

YATES KATHLEEN

Form 4

January 25, 2005

**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

OMB  
Number: 3235-0287  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
YATES KATHLEEN

(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  
\_\_\_\_X\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)

President and COO

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 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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	01/21/2005		D	17,029	D	0	D
Common Stock	01/21/2005		D	1,766	D	0	D
Common Stock	01/21/2005		D	120,213	D	0	D

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

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SEC 1474  
(9-02)

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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)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 3.912	01/21/2005		D	16,667	<u>(4)</u>	08/23/2012	Common Stock	16,667
Employee Stock Option (Right to Buy)	\$ 8.51	01/21/2005		D	15,839	<u>(5)</u>	11/14/2013	Common Stock	15,839
Employee Stock Option (Right to Buy)	\$ 8.51	01/21/2005		D	17,495	<u>(6)</u>	11/14/2013	Common Stock	17,495
Employee Stock Option (Right to Buy)	\$ 11.68	01/21/2005		D	8,561	<u>(7)</u>	09/24/2014	Common Stock	8,561
Employee Stock Option (Right to Buy)	\$ 11.68	01/21/2005		D	41,439	<u>(8)</u>	09/24/2014	Common Stock	41,439
Employee Stock Option (Right to Buy)	\$ 18	01/21/2005		D	25,000	<u>(9)</u>	12/03/2014	Common Stock	25,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
YATES KATHLEEN 825 BATTERY ST. SAN FRANCISCO, CA 94111			President and COO	

## Signatures

Kathleen Yates 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 a cash consideration of \$18 per share on the effective date of the merger.
  - (2) The purchase right under the issuer's ESPP plan was canceled in the Merger in exchange for cash consideration of \$19,749.18. 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.
  - (3) Disposed of pursuant to the merger agreement between the issuer and Dow Jones and Company, Inc. in exchange for the right to receive a cash consideration of \$18 per share on the effective date of 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 7,250 shares of Dow Jones common stock for \$9.00 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 6,889 shares of Dow Jones common stock for \$19.57 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 7,610 shares of Dow Jones common stock for \$19.57 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 3,724 shares of Dow Jones common stock for \$26.86 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 18,025 shares of Dow Jones common stock for \$26.86 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 10,875 shares of Dow Jones common stock for \$41.38 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.