



Value Creation Through Constructive Activism

Shareholder Call to Discuss TheStreet Investment Announcement

November 13, 2017

Safe Harbor Statement



This presentation may contain statements of a forward-looking nature relating to future events. Statements contained in this presentation that are forward-looking statements are intended to be made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. These statements reflect the Company's current beliefs, and a number of important factors could cause actual results to differ materially from those expressed herein.

Please see the Company's filings with the Securities and Exchange Commission for a more detailed discussion of the risks and uncertainties associated with the Company's business, including but not limited to the risks and uncertainties associated with investing in privately held and publicly traded companies and other significant factors that could affect the Company's actual results. Except as otherwise required by Federal securities laws, 180 Degree Capital Corp. undertakes no obligation to update or revise these forward-looking statements to reflect new events or uncertainties.

TheStreet, Inc. (NASDAQ: TST)

Company Profile

- TheStreet is a financial news and information provider to consumers and businesses through four brands.
 - TheStreet.com – ~\$30 million B2C business that generates revenue through subscriptions and advertising.
 - The Deal, RateWatch, and BoardEx – ~\$30 million B2B business that generates revenues through events and subscriptions.
- New CEO and management team joined in 2016.
 - Senior management and executive chairman historically built and sold MarketWatch and completed a successful turnaround of USA Today.
- Strong balance sheet and improving financial performance
 - \$25.6 million in cash and equivalents; no debt
 - 6% revenue decline 2015 to 2016 ➤ 2% revenue decline Q1-Q3 2016 to Q1-Q3 2017 ➤ +0.3% Q3 2016 to Q3 2017
 - \$11.5 million negative EBITDA in 2016* ➤ \$3.7 million positive EBITDA through Q3 2017
 - \$17.5 million loss in 2016* ➤ \$530,000 net income in Q2+Q3 2017

* Includes \$11.6 million in goodwill impairment.

Investment Thesis



- TST's new management turned around the business, but its stock did not reflect this improvement.
- Two overhangs existed that we believed limited the ability of TST's common stock from increasing in value.
 - Jim Cramer's contract that expires at end of 2017.
 - Preferred stock with \$55 million liquidation preference.
- Models of the removal of these overhangs indicated the potential for *immediate* appreciation in the price per share of TST's common stock beyond the PIPE price per share assuming current valuation metrics remain constant.¹
- Continued growth in TST's businesses and financial metrics have the potential to provide further appreciation in the value of TST's stock.

¹ Actual results may be materially different than those modeled owing to factors including, but not limited to, changes in financial performance of the company, general market conditions, reductions or increases in shares outstanding. Discussion of models is solely for informational purposes and not meant to imply any projected future return on investment or other purpose.

Timeline of 180 Involvement in TST



- April 2017 – First conversations and in-person meetings with management.
- April-July 2017 – 180 purchases 1 million shares of TST in open market transactions.
- May-July 2017 – 180 provides TST’s management with ideas on potential paths to resolve the preferred stock overhang, including financial modeling and structure assessment.
- August 2017 – Initial term sheet and supporting information provided to TST.
- September-November 2017 – Actively worked with TST to finalize transaction details and complete our due diligence.
- November 10, 2017 – Transaction closed.

Transaction Summary



- Total investment of \$7.85 million purchased ~7.14 million unregistered shares of TST common stock at \$1.10 per share.
 - \$4 million from 180 Degree Capital Corp.
 - \$3.85 million from TheStreet SPV Series – a series of 180 Degree Capital Management, LLC (the “TST SPV”)
- \$55 million in TST preferred stock retired for \$20 million in cash and 6 million unregistered shares of TST’s common stock.
- 180 received registration rights that requires TST to file a registration statement for 180 and TST SPV’s respective stock ownership within 90 days of the close of the transaction.
- Kevin Rendino joined TST’s board of directors when the transaction closed.
- Note: 180 Degree Capital Corp. will receive management fees and carried interest on capital raised in the TST SPV.

Pre-Transaction Valuation Metrics of TST



- Market capitalization: \$33.4 million
- Cash: \$25.6 million
- Preferred stock liquidation preference: \$55 million
- Enterprise value: \$62.8 million
- Twelve-month trailing revenues: \$62.4 million
- EV/revenue multiple: 1.01x

Note: Financial data as of September 30, 2017.

Modeled Change in Value of TST Stock Following Removal of Preferred Overhang

Model of price per share of TST based on fully diluted shares following \$7.85 million financing transaction @ \$1.10 per share ^{1,2}								
		B2B Recurring Revenue Multiple						
		0.75x	1.00x	1.25x	1.50x	1.75x	2.00x	2.25x
Multiple of B2C Recurring Revenue	0.75x	\$1.14	\$1.28	\$1.42	\$1.57	\$1.71	\$1.86	\$2.00
	1.00x	\$1.24	\$1.38	\$1.52	\$1.67	\$1.81	\$1.96	\$2.10
	1.25x	\$1.34	\$1.48	\$1.62	\$1.77	\$1.91	\$2.06	\$2.20
	1.50x	\$1.44	\$1.58	\$1.73	\$1.87	\$2.01	\$2.16	\$2.30
	1.75x	\$1.54	\$1.68	\$1.83	\$1.97	\$2.11	\$2.26	\$2.40
	2.00x	\$1.64	\$1.78	\$1.93	\$2.07	\$2.21	\$2.36	\$2.50
	2.25x	\$1.74	\$1.88	\$2.03	\$2.17	\$2.31	\$2.46	\$2.60

180's models indicated that TST common stock could trade immediately following transaction without multiple expansion, and significantly higher within 24 months with multiple expansion.²

¹ Modeled price per share on an outstanding basis for highlighted cells are \$1.56 and \$2.20, respectively.

² Actual results may be materially different than those modeled owing to factors including, but not limited to, changes in financial performance of the company, general market conditions, reductions or increases in shares outstanding. Model is solely for informational purposes and not meant to imply any projected future return on investment or other purpose.

Source of 180's Investment Capital

- 180 ended Q3 2017 with \$3.9 million in cash and \$26.1 million in publicly traded portfolio companies.
- 180 sold its position in USA Truck (USAK) to fund the company's \$4 million investment in TST.
 - Cost basis: \$1.75 million (\$6.68 per share)
 - Shares purchased May-August 2017
 - Net cash from sales: \$3.71 million (\$14.13 per share)
 - Return on invested capital \$1.96 million (+112%; IRR 530%)

Note: Return information on USAK is provided solely in the context of the sale of the investment for the TST transaction. This information is not meant for marketing or other purposes and is solely informational. Please refer to 180's filings with the SEC for full information on its investments and historical performance.

180° CAPITAL CORP



Kevin M. Rendino
kevin@180degreecapital.com

Daniel B. Wolfe
daniel@180degreecapital.com