

Locke Arthur S III
 Form 3
 January 11, 2005

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 *

Locke Arthur S III
 (Last) (First) (Middle)

2. Date of Event Requiring Statement

(Month/Day/Year)
 01/01/2005

3. Issuer Name and Ticker or Trading Symbol
 MICROSTRATEGY INC [MSTR]

4. Relationship of Reporting Person(s) to Issuer

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

(Check all applicable)

Director 10% Owner
 Officer Other
 (give title below) (specify below)
 VP, Finance and CFO

C/O MICROSTRATEGY
 INCORPORATED, 1861
 INTERNATIONAL DRIVE

(Street)

MCLEAN, VA 22102

(City) (State) (Zip)

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 Beneficially Owned

1. Title of Security
 (Instr. 4)

2. Amount of Securities Beneficially Owned
 (Instr. 4)

3. Ownership Form:
 Direct (D)
 or Indirect (I)
 (Instr. 5)

4. Nature of Indirect Beneficial Ownership
 (Instr. 5)

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security
 (Instr. 4)

2. Date Exercisable and Expiration Date
 (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security
 (Instr. 4)

4. Conversion or Exercise Price of Derivative Security

5. Ownership Form of Derivative Security: Direct (D)

6. Nature of Indirect Beneficial Ownership
 (Instr. 5)

Date Exercisable Date Expiration Date

Title Amount or Number of

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				Shares		or Indirect (I) (Instr. 5)	
Employee Stock Option (right to buy)	Â (1)	02/21/2011	Class A Common Stock	3,500	\$ 101.25	D	Â
Employee Stock Option (right to buy)	Â (2)	04/18/2011	Class A Common Stock	1,950	\$ 24.8	D	Â
Employee Stock Option (right to buy)	Â (3)	04/25/2012	Class A Common Stock	140	\$ 23	D	Â
Employee Stock Option (right to buy)	Â (4)	02/08/2013	Class A Common Stock	7,650	\$ 20.69	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Locke Arthur S III C/O MICROSTRATEGY INCORPORATED 1861 INTERNATIONAL DRIVE MCLEAN, VA 22102	Â	Â	Â VP, Finance and CFO	Â

Signatures

Arthur S. Locke,
III 01/11/2005

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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 3,500 shares subject to this stock option vest in five equal annual installments beginning on 03/31/2002.
- (2) Of the 1,950 shares subject to this stock option, 575 shares vested on 04/18/2004 and the remaining 1,375 shares vest on 04/18/2005.
Of the 140 shares subject to this stock option, 16 shares vested on 12/31/2004. The remaining 124 shares subject to this stock option vest in accordance with the following schedule: (i) 15 shares vest on 03/31/2005; (ii) 16 shares vest on 06/30/2005; (iii) 15 shares vest on 09/30/2005; (iv) 16 shares vest on 12/31/2005; (v) 16 shares vest on 03/31/2006; (vi) 15 shares vest on 06/30/2006; (vii) 15 shares vest on 09/30/2006; and (viii) 16 shares vest on 12/31/2006.
- (4) Of the 7,650 shares subject to this stock option, 850 shares vested on 02/08/2004 and the remaining 6,800 shares vest in four equal annual installments beginning on 02/08/2005.

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Remarks:

Exhibit List:

Exhibit 24 - Power of Attorney

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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