

Gallagher Daniel  
Form 4  
December 17, 2012

**FORM 4**

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

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
*See Instruction*  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Gallagher Daniel

(Last) (First) (Middle)

5 PENN PLAZA

(Street)

NEW YORK, NY 10001

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
TOWN SPORTS  
INTERNATIONAL HOLDINGS  
INC [CLUB]

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/14/2012

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_\_ Other (specify  
below)

Chief Financial Officer

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3)    | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock, par<br>value<br>\$0.001 | 12/14/2012                              |                                                             | M                                    | 4,200<br>(1)                                                            | A \$ 6.53 61,950                                                                                                   | D                                                                    |                                                                   |
| Common<br>Stock, par<br>value<br>\$0.001 | 12/14/2012                              |                                                             | M                                    | 4,900<br>(1)                                                            | A \$ 6.53 66,850                                                                                                   | D                                                                    |                                                                   |
| Common<br>Stock, par<br>value            | 12/14/2012                              |                                                             | S                                    | 9,100<br>(1)                                                            | D \$ 10.45<br>(2)                                                                                                  | D                                                                    |                                                                   |

\$0.001

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Amount<br>or<br>Number<br>of<br>Shares |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------|---------------------------------------------------------------------|-------------------------------------------|
|                                                     |                                                                       |                                         |                                                             | Code                                    | V (A) (D)                                                                                                       | Date<br>Exercisable                                            | Expiration<br>Date | Title                                                               |                                           |
| Stock<br>Option<br>(right to<br>buy)                | \$ 6.53                                                               | 12/14/2012                              |                                                             | M                                       | 4,900<br>(1)                                                                                                    | 12/31/2012                                                     | 07/23/2013         | Common<br>Stock, par<br>value<br>\$0.001                            | 4,900                                     |
| Stock<br>Option<br>(right to<br>buy)                | \$ 6.53                                                               | 12/14/2012                              |                                                             | M                                       | 4,200<br>(1)                                                                                                    | 04/30/2015                                                     | 04/30/2015         | Common<br>Stock, par<br>value<br>\$0.001                            | 4,200                                     |

## Reporting Owners

| Reporting Owner Name / Address                         | Relationships                    |
|--------------------------------------------------------|----------------------------------|
|                                                        | Director 10% Owner Officer Other |
| Gallagher Daniel<br>5 PENN PLAZA<br>NEW YORK, NY 10001 | Chief Financial Officer          |

## Signatures

/s/ David Kastin, Attorney  
in Fact 12/17/2012

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The exercise of the option and sale of the underlying shares reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 31, 2011.

The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$10.41 to \$10.55, inclusive. The reporting person undertakes to provide to Town Sports International Holdings, Inc., any security holder of Town Sports International Holdings, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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