption was not permitted. The Company conformed to the new presentation required in ASU 2011-04 beginning with Form 10-Q for the three months ended March 31, 2012.

In June 2011, the FASB issued Accounting Standards Update No. 2011-05, *Presentation of Comprehensive Income* (“ASU 2011-05”), to require an entity to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of equity. The standard does not change the items which must be reported in other comprehensive income, how such items are measured or when they must be reclassified to net income. This standard is effective for interim and annual periods beginning after December 15, 2011 and is to be applied retrospectively. The FASB has deferred the requirement to present reclassification adjustments for each component of accumulated other comprehensive income in both net income and other comprehensive income. Companies are required to either present amounts reclassified out of other comprehensive income on the face of the financial statements or disclose those amounts in the notes to the financial statements. During the deferral period, there is no requirement to separately present or disclose the reclassification adjustments into net income. The effective date of this deferral will be consistent with the effective date of the ASU 2011-05. The Company adopted ASU 2011-05 in the first quarter of 2012 and disclosed comprehensive income in its unaudited consolidated statement of comprehensive income and note that this guidance affects financial statement presentation only and has no impact on the Company’s consolidated financial statements.

In September 2011, the FASB issued ASU 2011-08, *Testing for Goodwill Impairment* (“ASU 2011-08”). ASU 2011-08 permits an entity to make a qualitative assessment of whether it is more likely than not that a reporting unit’s fair value is less than its carrying amount before applying the two-step goodwill impairment test. If an entity concludes it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, it need not perform the two-step impairment test. ASU 2011-08 is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 31, 2011. Early adoption was permitted. The implementation of ASU 2011-08 did not have a material impact on the Company’s consolidated financial statements.

2. CASH AND CASH EQUIVALENTS, MARKETABLE SECURITIES AND RESTRICTED CASH

The Company’s cash and cash equivalents primarily consist of money market funds and checking accounts totaling \$20.5 million. Marketable securities consist of liquid short-term U.S. Treasuries, government agencies, certificates of deposit (insured up to FDIC limits), investment grade corporate and municipal bonds, corporate floating rate notes, and two municipal auction rate securities (“ARS”) issued by the District of Columbia with a par value of approximately \$1.9 million. The ARS pay interest in accordance with their terms at each respective auction date, typically every 35 days, and mature in the year 2038. As of June 30, 2012, the total fair value of these marketable securities was approximately \$46.8 million and the total cost basis of was approximately \$47.1 million. The maximum maturity for any investment is three years. The Company accounts for its marketable securities in accordance with the provisions of ASC 320-10. The Company classifies these securities as available for sale and the securities are reported at fair value. Unrealized gains and losses are recorded as a component of accumulated other comprehensive income and excluded from net loss. Additionally, the Company has a total of approximately \$1.7 million of cash that serves as collateral for an outstanding letter of

credit, and which cash is therefore restricted. The letter of credit serves as a security deposit for the Company's office space in New York City. As the lease agreement allows for a reduction in the amount of the security deposit as of November 2012, a portion of the restricted cash has been classified as a current asset.

	June 30, 2012	December 31, 2011
Cash and cash equivalents	\$ 20,535,644	\$ 44,865,191
Current and noncurrent marketable securities	46,826,522	28,789,603
Current and noncurrent restricted cash	1,660,370	1,660,370
Total cash and cash equivalents, current and noncurrent marketable securities and current and noncurrent restricted cash	\$ 69,022,536	\$ 75,315,164

3. FAIR VALUE MEASUREMENTS

The Company measures the fair value of its financial instruments in accordance with ASC 820-10, which refines the definition of fair value, provides a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820-10 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The statement establishes consistency and comparability by providing a fair value hierarchy that prioritizes the inputs to valuation techniques into three broad levels, which are described below:

- Level 1: Inputs are quoted market prices in active markets for identical assets or liabilities (these are observable market inputs).
- Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability (includes quoted market prices for similar assets or identical or similar assets in markets in which there are few transactions, prices that are not current or vary substantially).
- Level 3: Inputs are unobservable inputs that reflect the entity's own assumptions in pricing the asset or liability (used when little or no market data is available).

Financial assets and liabilities included in our financial statements and measured at fair value as of June 30, 2012 are classified based on the valuation technique level in the table below:

	Total	Level 1	Level 2	Level 3
Description:				
Cash and cash equivalents (1)	\$ 20,535,644	\$ 20,535,644	\$ —	\$ —
Marketable securities (2)	46,826,522	45,316,522	—	1,510,000
Total at fair value	\$ 67,362,166	\$ 65,852,166	\$ —	\$ 1,510,000

- (1) Cash and cash equivalents, totaling approximately \$20.5 million, consists primarily of money market funds and checking accounts for which we determine fair value through quoted market prices.
- (2) Marketable securities consist of liquid short-term U.S. Treasuries, government agencies, certificates of deposit (insured up to FDIC limits), investment grade corporate and municipal bonds and corporate floating rate notes for which we determine fair value through quoted market prices. Marketable securities also consist of two municipal ARS issued by the District of Columbia having a fair value totaling approximately \$1.5 million as of June 30, 2012. Historically, the fair value of ARS investments approximated par value due to the frequent resets through the auction process. Due to events in credit markets, the auction events, which historically have provided liquidity for these securities, have been unsuccessful. The result of a failed auction is that these ARS holdings will continue to pay interest in accordance with their

terms at each respective auction date; however, liquidity of the securities will be limited until there is a successful auction, the issuer redeems the securities, the securities mature or until such time as other markets for these ARS holdings develop. For each of our ARS, we evaluate the risks related to the structure, collateral and liquidity of the investment, and forecast the probability of issuer default, auction failure and a successful auction at par, or a redemption at par, for each future auction period. Temporary impairment charges are recorded in accumulated other comprehensive income, whereas other-than-temporary impairment charges are recorded in our consolidated statement of operations. As of June 30, 2012, the Company determined there was a decline in the fair value of its ARS investments of approximately \$0.3 million from its cost basis, which was deemed temporary and was included within accumulated other comprehensive loss. The Company used a discounted cash flow model to determine the estimated fair value of its investment in ARS. The assumptions used in preparing the discounted cash flow model include estimates for interest rate, timing and amount of cash flows and expected holding period of ARS.

The following table provides a reconciliation of the beginning and ending balance for the Company's marketable securities measured at fair value using significant unobservable inputs (Level 3):

	Marketable Securities
Balance at January 1, 2012	\$ 1,410,000
Increase in fair value of investment	100,000
Balance at June 30, 2012	\$ 1,510,000

4. STOCK-BASED COMPENSATION

For a detailed description of past equity-based compensation activity, please refer to the Company's 2011 Form 10-K. There have been no significant changes in the Company's equity-based compensation accounting policies and assumptions from those that were disclosed in the 2011 Form 10-K.

The Company estimates the value of employee stock options on the date of grant using the Black-Scholes option-pricing model. This determination is affected by the Company's stock price as well as assumptions regarding expected volatility, risk-free interest rate, and expected dividends. The weighted-average grant date fair value per share of employee stock options granted during the six months ended June 30, 2012 and 2011 was \$0.48 and \$1.07, respectively, using the Black-Scholes model with the weighted-average assumptions presented below. Because option-pricing models require the use of subjective assumptions, changes in these assumptions can materially affect the fair value of the options.

	For the Six Months Ended June 30,	
	2012	2011
Expected option lives	3.5 years	3.5 years
Expected volatility	51.75%	55.98%
Risk-free interest rate	0.58%	1.54%
Expected dividend yield	5.47%	3.51%

As of June 30, 2012, there remained 844,432 shares available for future awards under the Company's 2007 Performance Incentive Plan (the "2007 Plan"). In connection with awards under both the 2007 Plan and awards issued outside of the Plan, the Company recorded approximately \$0.5 million and \$1.1 million of non-cash stock-based compensation for the three and six month periods ended June 30, 2012, respectively, as compared to approximately \$0.7 million and \$1.4 million for the three and six month periods ended June 30,

2011, respectively. As of June 30, 2012, there was approximately \$3.7 million of unrecognized stock-based compensation expense remaining to be recognized over a weighted-average period of 2.3 years.

A summary of the activity of the Company's 1998 Stock Incentive Plan (the "1998 Plan"), the 2007 Plan, and awards issued outside of the Plan pertaining to stock option grants is as follows:

	Shares Underlying Awards	Weighted Average Exercise Price	Aggregate Intrinsic Value (\$000)	Weighted Average Remaining Contractual Life (In Years)
Awards outstanding, December 31, 2011	1,008,544	\$ 4.63		
Options granted	1,953,500	\$ 1.83		
Options cancelled	(50,005)	\$ 3.22		
Options expired	(1,666)	\$ 2.75		
Awards outstanding, March 31, 2012	2,910,373	\$ 2.77		
Options granted	255,874	\$ 1.73		
Options cancelled	(216,505)	\$ 2.22		
Options expired	(132,495)	\$ 8.76		
Awards outstanding, June 30, 2012	2,817,247	\$ 2.44	\$ —	5.39
Awards vested and expected to vest at June 30, 2012	2,420,712	\$ 2.53	\$ —	5.26
Awards exercisable at June 30, 2012	425,694	\$ 5.32	\$ —	1.53

A summary of the activity of the 1998 Plan and 2007 Plan pertaining to grants of restricted stock units is as follows:

	Shares Underlying Awards	Weighted Average Exercise Price	Aggregate Intrinsic Value (\$000)	Weighted Average Remaining Contractual Life (In Years)
Awards outstanding, December 31, 2011	2,448,376	\$ —		
Restricted stock units granted	199,998	\$ —		
Restricted stock units settled by delivery of common stock upon vesting	(883,256)	\$ —		
Restricted stock units cancelled	(307,337)	\$ —		
Awards outstanding, March 31, 2012	1,457,781	\$ —		
Restricted stock units granted	43,246	\$ —		
Restricted stock units settled by delivery of common stock upon vesting	(22,082)	\$ —		
Restricted stock units cancelled	(116,001)	\$ —		
Awards outstanding, June 30, 2012	1,362,944	\$ —	\$ 2,044	1.81
Awards vested and expected to vest at June 30, 2012	1,224,007	\$ —	\$ 1,836	1.68
Awards exercisable at June 30, 2012	—	\$ —	\$ —	—

A summary of the status of the Company's unvested share-based payment awards as of June 30, 2012 and changes in the six-month period then ended, is as follows:

Unvested Awards	Number of Shares	Weighted Average Grant Date Fair Value
Shares underlying awards unvested at December 31, 2011	3,095,801	\$ 2.39
Shares underlying options granted	2,209,374	\$ 0.48
Shares underlying restricted stock units granted	243,244	\$ 1.77
Shares underlying options vested	(198,736)	\$ 0.93
Shares underlying restricted stock units vested	(905,338)	\$ 2.80
Shares underlying options cancelled	(266,510)	\$ 0.69
Shares underlying restricted stock units cancelled	(423,338)	\$ 2.56
Shares underlying awards unvested at June 30, 2012	3,754,497	\$ 1.31

For the six months ended June 30, 2012 and 2011, the total fair value of share-based awards vested was approximately \$2.0 million and \$1.4 million, respectively. For the six months ended June 30, 2012 and 2011, the total intrinsic value of options exercised was \$0 and \$0, respectively (no options were exercised in either period). For the six months ended June 30, 2012 and 2011, 2,209,374 and 540,250 stock options, respectively, and 243,244 and 1,200,341 restricted stock units, respectively, were granted to employees of the Company. Additionally, for the six months ended June 30, 2012 and 2011, zero and zero stock options, respectively, were exercised, and 905,338 and 395,470 shares were issued under restricted stock unit grants, respectively, yielding cash proceeds of approximately \$0 and \$0, respectively, to the Company.

5. STOCKHOLDERS' EQUITY

Treasury Stock

In December 2000, the Company's Board of Directors authorized the repurchase of up to \$10 million worth of the Company's Common Stock, from time to time, in private purchases or in the open market. In February 2004, the Company's Board of Directors approved the resumption of the stock repurchase program (the "Program") under new price and volume parameters, leaving unchanged the maximum amount available for repurchase under the Program. However, the affirmative vote of the holders of a majority of the outstanding shares of Series B Preferred Stock, voting separately as a single class, is necessary for the Company to repurchase its stock (except for the purchase or redemption from employees, directors and consultants pursuant to agreements providing us with repurchase rights upon termination of their service with us), unless after such purchase we have unrestricted cash (net of all indebtedness for borrowed money, purchase money obligations, promissory notes or bonds) equal to at least two times the product obtained by multiplying the number of shares of Series B Preferred Stock outstanding at the time such dividend is paid by the liquidation preference. During the six-month periods ended June 30, 2012 and 2011, the Company did not purchase any shares of Common Stock under the Program. Since inception of the Program, the Company has purchased a total of 5,453,416 shares of Common Stock at an aggregate cost of approximately \$7.3 million. In addition, pursuant to the terms of the Company's 1998 Plan and 2007 Plan, and certain procedures adopted by the Compensation Committee of the Board of Directors, in connection with the exercise of stock options by certain of the Company's employees, and the issuance of shares of Common Stock in settlement of vested restricted stock units, the Company may withhold shares in lieu of payment of the exercise price and/or the minimum amount of applicable withholding taxes then due. Through June 30, 2012, the Company had withheld an aggregate of 1,021,005 shares which have been recorded as treasury stock. In addition, the Company received an aggregate of 208,270 shares as partial settlement of the working capital and debt adjustment from the acquisition of Corsis Technology Group II LLC, 104,055 of which were received in December 2008 and 104,215 of which were received in September 2009, and 3,338 shares as partial settlement of

the working capital adjustment from the acquisition of Kikucall, Inc., which were received in March 2011. These shares have been recorded as treasury stock.

Dividends

On June 29, 2012, the Company paid its quarterly cash dividend of \$0.025 per share on its Common Stock and its Series B Preferred Stock on a converted common share basis, to stockholders of record at the close of business on June 15, 2012. These dividends totaled approximately \$0.9 million. When combined with the quarterly cash dividend paid on March 31, 2012, year-to-date dividend payments totaled approximately \$1.8 million. The Company's Board of Directors has suspended the payment of a dividend for the third quarter of 2012 but will continue thereafter to review the dividend payment each quarter. There can be no assurance that the Company will pay this cash dividend in the future.

6. LEGAL PROCEEDINGS

As previously disclosed, we conducted a review of the accounting in our former Promotions.com subsidiary, which subsidiary we sold in December 2009. As a result of this review, in February 2010 we filed a Form 10-K/A for the year ended December 31, 2008 and a Form 10-Q/A for the quarter ended March 31, 2009, respectively, to restate and correct certain previously-reported financial information as well as filed Forms 10-Q for the quarters ended June 30, 2009 and September 30, 2009, respectively. The SEC commenced an investigation in March 2010 into the facts surrounding our restatement of previously issued financial statements and related matters. We are cooperating fully with the SEC. The investigation could result in the SEC seeking various penalties and relief including, without limitation, civil injunctive relief and/or civil monetary penalties or administrative relief. The nature of the relief or remedies the SEC may seek with respect to the Company, if any, cannot be predicted at this time.

In December 2010, the Company was named as one of several defendants in a lawsuit captioned *EIT Holdings LLC v. WebMD, LLC et al.*, (U.S.D.C., D. Del.), on the same day that plaintiff filed a substantially identical suit against a different group of defendants in a lawsuit captioned *EIT Holdings LLC v. Yelp!, Inc. et al.*, (U.S.D.C., N. D. Cal.). In February 2011, by agreement of plaintiff and the Company, the Company was dismissed from the Delaware action without prejudice and named as a defendant in the California action. In May 2011, the action against the Company and all defendants other than Yelp! Inc. ("Yelp!") were dismissed for misjoinder and plaintiff filed separate cases against the dismissed defendants; the action against the Company is captioned *EIT Holdings LLC v. TheStreet.com, Inc.*, (U.S.D.C., N. D. Cal.). The complaints allege that defendants infringe U.S. Patent No. 5,828,837 (the "Patent"), putatively owned by plaintiff, related to a certain method of displaying information to an Internet-accessible device. In January 2012, the court in the case against Yelp! granted Yelp!'s motion for summary judgment, finding the Patent to be invalid. In the event such judgment becomes final and nonappealable, plaintiff could not obtain an award of relief against any other party, including the Company, with respect to claims related to the Patent. The Company intends to vigorously defend itself and believes it has meritorious defenses. Due to the early stage of this matter and the inherent uncertainties of litigation, the ultimate outcome of this matter is uncertain.

The Company is party to other legal proceedings arising in the ordinary course of business or otherwise, none of which other proceedings is deemed material.

7. NET LOSS PER SHARE OF COMMON STOCK

Basic net loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed using the weighted average number of common shares and, if dilutive, potential common shares outstanding during the period. Potential common shares consist of restricted stock units (using the treasury stock method), the incremental common shares issuable upon the exercise of stock options (using the treasury stock method), and the conversion of the Company's convertible preferred stock and warrants (using the if-converted method). For the three months ended June 30, 2012 and 2011, approximately 5.4 million and 5.1 million unvested restricted stock units, vested and unvested options and

warrants to purchase Common Stock, respectively, were excluded from the calculation, as their effect would be anti-dilutive because the exercise prices were greater than the average market price of the Common Stock during the respective periods and because the Company recorded a net loss. For the six months ended June 30, 2012 and 2011, approximately 4.6 million and 4.8 million unvested restricted stock units, vested and unvested options and warrants to purchase Common Stock, respectively, were excluded from the calculation, as their effect would be anti-dilutive because the exercise prices were greater than the average market price of the Common Stock during the respective periods and because the Company recorded a net loss.

The following table reconciles the numerator and denominator for the calculation.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2012	2011	2012	2011
Basic and diluted net loss per share:				
Numerator:				
Loss from continuing operations	\$ (1,875,300)	\$ (1,653,076)	\$ (6,312,078)	\$ (4,293,504)
Loss from discontinued operations	—	(136)	—	(1,752)
Preferred stock cash dividends	(96,424)	(96,424)	(192,848)	(192,848)
<hr/>				
Numerator for basic and diluted earnings per share -				
Net loss available to common stockholders	\$ (1,971,724)	\$ (1,749,636)	\$ (6,504,926)	\$ (4,488,104)
<hr/>				
Denominator:				
Weighted average basic and diluted shares outstanding	32,752,651	31,923,813	32,547,596	31,902,326
<hr/>				
Basic and diluted net loss per share:				
Loss from continuing operations	\$ (0.06)	\$ (0.05)	\$ (0.19)	\$ (0.13)
Loss from discontinued operations	—	(0.00)	—	(0.00)
Preferred stock cash dividends	(0.00)	(0.00)	(0.01)	(0.01)
<hr/>				
Net loss available to common stockholders	\$ (0.06)	\$ (0.05)	\$ (0.20)	\$ (0.14)
<hr/>				

8. INCOME TAXES

The Company accounts for its income taxes in accordance with ASC 740-10. Under ASC 740-10, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases. ASC 740-10 also requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some or all of the deferred tax assets will not be realized based on all available positive and negative evidence.

As of December 31, 2011, the Company had approximately \$143 million of federal and state net operating loss carryforwards, which are available through 2031. Based on operating results for the six months ended June 30, 2012 and six month projections, management expects to generate a tax loss in 2012 and no tax benefit has been recorded. The Company has a full valuation allowance against its deferred tax assets as management concluded that it was more likely than not that the Company would not realize the benefit of its deferred tax assets by generating sufficient taxable income in future years. The Company expects to continue to provide a full valuation allowance until, or unless, it can sustain a level of profitability that demonstrates its ability to utilize these assets.

In accordance with Section 382 of the Internal Revenue Code, the ability to utilize the Company's net operating loss carryforwards could be limited in the event of a change in ownership and as such a portion of the existing net operating loss carryforwards may be subject to limitation. Such an ownership change would create an annual limitation on the usage of the Company's net operating loss carryforward. The ultimate realization of net operating loss carryforwards is dependent upon the generation of future taxable income during the periods following an ownership change. As such, a portion of the existing net operating loss carryforwards may be subject to limitation. During the year ended December 31, 2009, the Company acquired approximately \$3 million of net operating loss carryforwards when it acquired the stock of Kikucall, Inc. In accordance with

Section 382 of the Internal Revenue Code, the usage of the Kikucall, Inc. net operating loss carryforward could be limited.

9. BUSINESS CONCENTRATIONS AND CREDIT RISK

Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and restricted cash. The Company maintains all of its cash and cash equivalents and restricted cash in six domestic financial institutions. The Company performs periodic evaluations of the relative credit standing of these institutions. As of June 30, 2012, the Company's cash and cash equivalents and restricted cash primarily consisted of money market funds and checking accounts.

For the three and six months ended June 30, 2012 and 2011, no individual client accounted for 10% or more of consolidated revenue. As of June 30, 2012, no individual client accounted for more than 10% of our gross accounts receivable balance. As of December 31, 2011, one individual client accounted for more than 10% of our gross accounts receivable balance.

The Company's customers are primarily concentrated in the United States and we carry accounts receivable balances. The Company performs ongoing credit evaluations, generally does not require collateral, and establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of customers, historical trends and other information. To date, actual losses have been within management's expectations.

10. RESTRUCTURING AND OTHER CHARGES

In March 2009, the Company announced and implemented a reorganization plan, including an approximate 8% reduction in the Company's workforce, to align the Company's resources with its strategic business objectives. Additionally, effective March 21, 2009, the Company's then Chief Executive Officer tendered his resignation, effective May 8, 2009, the Company's then Chief Financial Officer tendered his resignation, and in December 2009, the Company sold its Promotions.com subsidiary and entered into negotiations to sublease certain office space maintained by Promotions.com. As a result of these activities, the Company incurred restructuring and other charges from continuing operations of approximately \$3.5 million during the year ended December 31, 2009 (the "2009 Restructuring").

The following table displays the activity of the 2009 Restructuring reserve account during the six months ended June 30, 2012 and 2011:

	For the Six Months Ended June 30,	
	2012	2011
Beginning balance	\$ 674,365	\$ 844,761
Payments	64,635	56,764
Ending balance	\$ 609,730	\$ 787,997

In December 2011, the Company announced a management transition under which the Company's chief executive officer would step down from his position by March 31, 2012. Additionally, in December 2011, a senior vice president separated from the Company. As a result of these activities, the Company incurred restructuring and other charges from continuing operations of approximately \$1.8 million during the year ended December 31, 2011 (the "2011 Restructuring").

The following table displays the activity of the 2011 Restructuring reserve account during the six months ended June 30, 2012:

Beginning balance	\$ 1,178,647
Payments	1,072,549
Ending balance	\$ 106,098

During the six months ended June 30, 2012, the Company implemented a targeted reduction in force and committed to terminate use of certain vendor services and assets reflecting previously capitalized costs. The actions were taken after a review of the Company's cost structure with the goal of better aligning the cost structure with the Company's revenue base. As a result of these activities, the Company incurred restructuring and other charges from continuing operations of approximately \$3.0 million (the "2012 Restructuring").

The following table displays the activity of the 2012 Restructuring reserve account during the six months ended June 30, 2012:

	Workforce reduction	Asset write-off	Termination of vendor services	Total
Restructuring charge Q1 2012	\$ 796,927	\$ 627,802	\$ 288,769	\$ 1,713,498
Noncash deductions	—	(627,802)	(220,178)	(847,980)
Payments	(27,367)	—	—	(27,367)
Balance 3/31/12	769,560	—	68,591	838,151
Restructuring charge Q2 2012	897,322	326,500	56,373	1,280,195
Noncash deductions	(222,215)	(326,500)	—	(548,715)
Payments	(694,454)	—	(29,396)	(723,850)
Balance 6/30/12	\$ 750,213	\$ —	\$ 95,568	\$ 845,781

11. DISCONTINUED OPERATIONS

In June 2005, the Company committed to a plan to discontinue the operations of the Company's securities research and brokerage segment. Accordingly, the operating results relating to this segment, which are limited to certain professional fees, have been segregated from continuing operations and reported as a separate line item in the accompanying condensed consolidated statements of operations and cash flows. There were no cash flows from discontinued operations from investing or financing activities for the periods presented.

12. OTHER LIABILITIES

Other liabilities consist of the following:

	June 30, 2012	December 31, 2011
Deferred rent	\$ 3,116,211	\$ 3,277,478
Deferred revenue	677,565	1,077,852
Other liabilities	129,167	214,167
Total other liabilities	\$ 3,922,943	\$ 4,569,497

Special Note Regarding Forward-Looking Statements – all statements contained in this quarterly report on Form 10-Q (the “Report”) that are not descriptions of historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements are inherently subject to risks and uncertainties, and actual results could differ materially from those reflected in the forward-looking statements due to a number of factors, which include, but are not limited to, the factors set forth under the heading “Risk Factors” and elsewhere in this Report, and in other documents we file with the Securities and Exchange Commission from time to time, including, without limitation, the Company’s annual report on Form 10-K for the year ended December 31, 2011 (“2011 Form 10-K”). Certain forward-looking statements may be identified by terms such as “may,” “will,” “should,” “could,” “expects,” “plans,” “intends,” “anticipates,” “believes,” “estimates,” “predicts,” “forecasts,” “potential,” or “continue” or similar terms or the negative of these terms. All statements relating to our plans, strategies and objectives are deemed forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The forward-looking statements speak only as of the date of the filing of this Report; we have no obligation to update these forward-looking statements, whether as a result of new information, future developments or otherwise.

The following discussion and analysis should be read in conjunction with the Company’s unaudited condensed consolidated financial statements and notes thereto.

Overview

TheStreet, Inc., together with its wholly owned subsidiaries (“TheStreet”, “we”, “us” or the “Company”), is a leading digital financial media company whose collection of digital services provides users, subscribers and advertisers with a variety of content and tools through a range of online, social media, tablet and mobile channels. Our mission is to provide actionable ideas from the world of investing, finance and business in order to break down information barriers, level the playing field and help all individuals and organizations grow their wealth. With a robust suite of digital services, TheStreet offers the tools and insights needed to make informed decisions about earning, investing, saving and spending money.

Since its inception in 1996, TheStreet believes it has distinguished itself from other financial media companies with its journalistic excellence, unbiased approach and interactive multimedia coverage of the financial markets, economy, industry trends, investment and financial planning.

We report revenue in two categories: subscription services and media. Subscription services, previously referred to as premium services, revenue is comprised of subscriptions, licenses and fees for access to securities investment information and rate services. Media, previously referred to as marketing services, revenue is comprised of fees charged for the placement of advertising and sponsorships within our services, as well as licensing fees paid by third parties to obtain the right to display the Company’s awards logos on their Web sites and marketing materials in relation to certain award designations.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the condensed consolidated financial statements in the period they are deemed to be necessary. Significant estimates made in the accompanying condensed consolidated financial statements include, but are not limited to, the following:

- incentive cash compensation,
- useful lives of intangible assets,
- useful lives of fixed assets,
- the carrying value of goodwill, intangible assets and marketable securities,
- allowances for doubtful accounts and deferred tax assets,
- accrued expense estimates,
- reserves for estimated tax liabilities, and
- certain estimates and assumptions used in the calculation of the fair value of equity compensation issued to employees.

During 2011 and the three months ended March 31, 2012, the Company accrued quarterly expenses related to its full year cash incentive compensation on a straight-line basis based on the Company's estimate of expected full year cash incentive compensation. Beginning with the three months ended June 30, 2012, the Company accrued expenses based upon achievement of periodic performance objectives and full year expectations.

A summary of our critical accounting policies and estimates can be found in our 2011 Form 10-K.

Results of Operations

Comparison of Three Months Ended June 30, 2012 and June 30, 2011

Revenue

	For the Three Months Ended June 30,				
	2012	Percent of Total Revenue	2011	Percent of Total Revenue	Percent Change
Revenue:					
Subscription services	\$ 8,849,822	71%	\$ 10,074,931	67%	-12%
Media	3,631,334	29%	4,953,857	33%	-27%
Total revenue	\$ 12,481,156	100%	\$ 15,028,788	100%	-17%

Subscription services . Subscription service revenue is comprised of subscriptions, licenses and fees for access to securities investment information and rate services. Revenue is recognized ratably over the contract period.

Subscription services revenue for the three months ended June 30, 2012 decreased by 12% when compared to the three months ended June 30, 2011. This decrease is primarily the result of a 17% decrease in the weighted-average number of subscriptions during the three months ended June 30, 2012 as compared to the three months ended June 30, 2011, partially offset by a 7% increase in the average revenue recognized per subscription during the three months ended June 30, 2012 as compared to the three months ended June 30, 2011. The decrease in the weighted-average number of subscriptions during the period is primarily the result of reduced acquisitions of new subscribers to our products. The increase in the average revenue recognized per subscription during the three months ended June 30, 2012 as compared to the three months ended June 30, 2011 is primarily the result of the mix of products sold and higher product pricing.

Media . Media revenue is comprised of fees charged for the placement of advertising and sponsorships within our services, as well as licensing fees paid by third parties to obtain the right to display the Company's awards logos on their Web sites and marketing materials in relation to certain award designations.

Media revenue for the three months ended June 30, 2012 decreased by 27% when compared to the three months ended June 30, 2011. The decrease in media revenue was primarily the result of reduced demand from repeat advertisers as well as new advertisers.

Operating Expense

For the Three Months Ended June 30,

	2012	Percent of Total Revenue	2011	Percent of Total Revenue	Percent Change
Operating expense:					
Cost of services	\$ 5,699,899	46%	\$ 6,802,481	45%	-16%
Sales and marketing	3,268,859	26%	4,110,501	27%	-20%
General and administrative	3,277,171	26%	4,400,438	29%	-26%
Depreciation and amortization	1,158,190	9%	1,545,192	10%	-25%
Restructuring and other charges	1,280,195	10%	—	—	N/A
Gain on disposition of assets	(220,000)	-2%	—	—	N/A
Total operating expense	\$ 14,464,314		\$ 16,858,612		-14%

Cost of services. Cost of services expense includes compensation, benefits, outside contributor costs related to the creation of our content, licensed data and the technology required to publish our content.

Cost of services expense decreased by approximately \$1.1 million, or 16%, over the periods. The decrease was primarily the result of reduced compensation expense due to a 30% decrease in average headcount, combined with lower costs related to computer services and supplies, the aggregate of which decreased by approximately \$1.4 million. These cost decreases were partially offset by increased costs related to the use of nonemployee content providers, as the company has shifted its strategy more towards a contributor/freelance model with fewer full time editorial staff, combined with higher costs related to revenue share payments made to certain distribution partners, the aggregate of which increased by approximately \$0.3 million. Although the dollar amount of cost of services expense decreased over the periods, cost of services expense as a percentage of revenue increased to 46% in the three months ended June 30, 2012, from 45% in the prior year period, as our cost cutting initiatives did not completely offset the decline in revenue.

Sales and marketing. Sales and marketing expense consists primarily of compensation expense for the direct sales force, marketing services, and customer service departments, advertising and promotion expenses and credit card processing fees.

Sales and marketing expense decreased by approximately \$0.8 million, or 20%, over the periods. The decrease was primarily the result of reduced compensation expense due to a 17% decrease in average headcount. Sales and marketing expense includes approximately \$0.1 million of barter expense in each of the three month periods ended June 30, 2012 and 2011. Sales and marketing expense as a percentage of revenue decreased to 26% in the three months ended June 30, 2012, from 27% in the prior year period resulting from our cost cutting initiatives.

General and administrative. General and administrative expense consists primarily of compensation for general management, finance and administrative personnel, occupancy costs, professional fees, insurance and other office expenses.

General and administrative expense decreased by approximately \$1.1 million, or 26%, over the periods. The decrease was primarily the result of reduced compensation expense due to a 17% decrease in average headcount, combined with lower professional fees and training costs, the aggregate sum of which decreased by approximately \$0.9 million. General and administrative expense as a percentage of revenue decreased to 26% in the three months ended June 30, 2012, from 29% in the prior year period resulting from our cost cutting initiatives.

Depreciation and amortization. Depreciation and amortization expense decreased by approximately \$0.4 million, or 25%, over the periods. The decrease is largely attributable to revisions to the estimated useful life of certain capitalized Web site development. Depreciation and amortization expense as a percentage of revenue decreased to 9% in the three months ended June 30, 2012, from 10% in the prior year period.

Restructuring and other charges . In March 2012, the Company began a targeted reduction in force and committed to terminate use of certain vendor services and assets reflecting previously capitalized costs. The actions were taken after a review of the Company's cost structure with the goal of better aligning the cost structure with the Company's revenue base. These restructuring efforts have continued during the second quarter of 2012. As a result of these activities, the Company incurred restructuring and other charges from continuing operations of approximately \$1.3 million during the three months ended June 30, 2012.

Gain on disposition of assets . In May 2012, the Company sold certain assets resulting in a gain of approximately \$0.2 million.

Net Interest Income

	For the Three Months Ended June 30,		Percent Change
	2012	2011	
Net interest income	\$ 107,858	\$ 176,748	-39%

The decrease in net interest income is primarily the result of lower interest rates on bank deposits combined with reduced cash balances.

Net Loss

Net loss for the three months ended June 30, 2012 totaled approximately \$1.9 million, or \$0.06 per basic and diluted share, compared to net loss totaling approximately \$1.7 million, or \$0.05 per basic and diluted share, for the three months ended June 30, 2011.

Comparison of Six Months Ended June 30, 2012 and June 30, 2011

Revenue

	For the Six Months Ended June 30,				
	2012	Percent of Total Revenue	2011	Percent of Total Revenue	Percent Change
Revenue:					
Subscription services	\$ 18,039,803	71%	\$ 19,684,432	68%	-8%
Media	7,257,180	29%	9,465,237	32%	-23%
Total revenue	\$ 25,296,983	100%	\$ 29,149,669	100%	-13%

Subscription services . Subscription services revenue for the six months ended June 30, 2012 decreased by 8% when compared to the six months ended June 30, 2011. This decrease is primarily the result of a 13% decrease in the weighted-average number of subscriptions during the six months ended June 30, 2012 as compared to the six months ended June 30, 2011, partially offset by a 7% increase in the average revenue recognized per subscription during the six months ended June 30, 2012 as compared to the six months ended June 30, 2011. The decrease in the weighted-average number of subscriptions during the period is primarily the result of reduced acquisitions of new subscribers to our products. The increase in the average revenue recognized per subscription during the six months ended June 30, 2012 as compared to the six months ended June 30, 2011 is primarily the result of the mix of products sold and higher product pricing.

Media . Media revenue for the six months ended June 30, 2012 decreased by 23% when compared to the six months ended June 30, 2011. The decrease in media revenue was primarily the result of reduced demand from repeat advertisers as well as new advertisers.

Operating Expense

For the Six Months Ended June 30,

	2012	Percent of Total Revenue	2011	Percent of Total Revenue	Percent Change
Operating expense:					
Cost of services	\$ 12,135,061	48%	\$ 13,761,529	47%	-12%
Sales and marketing	7,359,108	29%	8,481,274	29%	-13%
General and administrative	7,099,692	28%	8,409,104	29%	-16%
Depreciation and amortization	2,445,452	10%	3,166,041	11%	-23%
Restructuring and other charges	2,993,693	12%	—	—	N/A
Gain on disposition of assets	(220,000)	-1%	—	—	N/A
Total operating expense	\$ 31,813,006		\$ 33,817,948		-6%

Cost of services. Cost of services expense decreased by approximately \$1.6 million, or 12%, over the periods. The decrease was primarily the result of reduced compensation expense due to a 19% decrease in average headcount, combined with lower costs related to computer services and supplies, the aggregate of which decreased by approximately \$1.8 million. These cost decreases were partially offset by increased costs related to the use of nonemployee content providers, as the company has shifted its strategy more towards a contributor/freelance model with fewer full time editorial staff, combined with higher costs related to revenue share payments made to certain distribution partners, the aggregate of which increased by approximately \$0.2 million. Although the dollar amount of cost of services expense decreased over the periods, cost of services expense as a percentage of revenue increased to 48% in the six months ended June 30, 2012, from 47% in the prior year period, as our cost cutting initiatives did not completely offset the decline in revenue.

Sales and marketing. Sales and marketing expense decreased by approximately \$1.1 million, or 13%, over the periods. The decrease was primarily the result of reduced compensation expense due to an 8% decrease in average headcount, combined with reductions in credit card processing fees and public relations costs, the aggregate of which decreased by approximately \$1.1 million. These cost decreases were partially offset by increased advertising and promotion related expense approximating \$0.1 million. Sales and marketing expense includes approximately \$0.1 million of barter expense in each of the six month periods ended June 30, 2012 and 2011. Although the dollar amount of sales and marketing expense decreased over the periods, sales and marketing expense as a percentage of revenue approximated 29% in the six months ended June 30, 2012, the same as in the prior year period, as our cost cutting initiatives were offset by the decline in revenue.

General and administrative . General and administrative expense decreased by approximately \$1.3 million, or 16%, over the periods. The decrease was primarily the result of reduced compensation expense due to a 12% decrease in average headcount, combined with lower professional, training, consulting and insurance costs, the aggregate sum of which decreased by approximately \$1.3 million. These cost decreases were partially offset by increased recruiting fees approximating \$0.2 million. General and administrative expense as a percentage of revenue decreased to 28% in the six months ended June 30, 2012, from 29% in the prior year period resulting from our cost cutting initiatives.

Depreciation and amortization. Depreciation and amortization expense decreased by approximately \$0.7 million, or 23%, over the periods. The decrease is largely attributable to revisions to the estimated useful lives of certain capitalized Web site development. Depreciation and amortization expense as a percentage of revenue decreased to 10% in the six months ended June 30, 2012 from 11% in the prior year period.

Restructuring and other charges . In March 2012, the Company began a targeted reduction in force and committed to terminate use of certain vendor services and assets reflecting previously capitalized costs. The actions were taken after a review of the Company's cost structure with the goal of better aligning the cost

structure with the Company's revenue base. These restructuring efforts have continued during the second quarter of 2012. As a result of these activities, the Company incurred restructuring and other charges from continuing operations of approximately \$3.0 million during the six months ended June 30, 2012.

Gain on disposition of assets . In May 2012, the Company sold certain assets resulting in a gain of approximately \$0.2 million.

Net Interest Income

	For the Six Months Ended June 30,		Percent Change
	2012	2011	
Net interest income	\$ 203,945	\$ 374,775	-46%

The decrease in net interest income is primarily the result of lower interest rates on bank deposits combined with reduced cash balances.

Net Loss

Net loss for the six months ended June 30, 2012 totaled \$6.3 million, or \$0.19 per basic and diluted share, compared to net loss totaling \$4.3 million, or \$0.13 per basic and diluted share, for the six months ended June 30, 2011.

Liquidity and Capital Resources

We generally have invested in money market funds and other short-term, investment grade instruments that are highly liquid and of high quality, with the intent that such funds are available for sale for operating purposes. As of June 30, 2012, our cash, cash equivalents, marketable securities, and restricted cash amounted to approximately \$69.0 million, representing 62% of total assets. Our cash and cash equivalents primarily consisted of money market funds and checking accounts. Our marketable securities consisted of approximately \$46.8 million of liquid short-term U.S. Treasuries, government agencies, certificates of deposit (insured up to FDIC limits), investment grade corporate and municipal bonds, and corporate floating rate notes, with a maximum maturity of three years. Marketable securities also include two auction rate securities issued by the District of Columbia with a fair value of approximately \$1.5 million that mature in the year 2038. Our total cash-related position is as follows:

	June 30, 2012	December 31, 2011
Cash and cash equivalents	\$20,535,644	\$ 44,865,191
Current and noncurrent marketable securities	46,826,522	28,789,603
Current and noncurrent restricted cash	1,660,370	1,660,370
Total cash and cash equivalents, current and noncurrent marketable securities and current and noncurrent restricted cash	\$69,022,536	\$ 75,315,164

Financial instruments that subject us to concentrations of credit risk consist primarily of cash, cash equivalents and restricted cash. We maintain all of our cash, cash equivalents and restricted cash in six domestic financial institutions and we perform periodic evaluations of the relative credit standing of these institutions.

Cash generated from operations was not sufficient to cover our expenses during the six-month period ended June 30, 2012. Net cash used in operating activities for the six-month period ended June 30, 2012 totaled approximately \$3.5 million, as compared to net cash provided by operating activities totaling approximately \$2.0

million for the six-month period ended June 30, 2011. The increase in net cash used in operating activities is primarily related to the following:

- a decrease in the growth of deferred revenue resulting from reduced subscription sales; and
- an increase in the net loss from continuing operations.

These increases in net cash used in operating activities were partially offset by improved collections on outstanding accounts receivable during the six months ended June 30, 2012 as compared to the six months ended June 30, 2011.

Net cash used in investing activities of approximately \$18.4 million for the six-month period ended June 30, 2012 was primarily the result of approximately \$17.9 million of the net purchases of marketable securities combined with approximately \$0.7 million of capital expenditures, partially offset by the proceeds from the disposition of assets of approximately \$0.2 million.

Net cash used in financing activities of approximately \$2.4 million for the six-month period ended June 30, 2012 primarily consisted of cash dividends paid and the purchase of treasury stock by retaining shares issuable upon the vesting of restricted stock units in connection with minimum tax withholding requirements, partially offset by cash received from the sale of the Company's Common Stock.

We have a total of approximately \$1.7 million of cash that serves as collateral for an outstanding letter of credit, and which cash is therefore restricted. The letter of credit serves as a security deposit for our office space in New York City. As the lease agreement allows for a reduction in the amount of the security deposit as of November 2012, a portion of the restricted cash has been classified as a current asset.

We believe that our current cash and cash equivalents will be sufficient to meet our anticipated cash needs for at least the next 12 months. We are committed to cash expenditures in an aggregate amount of approximately \$2.2 million through June 30, 2013, primarily related to operating leases. Additionally, our Board of Directors declared a quarterly cash dividend in the amount of \$0.025 per share of Common Stock and preferred stock (on a common share equivalent basis) during each of the first two quarters of 2012, which resulted in cash expenditures of approximately \$1.8 million. Our Board of Directors has suspended the dividend payment for the third quarter of 2012 but will continue thereafter to review the dividend payment each quarter. There can be no assurance that we will pay this cash dividend in the future.

As of December 31, 2011, we had approximately \$143 million of federal and state net operating loss carryforwards. Based on operating results for the six months ended June 30, 2012 and six-month projections, management expects to generate a tax loss in 2012 and no tax benefit has been recorded. We maintain a full valuation allowance against our deferred tax assets as management concluded that it was more likely than not that we would not realize the benefit of our deferred tax assets by generating sufficient taxable income in future years. We expect to continue to provide a full valuation allowance until, or unless, we can sustain a level of profitability that demonstrates our ability to utilize these assets.

In accordance with Section 382 of the Internal Revenue Code, the ability to utilize the Company's net operating loss carryforwards could be limited in the event of a change in ownership and as such a portion of the existing net operating loss carryforwards may be subject to limitation. Such an ownership change would create an annual limitation on the usage of the Company's net operating loss carryforward. The ultimate realization of net operating loss carryforwards is dependent upon the generation of future taxable income during the periods following an ownership change. As such, a portion of the existing net operating loss carryforwards may be subject to limitation. During the year ended December 31, 2009, the Company acquired approximately \$3 million of net operating loss carryforwards when it acquired the stock of Kikucall, Inc. In accordance with Section 382 of the Internal Revenue Code, the usage of the Kikucall, Inc. net operating loss carryforward could be limited.

Treasury Stock

In December 2000, our Board of Directors authorized the repurchase of up to \$10 million worth of our Common Stock, from time to time, in private purchases or in the open market. In February 2004, our Board of Directors approved the resumption of the stock repurchase program (the "Program") under new price and volume parameters, leaving unchanged the maximum amount available for repurchase under the Program. However, the affirmative vote of the holders of a majority of the outstanding shares of Series B Preferred Stock, voting separately as a single class, is necessary in order for us to be able to repurchase our Common Stock (except for the purchase or redemption from employees, directors and consultants pursuant to agreements providing us with repurchase rights upon termination of their service with us), unless after such purchase we have unrestricted cash (net of all indebtedness for borrowed money, purchase money obligations, promissory notes or bonds) equal to at least two times the product obtained by multiplying the number of shares of Series B Preferred Stock outstanding at the time such dividend is paid by the liquidation preference. During the six months ended June 30, 2012 we did not purchase any shares of Common Stock under the Program. Since inception of the Program, we have purchased a total of 5,453,416 shares of Common Stock at an aggregate cost of approximately \$7.3 million. In addition, pursuant to the terms of the Company's 1998 Stock Incentive Plan and our 2007 Performance Incentive Plan, and certain procedures adopted by the Compensation Committee of our Board of Directors, in connection with the exercise of stock options by certain of our employees, and the issuance of shares of Common Stock in settlement of vested restricted stock units, we may withhold shares in lieu of payment of the exercise price and/or the minimum amount of applicable withholding taxes then due. Through June 30, 2012, we have withheld an aggregate of 1,021,005 shares which have been recorded as treasury stock. In addition, we received an aggregate of 208,270 shares as partial settlement of the working capital and debt adjustment from the acquisition of Corsis Technology Group II LLC, 104,055 of which were received in October 2008 and 104,215 of which were received in September 2009, and 3,338 shares as partial settlement of a working capital adjustment related to our acquisition of Kikucall, Inc., which shares we received in March 2011. These shares have been recorded as treasury stock.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We believe that our market risk exposures are immaterial as we do not have instruments for trading purposes, and reasonable possible near-term changes in market rates or prices will not result in material near-term losses in earnings, material changes in fair values or cash flows for all instruments.

We maintain all of our cash, cash equivalents and restricted cash in six domestic financial institutions, and we perform periodic evaluations of the relative credit standing of these institutions. However, no assurances can be given that the third party institutions will retain acceptable credit ratings or investment practices.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures: The Company carried out an evaluation, as required by Rule 13a-15(b) under the Exchange Act, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) of the Exchange Act, as of the end of the period covered by this report (the "Evaluation Date"). Based on such evaluation, such officers have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

In addition, the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, has determined that during the period covered by this report, that there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, these internal controls over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

As previously disclosed, we conducted a review of the accounting in our former Promotions.com subsidiary, which subsidiary we sold in December 2009. As a result of this review, in February 2010 we filed a Form 10-K/A for the year ended December 31, 2008 and a Form 10-Q/A for the quarter ended March 31, 2009, respectively, to restate and correct certain previously-reported financial information as well as filed Forms 10-Q for the quarters ended June 30, 2009 and September 30, 2009, respectively. The SEC commenced an investigation in March 2010 into the facts surrounding our restatement of previously issued financial statements and related matters. We are cooperating fully with the SEC. The investigation could result in the SEC seeking various penalties and relief including, without limitation, civil injunctive relief and/or civil monetary penalties or administrative relief. The nature of the relief or remedies the SEC may seek with respect to the Company, if any, cannot be predicted at this time.

In December 2010, the Company was named as one of several defendants in a lawsuit captioned *EIT Holdings LLC v. WebMD, LLC et al.*, (U.S.D.C., D. Del.), on the same day that plaintiff filed a substantially identical suit against a different group of defendants in a lawsuit captioned *EIT Holdings LLC v. Yelp!, Inc. et al.*, (U.S.D.C., N. D. Cal.). In February 2011, by agreement of plaintiff and the Company, the Company was dismissed from the Delaware action without prejudice and named as a defendant in the California action. In May 2011, the action against the Company and all defendants other than Yelp! Inc. ("Yelp!") were dismissed for misjoinder and plaintiff filed separate cases against the dismissed defendants; the action against the Company is captioned *EIT Holdings LLC v. TheStreet.com, Inc.*, (U.S.D.C., N. D. Cal.). The complaints allege that defendants infringe U.S. Patent No. 5,828,837 (the "Patent"), putatively owned by plaintiff, related to a certain method of displaying information to an Internet-accessible device. In January 2012, the court in the case against Yelp! granted Yelp!'s motion for summary judgment, finding the Patent to be invalid. In the event such judgment becomes final and nonappealable, plaintiff could not obtain an award of relief against any other party, including the Company, with respect to claims related to the Patent. The Company intends to vigorously defend itself and believes it has meritorious defenses. Due to the early stage of this matter and the inherent uncertainties of litigation, the ultimate outcome of this matter is uncertain.

The Company is party to other legal proceedings arising in the ordinary course of business or otherwise, none of which other proceedings is deemed material.

Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the information set forth in Part 1, Item 1A. "Risk Factors" in our Form 10-K for the year ended December 31, 2011, which we filed with the SEC on March 7, 2012.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On March 7, 2012, in connection with the hiring of Elisabeth DeMarse as the Company's Chief Executive Officer, the Company sold Ms. DeMarse a total of 75,000 shares of the Company's Common Stock, for an aggregate purchase price of \$135,000, representing a per share price equal to the closing price of the Company's Common Stock as reported by Nasdaq on the date of sale. The securities so sold were not registered and were issued in reliance upon an exemption from registration requirements. Proceeds from the sale will be used for general corporate purposes.

The following table presents information related to repurchases of its Common Stock made by the Company during the three months ended June 30, 2012.

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs *
April 1 – 30, 2012	—	\$ —	—	\$ 2,678,878
May 1 – 31, 2012	—	\$ —	—	\$ 2,678,878
June 1 – 30, 2012	—	\$ —	—	\$ 2,678,878
Total	—	\$ —	—	\$ 2,678,878

* In December 2000, the Company's Board of Directors authorized the repurchase of up to \$10 million worth of the Company's Common Stock, from time to time, in private purchases or in the open market. In February 2004, the Company's Board of Directors approved the resumption of the stock repurchase program (the "Program") under new price and volume parameters, leaving unchanged the maximum amount available for repurchase under the Program. The program does not have a specified expiration date and is subject to certain limitations.

I tem 3. Defaults Upon Senior Securities.

Not applicable.

I tem 4. Mine Safety Disclosures

Not applicable.

I tem 5. Other Information.

Not applicable.

Item 6. Exhibits.

The following exhibits are filed herewith or are incorporated by reference to exhibits previously filed with the Securities and Exchange Commission:

Exhibit Number	Description
*3.1	Restated Certificate of Incorporation of the Company, incorporated by reference to the Exhibits to the Company's Annual Report on Form 10-K filed March 14, 2011.
*3.2	Certificate of Amendment dated May 31, 2011 to Restated Certificate of Incorporation, incorporated by reference to the Exhibit to the Company's Current Report on Form 8-K filed June 2, 2011.
*3.3	Amended and Restated Bylaws of the Company, incorporated by reference to the Exhibits to the Company's Annual Report on Form 10-K filed March 30, 2000.
*4.1	Amended and Restated Registration Rights Agreement dated December 21, 1998, by and among the Company and the stockholders named therein, incorporated by reference to the Exhibits to the Company's Registration Statement on Form S-1 filed February 23, 1999.
*4.2	Certificate of Designation of the Company's Series A Junior Participating Preferred Stock, incorporated by reference to the Exhibits to the Company's Registration Statement on Form S-1 filed February 23, 1999.
*4.3	Certificate of Designation of the Company's Series B Preferred Stock, as filed with the Secretary of State of the State of Delaware on November 15, 2007, incorporated by reference to the Exhibits to the Company's Current Report on Form 8-K filed November 20, 2007.
*4.4	Option to Purchase Common Stock dated November 1, 2007, incorporated by reference to the Company's Current Report on Form 8-K filed November 6, 2007.
*4.5	Investor Rights Agreement dated November 15, 2007 by and among the Company, TCV VI, L.P. and TCV Member Fund, L.P., incorporated by reference to the Exhibits to the Company's Current Report on Form 8-K filed November 20, 2007.
*4.6	Warrant dated November 15, 2007 issued by the Company to TCV VI, L.P., incorporated by reference to the Exhibits to the Company's Current Report on Form 8-K filed November 20, 2007.
*4.7	Warrant dated November 15, 2007 issued by the Company to TCV Member Fund, L.P., incorporated by reference to the Exhibits to the Company's Current Report on Form 8-K filed November 20, 2007.
*4.8	Specimen certificate for the Company's shares of common stock, incorporated by reference to the Exhibits to Amendment 3 to the Company's Registration Statement on Form S-1 filed April 19, 1999.
10.1	Letter agreement dated as of June 26, 2012 between the Company and Gregory Barton.
31.1	Rule 13a-14(a) Certification of CEO.
31.2	Rule 13a-14(a) Certification of CFO.
32.1	Section 1350 Certification of CEO.
32.2	Section 1350 Certification of CFO.
**101.INS	XBRL Instance Document
**101.SCH	XBRL Taxonomy Extension Schema Document
**101.CAL	XBRL Taxonomy Extension Calculation Document
**101.DEF	XBRL Taxonomy Extension Definitions Document
**101.LAB	XBRL Taxonomy Extension Labels Document
**101.PRE	XBRL Taxonomy Extension Presentation Document

* Incorporated by reference

** Pursuant to Rule 406T of Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THESTREET, INC.

Date: August 3, 2012

By: /s/ Elisabeth DeMarse

Name: Elisabeth DeMarse

Title: Chief Executive Officer (principal executive officer)

Date: August 3, 2012

By: /s/ Thomas Etergino

Name: Thomas Etergino

Title: Chief Financial Officer (principal financial officer)

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 - ** Pursuant to Rule 406T of Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections
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June 26, 2012

Mr. Gregory E. Barton
Executive Vice President, Business and Legal Affairs,
General Counsel
TheStreet, Inc.
14 Wall Street, 15th Floor
New York, New York 10005

Dear Greg:

This letter reflects the understanding and agreement between you and TheStreet, Inc. (the “Company”) regarding certain matters described herein. The parties hereby agree as follows:

1. You shall resign from your employment with the Company, and from any positions you hold with the Company, its subsidiaries and any benefits plans maintained by the Company or its subsidiaries, effective July 13, 2012 (the “Resignation Date”).
 2. Simultaneously with the execution of this Agreement, the parties shall execute the release (the “Release”) attached hereto as Exhibit A, which the parties agree shall satisfy the requirement contained in any written agreement between the parties (each an “Agreement” and collectively, the “Agreements”) for the delivery of a release by a party.
 3. Your resignation pursuant to this letter shall be deemed to constitute a termination of your employment by the Company without Cause (as such term is defined in any such Agreement) and such termination shall be deemed to be not “related to [a] Change of Control” (within the meaning of any such Agreement). For avoidance of doubt, provided you have not revoked your signature on the Release by July 3, 2012, then:
 - (a) pursuant to the Severance Agreement (as defined below), the Company on July 13, 2012 shall pay you the lump sum of \$225,000 (less applicable withholdings);
 - (b) pursuant to the July 2009 RSU Agreement (as defined below), the Company on July 13, 2012 shall vest 140,000 restricted stock units (“RSUs”) that presently are unvested;
 - (c) pursuant to the March 2011 RSU Agreement (as defined below) and Severance Agreement, the Company on July 13, 2012 shall vest 6,252 RSUs that presently are unvested (the parties acknowledge and agree that an additional 521 RSUs shall vest under the March 2011 RSU Agreement on July 1, 2012); and
 - (d) pursuant to the Stock Option Agreement (as defined below) and Severance Agreement, the Company on July 13, 2012 shall vest 11,256 stock options that presently are unvested (the parties acknowledge and agree that an additional 938 stock options shall vest under the Stock Option Agreement on July 1, 2012; that you have not exercised any stock options pursuant to the Stock Option Agreement; and that, if you do not exercise any stock options pursuant to the Stock Option Agreement before July 13, 2012, a total of 25,320 stock options will be vested pursuant to the Stock Option Agreement on July 13, 2012).
-

4. Subject to the timely execution by you (without revocation), on or after the Resignation Date and prior to July 22, 2012, of the release in the form attached hereto as Exhibit B (the “Second Release”), the Company shall pay you a bonus with respect to the first half of 2012, which bonus shall be the product of (a) your target bonus of 75% of your base salary during the first half of 2012, multiplied by (b) a payment percentage that is calculated in accordance with the formula adopted by the Compensation Committee of the Company’s Board of Directors on March 30, 2012 (less applicable withholdings). The bonus shall be paid on July 31, 2012 or such later date as bonuses are paid to similarly situated active employees. For avoidance of doubt, the Company waives any requirement that your employment continue through July 31, 2012 (or such later payment date) in order to receive the bonus payment. Promptly after receipt of the Second Release signed by you, the Company shall sign the Second Release and deliver a fully executed copy of the Second Release to you.

5. On July 2, 2012, the Company shall file a Form 8-K in the form attached hereto as Exhibit C.

6. This letter does not amend the provisions of any of the Agreements, which include without limitation: (i) the Agreement for Grant of Restricted Stock Units Under 2007 Performance Incentive Plan dated as of July 14, 2009 (the “July 2009 RSU Agreement”); (ii) the Agreement for Grant of Restricted Stock Units Under 2007 Performance Incentive Plan dated as of March 28, 2011 (the “March 2011 RSU Agreement”); (iii) the Agreement for Grant of Stock Options Under 2007 Performance Incentive Plan dated as of March 28, 2011 (the “Stock Option Agreement”); (iv) the Agreement for Grant of Cash Performance Award under 2007 Performance Incentive Plan dated September 16, 2009; (v) the Agreement for Grant of Cash Performance Award under 2007 Performance Incentive Plan dated February 11, 2011; (vi) the Severance Agreement dated as of July 14, 2009, as amended by amendments dated as of March 28, 2011 and December 21, 2011 (the “Severance Agreement”); and (vii) the Indemnification Agreement dated as of August 26, 2009. Without limiting the foregoing, the Company acknowledges it has certain obligations to you under Section 1(a)(i)(B) and Section 1(a)(ii)(Y) of the Severance Agreement; and you acknowledge that you have certain obligations to the Company as set forth in restrictive covenants in the certain of the Agreements. On the Resignation Date, you shall receive payment for any accrued and unused vacation. You shall be entitled to receive reimbursement for any business expenses incurred by you prior to the Resignation Date, in accordance with the Company’s policies; to the extent you receive an invoice for any such expenses after the Resignation Date, you shall submit a claim for reimbursement related thereto to the Company promptly after receipt.

7. Notwithstanding any provision of any of the Agreements to the contrary, if you are a “specified employee” as determined by the Board or the Compensation Committee in accordance with Section 409A of the Internal Revenue Code of 1986, as amended or any regulations or Treasury guidance promulgated thereunder (“Section 409A”), you shall not be entitled to any payments of amounts which constitute deferred compensation within the meaning of Section 409A upon a termination of your employment until the earlier of (a) the date which is six (6) months after the termination of your employment for any reason other than death (except that during such six (6) month period you may receive total payments from the Company that do not exceed the amount specified in Treas. Reg. Section 1.409A-1(b)(9) or that constitute a short-term deferral within the meaning of Section 409A), or (b) the date of your death. If any provision of any of the Agreements or of any award of compensation, including equity compensation or benefits, would cause you to incur any additional tax or interest under Section 409A, the parties agree to negotiate in good faith to reform such provision in such manner as to maintain, to the maximum extent practicable, the original intent and economic terms of the applicable provision without violating the provisions of Section 409A. Notwithstanding any provision of any of the Agreements to the contrary, to the extent any compensation or award which constitutes deferred compensation within the meaning of Section 409A shall vest upon the occurrence of a Change of Control (as defined in the applicable Agreement) and such Change of Control does not constitute a “change in the

ownership or effective control” or a “change in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A, then notwithstanding such vesting, payment will be made to you on the earliest of (a) your “separation from service” with the Company (determined in accordance with Section 409A) (or, if you are a specified employee within the meaning of Section 409A, such later date as provided in the first sentence of this paragraph), (b) the date payment otherwise would have been made, or (c) your death.

On behalf of the Company, I would like to express our appreciation for the many contributions you have made during your tenure at the Company, and we wish you the best with your future endeavors.

Sincerely,

THESTREET, INC.

By: /s/ Elisabeth DeMarse

Elisabeth DeMarse
Chief Executive Officer

AGREED

/s/ Gregory Barton

Gregory Barton

Exhibit A

Release

This Release (this “Release”) is entered into by Gregory E. Barton (“Barton”) and TheStreet, Inc., a Delaware corporation (the “Company”) on June 26, 2012 and shall become effective on the date set forth herein.

In consideration of the promises set forth in (i) the Agreement for Grant of Restricted Stock Units Under 2007 Performance Incentive Plan between the Company and Barton dated as of July 14, 2009 (the “2009 RSU Agreement”); (ii) the Agreement for Grant of Restricted Stock Units Under 2007 Performance Incentive Plan between the Company and Barton dated as of March 28, 2011 (the “2011 RSU Agreement”); (iii) the Agreement for Grant of Stock Options Under 2007 Performance Incentive Plan between the Company and Barton dated as of March 28, 2011 (the “2011 Option Agreement”); (iv) the Agreement for Grant of Cash Performance Award under 2007 Performance Incentive Plan between the Company and Barton dated September 16, 2009; (v) the Agreement for Grant of Cash Performance Award under 2007 Performance Incentive Plan between the Company and Barton dated February 11, 2011; (vi) the Severance Agreement between the Company and Barton dated as of July 14, 2009, as amended by amendments dated as of March 28, 2011 and December 21, 2011 (the “Severance Agreement”); (vii) the Indemnification Agreement between the Company and Barton dated as of August 26, 2009 and (viii) the letter from the Company to Barton dated as of June 26, 2012 (the “Letter Agreement”) (collectively, the “Agreements”), Barton and the Company agree as follows:

1. General Releases and Waivers of Claims.

(a) Barton’s Release of Company. In consideration of the payments and benefits provided to Barton under the Agreements and after consultation with counsel, Barton on behalf of himself and each of his respective heirs, executors, administrators, representatives, agents, successors and assigns (collectively, the “Barton Parties”) hereby irrevocably and unconditionally release and forever discharge the Company and its subsidiaries and affiliates and each of their respective officers, employees, directors, shareholders and agents (“Company Parties”) from any and all claims, actions, causes of action, rights, judgments, fees and costs (including attorneys’ fees), obligations, damages, demands, accountings or liabilities of whatever kind or character (collectively, “Claims”), including, without limitation, any Claims based upon contract, tort, or under any federal, state, local or foreign law, that the Barton Parties may have, or in the future may possess, arising out of any aspect of Barton’s employment relationship with and service as an employee, officer, director or agent of the Company, or the termination of such relationship or service, that occurred, existed or arose on or prior to the date hereof; provided, however, that Barton does not release, discharge or waive (i) any rights to payments and benefits provided under the Severance Agreement and Letter Agreement, (ii) any right Barton may have to enforce this Release or any of the Agreements, (iii) Barton’s eligibility for indemnification in accordance with the Company’s certificate of incorporation, bylaws or other corporate governance document, any applicable insurance policy or any contract or provision to which Barton is a party or as to which Barton otherwise is entitled to indemnification benefits, with respect to any liability he incurred or might incur as an employee, officer or director of the Company, or (iv) any claims for accrued, vested benefits under any employee benefit or pension plan of the Company Parties subject to the terms and conditions of such plan and applicable law including, without limitation, any such claims under COBRA or the Employee Retirement Income Security Act of 1974.

(b) Executive’s Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to Barton under the Agreements, Barton on behalf of himself and the other Barton Parties hereby unconditionally release and forever discharge the Company Parties from any and all Claims that the Barton Parties may have as of the date Barton signs this Release arising under the Federal Age Discrimination in Employment Act of 1967, as amended, and the applicable rules and regulations promulgated thereunder (“ADEA”). By signing this Release, Barton hereby acknowledges and confirms the following: (i) Barton was advised by the Company in connection with his termination to consult with an attorney of his choice prior to signing this Release and to have such attorney explain to him the terms of this Release, including, without limitation, the terms relating to his release of claims arising under ADEA, and Barton has in fact consulted with an attorney; (ii) Barton was given a period of not fewer than twenty-one (21) days to consider the terms of this Release and to consult with an attorney of his

choosing with respect thereto; and (iii) Barton knowingly and voluntarily accepts the terms of this Release. Barton also understands that he has seven (7) days following the date on which he signs this Release within which to revoke the release contained in this paragraph, by providing the Company a written notice of his revocation of the release and waiver contained in this paragraph. Should Barton not revoke this Release, it shall become effective on the eighth (8th) day following his execution of this Release.

(c) Company's Release of Executive. The Company for itself and on behalf of the Company Parties hereby irrevocably and unconditionally release and forever discharge the Barton Parties from any and all Claims, including, without limitation, any Claims based upon contract, tort, or under any federal, state, local or foreign law, that the Company Parties may have, or in the future may possess, arising out of any aspect of Barton's employment relationship with and service as an employee, officer, director or agent of the Company, or the termination of such relationship or service, that occurred, existed or arose on or prior to the date hereof, excepting any Claim which would constitute or result from conduct by Barton that constituted the basis for termination for Cause under the Agreements or could be a crime of any kind. Anything to the contrary notwithstanding in this Release, nothing herein shall release Barton or any other Executive Party from any Claims based on any right the Company may have to enforce this Release or any of the Agreements.

(d) No Assignment. The parties represent and warrant that they have not assigned any of the Claims being released under this Release.

2. Proceedings. Neither Barton nor the Company have filed, any complaint, charge, claim or proceeding against the other party before any local, state or federal agency, court or other body relating to Barton's employment or the termination thereof (each, individually, a "Proceeding").

3. Remedies.

(a) In the event Barton initiates or voluntarily participates in any Proceeding involving any of the matters waived or released in this Release, or if he fails to abide by any of the terms of this Release, or if he revokes the ADEA release contained in Paragraph 1(b) of this Release within the seven-day period provided under Paragraph 1(b), the Company may, in addition to any other remedies it may have, reclaim any amounts paid to him, and terminate any benefits or payments that are due, pursuant to the termination provisions of the Agreements, without waiving the release granted herein. In addition, in the event that Barton has failed to comply with Sections 6 and/or 7 of the 2009 RSU Agreement, Sections 6 and/or 7 of the 2011 RSU Agreement or Sections 10 and/or 11 of the 2011 Option Agreement (other than as a result of an unintentional and immaterial disclosure of confidential information), the Company may, in addition to any other remedies it may have, to the extent permitted in the Agreements reclaim any amounts paid to him pursuant to the Agreements, without waiving the release granted herein. Barton acknowledges and agrees that the remedy at law available to the Company for breach of any of his post-termination obligations under the Agreements or his obligations herein would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, Barton acknowledges, consents and agrees that, in addition to any other rights or remedies that the Company may have at law or in equity, the Company shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining Barton from breaching his post-termination obligations under the Agreements or his obligations hereunder. Such injunctive relief in any court shall be available to the Company, in lieu of, or prior to or pending determination in, any arbitration proceeding.

(b) Barton understands that by entering into this Release he will be limiting the availability of certain remedies that he may have against the Company and limiting also his ability to pursue certain claims against the Company.

(c) The Company acknowledges and agrees that the remedy at law available to Barton for breach of any of its post-termination obligations under the Agreements or its obligations hereunder would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, the Company acknowledges, consents and agrees that, in addition to any other rights or remedies that Barton may have at law or in equity, Barton shall be entitled to seek a temporary restraining order or a preliminary

or permanent injunction, or both, without bond or other security, restraining the Company from breaching its post-termination obligations under the Agreements or its obligations hereunder. Such injunctive relief in any court shall be available to Barton, in lieu of, or prior to or pending determination in, any arbitration proceeding.

(d) The Company understands that by entering into this Release it will be limiting the availability of certain remedies that it may have against Barton and limiting also its ability to pursue certain claims against Barton.

4. Severability Clause. In the event any provision or part of this Release is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Release, will be inoperative.

5. Nonadmission. Nothing contained in this Release will be deemed or construed as an admission of wrongdoing or liability on the part of the Company or Barton.

6. Governing Law. All matters affecting this Release, including the validity thereof, are to be governed by, and interpreted and construed in accordance with, the laws of the New York applicable to contracts executed in and to be performed in that State.

7. Notices. All notices or communications hereunder shall be made in accordance with Section 3 of the Severance Agreement.

BARTON ACKNOWLEDGES THAT HE HAS READ THIS RELEASE AND THAT HE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT HE HEREBY EXECUTES THE SAME AND MAKES THIS RELEASE AND THE RELEASE AND AGREEMENTS PROVIDED FOR HEREIN VOLUNTARILY AND OF HIS OWN FREE WILL.

IN WITNESS WHEREOF, the parties have executed this Release as of June 26, 2012.

/s/ Gregory Barton

Gregory E. Barton

THESTREET, INC.

By: /s/ Elisabeth DeMarse

Name: Elisabeth DeMarse

Title: President and Chief Executive Officer

Second Release

This Second Release (this "Release") is entered into by Gregory E. Barton ("Barton") and TheStreet, Inc., a Delaware corporation (the "Company") on July __, 2012 and shall become effective on the date set forth herein. Defined terms utilized herein and not otherwise defined shall have their respective meanings as forth in the Release entered into on June 26, 2012 by Barton and the Company.

In consideration of the promises set forth in Paragraph 4 of the Letter Agreement, Barton and the Company agree as follows:

1. General Releases and Waivers of Claims.

(a) Barton's Release of Company. In consideration of the payments and benefits provided to Barton under Paragraph 4 of the Letter Agreement and after consultation with counsel, Barton on behalf of himself and each of his respective heirs, executors, administrators, representatives, agents, successors and assigns (collectively, the "Barton Parties") hereby irrevocably and unconditionally release and forever discharge the Company and its subsidiaries and affiliates and each of their respective officers, employees, directors, shareholders and agents ("Company Parties") from any and all claims, actions, causes of action, rights, judgments, fees and costs (including attorneys' fees), obligations, damages, demands, accountings or liabilities of whatever kind or character (collectively, "Claims"), including, without limitation, any Claims based upon contract, tort, or under any federal, state, local or foreign law, that the Barton Parties may have, or in the future may possess, arising out of any aspect of Barton's employment relationship with and service as an employee, officer, director or agent of the Company, or the termination of such relationship or service, that occurred, existed or arose on or prior to the date hereof; provided, however, that Barton does not release, discharge or waive (i) any rights to payments and benefits provided under the Severance Agreement and Letter Agreement, (ii) any right Barton may have to enforce this Release or any of the Agreements, (iii) Barton's eligibility for indemnification in accordance with the Company's certificate of incorporation, bylaws or other corporate governance document, any applicable insurance policy or any contract or provision to which Barton is a party or as to which Barton otherwise is entitled to indemnification benefits, with respect to any liability he incurred or might incur as an employee, officer or director of the Company, or (iv) any claims for accrued, vested benefits under any employee benefit or pension plan of the Company Parties subject to the terms and conditions of such plan and applicable law including, without limitation, any such claims under COBRA or the Employee Retirement Income Security Act of 1974.

(b) Executive's Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to Barton under Paragraph 4 of the Letter Agreement, Barton on behalf of himself and the other Barton Parties hereby unconditionally release and forever discharge the Company Parties from any and all Claims that the Barton Parties may have as of the date Barton signs this Release arising under the Federal Age Discrimination in Employment Act of 1967, as amended, and the applicable rules and regulations promulgated thereunder ("ADEA"). By signing this Release, Barton hereby acknowledges and confirms the following: (i) Barton was advised by the Company in connection with his termination to consult with an attorney of his choice prior to signing this Release and to have such attorney explain to him the terms of this Release, including, without limitation, the terms relating to his release of claims arising under ADEA, and Barton has in fact consulted with an attorney; (ii) Barton was given a period of not fewer than twenty-one (21) days to consider the terms of this Release and to consult with an attorney of his choosing with respect thereto; and (iii) Barton knowingly and voluntarily accepts the terms of this Release. Barton also understands that he has seven (7) days following the date on which he signs this Release within which to revoke the release contained in this paragraph, by providing the Company a written notice of his revocation of the release and waiver contained in this paragraph. Should Barton not revoke this Release, it shall become effective on the eighth (8th) day following his execution of this Release.

(c) Company's Release of Executive. The Company for itself and on behalf of the Company Parties hereby irrevocably and unconditionally release and forever discharge the Barton Parties from any and all Claims, including, without limitation, any Claims based upon contract, tort, or under any federal, state, local or

foreign law, that the Company Parties may have, or in the future may possess, arising out of any aspect of Barton's employment relationship with and service as an employee, officer, director or agent of the Company, or the termination of such relationship or service, that occurred, existed or arose on or prior to the date hereof, excepting any Claim which would constitute or result from conduct by Barton that constituted the basis for termination for Cause under the Agreements or could be a crime of any kind. Anything to the contrary notwithstanding in this Release, nothing herein shall release Barton or any other Executive Party from any Claims based on any right the Company may have to enforce this Release or any of the Agreements.

(d) No Assignment. The parties represent and warrant that they have not assigned any of the Claims being released under this Release.

2. Proceedings. Neither Barton nor the Company have filed, any complaint, charge, claim or proceeding against the other party before any local, state or federal agency, court or other body relating to Barton's employment or the termination thereof (each, individually, a "Proceeding").

3. Remedies.

(a) In the event Barton initiates or voluntarily participates in any Proceeding involving any of the matters waived or released in this Release, or if he fails to abide by any of the terms of this Release, or if he revokes the ADEA release contained in Paragraph 1(b) of this Release within the seven-day period provided under Paragraph 1(b), the Company may, in addition to any other remedies it may have, reclaim any amounts paid to him, and terminate any benefits or payments that are due, pursuant to the termination provisions of the Agreements, without waiving the release granted herein. In addition, in the event that Barton has failed to comply with Sections 6 and/or 7 of the 2009 RSU Agreement, Sections 6 and/or 7 of the 2011 RSU Agreement or Sections 10 and/or 11 of the 2011 Option Agreement (other than as a result of an unintentional and immaterial disclosure of confidential information), the Company may, in addition to any other remedies it may have, to the extent permitted in the Agreements reclaim any amounts paid to him pursuant to the Agreements, without waiving the release granted herein. Barton acknowledges and agrees that the remedy at law available to the Company for breach of any of his post-termination obligations under the Agreements or his obligations herein would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, Barton acknowledges, consents and agrees that, in addition to any other rights or remedies that the Company may have at law or in equity, the Company shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining Barton from breaching his post-termination obligations under the Agreements or his obligations hereunder. Such injunctive relief in any court shall be available to the Company, in lieu of, or prior to or pending determination in, any arbitration proceeding.

(b) Barton understands that by entering into this Release he will be limiting the availability of certain remedies that he may have against the Company and limiting also his ability to pursue certain claims against the Company.

(c) The Company acknowledges and agrees that the remedy at law available to Barton for breach of any of its post-termination obligations under the Agreements or its obligations hereunder would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, the Company acknowledges, consents and agrees that, in addition to any other rights or remedies that Barton may have at law or in equity, Barton shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining the Company from breaching its post-termination obligations under the Agreements or its obligations hereunder. Such injunctive relief in any court shall be available to Barton, in lieu of, or prior to or pending determination in, any arbitration proceeding.

(d) The Company understands that by entering into this Release it will be limiting the availability of certain remedies that it may have against Barton and limiting also its ability to pursue certain claims against Barton.

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unenforceable, only that particular provision or part so found, and not the entire Release, will be inoperative.

5. Nonadmission. Nothing contained in this Release will be deemed or construed as an admission of wrongdoing or liability on the part of the Company or Barton.

6. Governing Law. All matters affecting this Release, including the validity thereof, are to be governed by, and interpreted and construed in accordance with, the laws of the New York applicable to contracts executed in and to be performed in that State.

7. Notices. All notices or communications hereunder shall be made in accordance with Section 3 of the Severance Agreement.

BARTON ACKNOWLEDGES THAT HE HAS READ THIS RELEASE AND THAT HE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT HE HEREBY EXECUTES THE SAME AND MAKES THIS RELEASE AND THE RELEASE AND AGREEMENTS PROVIDED FOR HEREIN VOLUNTARILY AND OF HIS OWN FREE WILL.

IN WITNESS WHEREOF, the parties have executed this Release as of July __, 2012.

Gregory E. Barton

THESTREET, INC.

By:

Name:

Title:

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 26, 2012

THE STREET, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation)

0-25779

(Commission File Number)

06-1515824

(IRS Employer Identification No.)

**14 WALL STREET, 15TH FLOOR
NEW YORK, NEW YORK 10005**

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (212) 321-5000

NA

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 26, 2012, the Company and Gregory Barton, the Company's Executive Vice President of Business and Legal Affairs, General Counsel and Secretary, entered into an agreement pursuant to which Mr. Barton will step down from his positions with the Company effective July 13, 2012.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 2, 2012

THESTREET, INC. (Registrant)

By: /s/ Gregory Barton

Gregory Barton
Executive Vice President, Business and Legal Affairs,
General Counsel and Secretary

CERTIFICATION

I, Thomas Etergino, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TheStreet, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2012

By: /s/ Thomas Etergino

Name: Thomas Etergino
Title: Chief Financial Officer (principal financial officer)

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of TheStreet, Inc. (the "Company") for the quarterly period ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Elisabeth DeMarse, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Elisabeth DeMarse

Name: Elisabeth DeMarse
Title: Chief Executive Officer (principal executive officer)
August 3, 2012

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of TheStreet, Inc. (the "Company") for the quarterly period ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas Etergino, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Thomas Etergino

Name: Thomas Etergino
Title: Chief Financial Officer (principal financial officer)
August 3, 2012
