

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name WebMediaBrands Inc		2 Issuer's employer identification number (EIN) 06-1542480	
3 Name of contact for additional information Investor Relations	4 Telephone No. of contact 203-662-2800	5 Email address of contact investinginquiries@webmediabrands.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 50 Washington Street 9th Fl		7 City, town, or post office, state, and Zip code of contact Norwalk, CT 06854	
8 Date of action 08/17/2012		9 Classification and description Common Stock	
10 CUSIP number 94770W209	11 Serial number(s) NA	12 Ticker symbol WEBM	13 Account number(s) NA

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

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

Effective 5:00 PM EDT on August 16, 2012, WebMediaBrands Inc., (the "Company") amended its Articles of Incorporation to effect a 1-for-7 reverse stock split of the Company's common stock whereby every 7 shares of common stock outstanding combined and reduced to one common stock (split effective 5:00 PM EDT on August 16, 2012). Any stockholder who would otherwise be entitled to a fractional share as a result of the reverse stock split became entitled to receive a cash payment in lieu of such fractional share.

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

Pursuant to the 1-for-7 reverse stock split, the stockholder's basis in each share of new Company common stock (immediately following the effectiveness of the reverse stock split on August 16, 2012) will be equal to the stockholder's basis in the 7 shares of Company common stock (held as of 5:00 PM EDT on August 16, 2012) which were deemed exchanged for such new share of Company common stock. Any stockholder who would otherwise be entitled to a fractional share as a result of the reverse stock split became entitled to receive a cash payment in lieu of such fractional share. Each fractional share of common stock will have a basis after the reverse stock split that is 7 times the basis of an equivalent fractional share of common stock immediately prior to the reverse stock split.

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

Pursuant to the 1-for-7 reverse stock split, the stockholder's basis in each share of new Company common stock (as of the split effective at 5:00 EDT on August 16, 2012) will be equal to the stockholder's basis in the 7 shares of Company common stock (held as of 5:00 PM EDT on August 16, 2012) which were deemed exchanged for such new share of Company common stock. Any stockholder who would otherwise be entitled to a fractional share as a result of the reverse stock split became entitled to receive a cash payment in lieu of such fractional share. Each fractional share of common stock will have a basis after the reverse stock split that is 7 times the basis of an equivalent fractional share of common stock immediately prior to the reverse stock split.

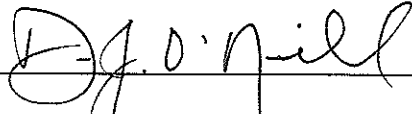
Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►
The tax treatment of the Company's reverse stock split is pursuant to Internal Revenue Code section 368(a)(1)(E).

The adjustment to stockholder basis in the Company stock is pursuant to Internal Revenue Code section 358.

18 Can any resulting loss be recognized? ►
Except to the extent of cash received in lieu of fractional shares, the Company's stockholders generally will not recognize gain or loss for US Federal Income Tax purposes. In general, if a stockholder receives cash in lieu of a fractional share, the stockholder will recognize capital gain or loss on the difference between the amount of cash received and the stockholder's adjusted basis in the fractional share. The deductibility of capital losses may be subject to limitations. Stockholders should consult their tax advisors with respect to the potential tax consequences to them of the reverse stock split.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ►
The reportable tax year is 2012 for taxpayers reporting taxable income on a calendar basis. For stockholders reporting taxable income on a basis other than calendar year, the reportable year is the stockholder's tax year that includes August 16, 2012.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ►		Date ►	9/13/2012
Paid Preparer Use Only	Print your name ► Donald J. O'Neill		Title ► VP & CFO	
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ►			Firm's EIN ►
	Firm's address ►			Phone no.