

KRAMER LAWRENCE S  
 Form 4  
 January 25, 2005

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KRAMER LAWRENCE S**

(Last) (First) (Middle)

825 BATTERY ST.

(Street)

SAN FRANCISCO, CA 94111

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**MARKETWATCH INC [MKTW]**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**01/21/2005**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chairman & CEO**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code V Amount (A) or (D) Price			
Common Stock	01/21/2005		D	141,101 D <u>(1)</u> 0		D	
Common Stock	01/21/2005		D	7,020 D <u>(2)</u> 0		I	by Trust
Common Stock	01/21/2005		D	224 D <u>(3)</u> 0		D	

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

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number.

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
					V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 38	01/21/2005		D		7,893	<u>(4)</u>	12/30/2009	Common Stock	7,893
Employee Stock Option (Right to Buy)	\$ 38	01/21/2005		D		92,107	<u>(5)</u>	12/30/2009	Common Stock	92,107
Employee Stock Option (Right to Buy)	\$ 4.1	01/21/2005		D		8,944	<u>(6)</u>	09/23/2012	Common Stock	8,944
Employee Stock Option (Right to Buy)	\$ 4.1	01/21/2005		D		24,390	<u>(7)</u>	09/23/2012	Common Stock	24,390
Employee Stock Option (Right to Buy)	\$ 8.42	01/21/2005		D		88,124	<u>(8)</u>	12/09/2013	Common Stock	88,124
Employee Stock Option (Right to Buy)	\$ 8.42	01/21/2005		D		11,876	<u>(9)</u>	12/09/2013	Common Stock	11,876
Employee Stock Option (Right to Buy)	\$ 11.68	01/21/2005		D		200,000	<u>(10)</u>	09/24/2014	Common Stock	200,000

Buy)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KRAMER LAWRENCE S 825 BATTERY ST. SAN FRANCISCO, CA 94111	X		Chairman & CEO	

## Signatures

Lawrence  
Kramer

01/24/2005

\*\*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) Disposed of pursuant to the merger agreement between the issuer and Dow Jones and Company, Inc. in exchange for the right to receive cash consideration of \$18 per share on the effective date of the merger.
  - (2) Disposed of pursuant to the merger agreement between the issuer and Dow Jones and Company, Inc. in exchange for the right to receive cash consideration of \$18 per share on the effective date of the merger.
  - (3) The purchase right under the issuer's ESPP plan was canceled in the merger in exchange for cash consideration of \$2,504.99. This represents the difference between the price per share of \$6.817 and the cash consideration of \$18 per share in connection with the merger.
  - (4) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 3,433 shares of Dow Jones common stock for \$87.36 per share.
  - (5) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 40,066 shares of Dow Jones common stock for \$87.36 per share.
  - (6) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 3,890 shares of Dow Jones common stock for \$9.43 per share.
  - (7) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 10,609 shares of Dow Jones common stock for \$9.43 per share.
  - (8) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 38,333 shares of Dow Jones common stock for \$19.36 per share.
  - (9) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 5,166 shares of Dow Jones common stock for \$19.36 per share.
  - (10) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 87,000 shares of Dow Jones common stock for \$26.86 per share.

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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