

# Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation  
 Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

**2003**

For calendar year 2003, or tax year beginning , 2003, and ending

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

|   |   |  |  |  |   |
|---|---|--|--|--|---|
| Use the IRS label. Otherwise, print or type. See Specific Instructions. | Name of organization<br><b>BILL &amp; MELINDA GATES FOUNDATION</b>  |  |  | A Employer identification number<br><b>91-1663695</b>                      |   |
|   | Number and street (or P.O. box number if mail is not delivered to street address)<br><b>1551 EASTLAKE AVENUE EAST</b> |  |  | Room/suite   | B Telephone number (see page 10 of the instructions)<br><b>(206) 709-3100</b> |
|   | City or town, state, and ZIP code<br><b>SEATTLE, WA 98102</b>   |  |  |  |   |
|   |   |  |  | C If exemption application is pending, check here <input type="checkbox"/> |   |

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ **\$ 26,810,517,770.**

J Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_ (Part I, column (d) must be on cash basis.)

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

| Part I Analysis of Revenue and Expenses<br>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).) |   | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|---|------------------------------------|---------------------------|-------------------------|---|
| Revenue   | 1 Contributions, gifts, grants, etc., received (attach schedule). Check <input type="checkbox"/> if the foundation is not required to attach Sch. B |                                    |                           |                         |   |
|   | 2 Distributions from split-interest trusts  |                                    |                           |                         |   |
|   | 3 Interest on savings and temporary cash investments  | 927,009,995.                       | 927,009,995.              |                         |   |
|   | 4 Dividends and interest from securities  | 85,180,976.                        | 102,737,082.              |                         |   |
|   | 5a Gross rents  |                                    |                           |                         |   |
|   | b (Net rental income or (loss))   |                                    |                           |                         |   |
|   | 6a Net gain or (loss) from sale of assets not on line 10  | 605,965,336.                       |                           |                         |   |
|   | b Gross sales price for all assets on line 6a <b>53591623283.</b>   |                                    |                           |                         |   |
|   | 7 Capital gain net income (from Part IV, line 2)  |                                    | 589,437,728.              |                         |   |
|   | 8 Net short-term capital gain   |                                    |                           |                         |   |
|   | 9 Income modifications  |                                    |                           |                         |   |
|   | 10a Gross sales less returns and allowances   |                                    |                           |                         |   |
| b Less: Cost of goods sold  |   |                                    |                           |                         |   |
| c Gross profit or (loss) (attach schedule)  | -33,303.  |                                    |                           |                         |   |
| 11 Other income (attach schedule)   | 362,302,455.  | 48,962,311.                        |                           | STMT 1                  |   |
| 12 Total. Add lines 1 through 11  | 1,980,425,459.  | 1,668,147,116.                     |                           |                         |   |
| Operating and Administrative Expenses   | 13 Compensation of officers, directors, trustees, etc.  | 744,541.                           |                           |                         | 744,541.  |
|   | 14 Other employee salaries and wages  | 18,980,021.                        |                           |                         | 18,629,977.   |
|   | 15 Pension plans, employee benefits   | 6,183,886.                         |                           |                         | 6,184,117.  |
|   | 16a Legal fees (attach schedule) STMT 2   | 955,669.                           | NONE                      | NONE                    | 755,475.  |
|   | b Accounting fees (attach schedule) STMT 3  | 116,826.                           | NONE                      | NONE                    | 117,884.  |
|   | c Other professional fees (attach schedule) STMT 4  | 62,365,061.                        | 29,708,100.               |                         | 32,386,859.   |
|   | 17 Interest   |                                    |                           |                         |   |
|   | 18 Taxes (attach schedule) (see page 13 of the instructions)  | ** 38,573,847.                     | 5,008,806.                |                         | 105,922.  |
|   | 19 Depreciation (attach schedule) and depletion   | 8,783,382.                         |                           |                         |   |
|   | 20 Occupancy  | 5,611,545.                         | 151,024.                  |                         | 4,301,465.  |
|   | 21 Travel, conferences, and meetings  | 5,937,341.                         |                           |                         | 6,112,095.  |
|   | 22 Printing and publications  | 735,751.                           |                           |                         | 770,015.  |
|   | 23 Other expenses (attach schedule) STMT 6  | 11,677,596.                        | 8,023,955.                |                         | 6,127,271.  |
|   | 24 Total operating and administrative expenses. Add lines 13 through 23   | 160,665,466.                       | 42,891,885.               | NONE                    | 76,235,621.   |
|   | 25 Contributions, gifts, grants paid  | 1,359,635,484.                     |                           |                         | 1,182,791,982.  |
| 26 Total expenses and disbursements. Add lines 24 and 25  | 1,520,300,950.  | 42,891,885.                        | NONE                      | 1,259,027,603.          |   |
| 27 Subtract line 26 from line 12:   |   |                                    |                           |                         |   |
| a Excess of revenue over expenses and disbursements   | 460,124,509.  |                                    |                           |                         |   |
| b Net investment income (if negative, enter -0-)  |   | 1,625,255,231.                     |                           |                         |   |
| c Adjusted net income (if negative, enter -0-)  |   |                                    | -0-                       |                         |   |

| Part II Balance Sheets      |  | Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)                   |   |                 |                |
|-----------------------------|--|--|---|-----------------|----------------|
|                             |  | Beginning of year<br>(a) Book Value  | End of year<br>(b) Book Value (c) Fair Market Value |                 |                |
| Assets                      | 1  | Cash - non-interest-bearing  | 612.  | 182,800.        | 182,800.       |
|                             | 2  | Savings and temporary cash investments   | 674,242,738.  | 398,686,495.    | 398,686,495.   |
|                             | 3  | Accounts receivable ▶ 300,880,623.   |   |                 |                |
|                             |  | Less: allowance for doubtful accounts ▶  | 288,238,491.  | 300,880,623.    | 300,880,623.   |
|                             | 4  | Pledges receivable ▶   |   |                 |                |
|                             |  | Less: allowance for doubtful accounts ▶  |   |                 |                |
|                             | 5  | Grants receivable  |   |                 |                |
|                             | 6  | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) |   |                 |                |
|                             | 7  | Other notes and loans receivable (attach schedule) ▶   |   |                 |                |
|                             |  | Less: allowance for doubtful accounts ▶  |   |                 |                |
|                             | 8  | Inventories for sale or use  |   |                 |                |
|                             | 9  | Prepaid expenses and deferred charges  | 581,309.  | 719,902.        | 719,902.       |
|                             | 10 a   | Investments - U.S. and state government obligations (attach schedule) **   | 559,279,184.  | 4,351,902,691.  | 4,351,902,691. |
|                             | b  | Investments - corporate stock (attach schedule) STMT 8.  | 2,812,695,253.                                      | 5,237,420,438.  | 5,237,420,438. |
|                             | c  | Investments - corporate bonds (attach schedule) STMT 9.  | 5,717,768,413.                                      | 6,602,829,780.  | 6,602,829,780. |
|                             | 11   | Investments - land, buildings, and equipment: basis  |   |                 |                |
|                             | Less: accumulated depreciation (attach schedule) ▶   |  |   |                 |                |
| 12                          | Investments - mortgage loans   |  |   |                 |                |
| 13                          | Investments - other (attach schedule) STMT 10.   | 7,475,812,834.   | 9,881,670,716.                                      | 9,881,670,716.  |                |
| 14                          | Land, buildings, and equipment: basis  |  |   |                 |                |
|                             | Less: accumulated depreciation (attach schedule) ▶ 43,550,901.   | 21,723,354.  | 21,827,547.   | 21,827,547.     |                |
| 15                          | Other assets (describe ▶ STMT 11)  | 6,525,585,068.   | 14,396,778.   | 14,396,778.     |                |
| 16                          | Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I)                                 | 24,081,369,193.  | 26,810,517,770.                                     | 26,810,517,770. |                |
| Liabilities                 | 17   | Accounts payable and accrued expenses  | 12,441,696.   | 20,308,875.     |                |
|                             | 18   | Grants payable   | 1,495,255,049.                                      | 1,672,868,424.  |                |
|                             | 19   | Deferred revenue   |   |                 |                |
|                             | 20   | Loans from officers, directors, trustees, and other disqualified persons   |   |                 |                |
|                             | 21   | Mortgages and other notes payable (attach schedule)  |   |                 |                |
|                             | 22   | Other liabilities (describe ▶ STMT 12)   | 12,108,918.   | 26,033,551.     |                |
| 23                          | Total liabilities (add lines 17 through 22)  | 1,519,805,663.   | 1,719,210,850.                                      |                 |                |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31. |  |   |                 |                |
|                             | 24   | Unrestricted   | 22,561,563,530.                                     | 25,091,306,920. |                |
|                             | 25   | Temporarily restricted   |   |                 |                |
|                             | 26   | Permanently restricted   |   |                 |                |
|                             | Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>                         |  |   |                 |                |
|                             | 27   | Capital stock, trust principal, or current funds   |   |                 |                |
|                             | 28   | Paid-in or capital surplus, or land, bldg., and equipment fund   |   |                 |                |
| 29                          | Retained earnings, accumulated income, endowment, or other funds   |  |   |                 |                |
| 30                          | Total net assets or fund balances (see page 17 of the instructions)  | 22,561,563,530.  | 25,091,306,920.                                     |                 |                |
| 31                          | Total liabilities and net assets/fund balances (see page 17 of the instructions)   | 24,081,369,193.  | 26,810,517,770.                                     |                 |                |

**Part III Analysis of Changes in Net Assets or Fund Balances**

|   |  |   |                |
|---|--|---|----------------|
| 1 | Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 22561563530.   |
| 2 | Enter amount from Part I, line 27a   | 2 | 460,124,509.   |
| 3 | Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 13  | 3 | 2,069,618,881. |
| 4 | Add lines 1, 2, and 3  | 4 | 25091306920.   |
| 5 | Decreases not included in line 2 (itemize) ▶   | 5 |                |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30  | 6 | 25091306920.   |

\*\*STMT 7

**Part IV Capital Gains and Losses for Tax on Investment Income**

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)  |  |   | (b) How acquired<br>P-Purchase<br>D-Donation  | (c) Date acquired<br>(mo., day, yr.) | (d) Date sold<br>(mo., day, yr.) |
|---|--|---|---|--------------------------------------|----------------------------------|
| <b>1a SEE PART IV SCHEDULE</b>  |  |   |   |                                      |                                  |
| b   |  |   |   |                                      |                                  |
| c   |  |   |   |                                      |                                  |
| d   |  |   |   |                                      |                                  |
| e   |  |   |   |                                      |                                  |
| (e) Gross sales price   | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g)  |                                      |                                  |
| a   |  |   |   |                                      |                                  |
| b   |  |   |   |                                      |                                  |
| c   |  |   |   |                                      |                                  |
| d   |  |   |   |                                      |                                  |
| e   |  |   |   |                                      |                                  |
| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69   |  |   | (i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |                                      |                                  |
| (i) F.M.V. as of 12/31/69   | (j) Adjusted basis<br>as of 12/31/69       | (k) Excess of col. (i)<br>over col. (j), if any |   |                                      |                                  |
| a   |  |   |   |                                      |                                  |
| b   |  |   |   |                                      |                                  |
| c   |  |   |   |                                      |                                  |
| d   |  |   |   |                                      |                                  |
| e   |  |   |   |                                      |                                  |
| 2 Capital gain net income or (net capital loss) . . . . .   |  |   | 2   | 589,437,728.                         |                                  |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):<br>If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions).<br>If (loss), enter -0- in Part I, line 8 . . . . . |  |   |   |                                      |                                  |

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . .  Yes  No  
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 17 of the instructions before making any entries.

| (a)<br>Base period years Calendar year<br>(or tax year beginning in)   | (b)<br>Adjusted qualifying distributions | (c)<br>Net value of noncharitable-use assets | (d)<br>Distribution ratio<br>(col. (b) divided by col. (c)) |
|--|--|--|---|
| 2002   | 1,238,249,533.                           | 23,299,692,084.                              | 0.05314445910   |
| 2001   | 1,179,539,373.                           | 22,337,837,124.                              | 0.05280454712   |
| 2000   | 991,553,573.                             | 20,261,693,232.                              | 0.04893734999   |
| 1999   | 513,922,234.                             | 13,579,574,683.                              | 0.03784523787   |
| 1998   | 81,413,576.                              | 2,055,122,996.                               | 0.03961494089   |
| 2 Total of line 1, column (d) . . . . .  |  |  | 2 0.23234653497   |
| 3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . . . . |  |  | 3 0.04646930699   |
| 4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5 . . . . .   |  |  | 4 24,865,047,239.   |
| 5 Multiply line 4 by line 3 . . . . .  |  |  | 5 1,155,461,513.  |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .   |  |  | 6 16,252,552.   |
| 7 Add lines 5 and 6 . . . . .  |  |  | 7 1,171,714,065.  |
| 8 Enter qualifying distributions from Part XII, line 4 . . . . .   |  |  | 8 1,264,105,909.  |

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 17.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 17 of the instructions)

Table with 11 rows for excise tax calculations. Includes items like 'Exempt operating foundations', 'Domestic organizations that meet the section 4940(e) requirements', and 'Total credits and payments'. Total tax due is 16,558,380.

Part VII-A Statements Regarding Activities

Table with 11 rows for activity statements. Includes questions about influencing legislation, political expenditures, and organizational changes. Includes 'ATTACHMENT A' and website information for GATES FOUNDATION.ORG.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

|     |   | Yes                                     | No                                     |
|-----|---|---|--|
| 1 a | During the year did the organization (either directly or indirectly):   |   |  |
|     | (1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . . .  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . .  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . .  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
|     | (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . .  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
|     | (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | (6) Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| b   | If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? . . . . .   |   | <input checked="" type="checkbox"/>    |
|     | Organizations relying on a current notice regarding disaster assistance check here . . . . .  |   | <input type="checkbox"/>               |
| c   | Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2003? . . . . .   |   | <input checked="" type="checkbox"/>    |
| 2   | Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):  |   |  |
| a   | At the end of tax year 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003? . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | If "Yes," list the years . . . . .  |   |  |
| b   | Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 19 of the instructions.) . . . . .  |   | N/A                                    |
| c   | If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. . . . .  |   |  |
| 3 a | Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . .  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| b   | If "Yes," did it have excess business holdings in 2003 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2003.) . . . . . |   | <input checked="" type="checkbox"/>    |
| 4 a | Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? . . . . .   |   | <input checked="" type="checkbox"/>    |
| b   | Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2003? . . . . .   |   | <input checked="" type="checkbox"/>    |
| 5 a | During the year did the organization pay or incur any amount to:  |   |  |
|     | (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | (3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . .  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
|     | (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? . . . . .  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
|     | (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| b   | If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? . . . . .  |   | <input checked="" type="checkbox"/>    |
|     | Organizations relying on a current notice regarding disaster assistance check here . . . . .  |   | <input type="checkbox"/>               |
| c   | If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . .  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
|     | If "Yes," attach the statement required by Regulations section 53.4945-5(d).  |   |  |
| 6 a | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| b   | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .  |   | <input checked="" type="checkbox"/>    |
|     | If you answered "Yes" to 6b, also file Form 8870.   |   |  |

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):**

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (if not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|----------------------|---|---|---|---------------------------------------|
| SEE STATEMENT 14     |   | 744,541.                                  | 118,579.  | NONE                                  |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 20 of the instructions). If none, enter "NONE."**

| (a) Name and address of each employee paid more than \$50,000 | (b) Title and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|--|------------------|---|---------------------------------------|
| RICHARD D. KLAUSNER, MD<br>1551 EASTLAKE AVENUE EAST          | EXEC DIR GLOBAL HLTH<br>40 HRS/WK                        | 364,919.         | 43,025.   | NONE                                  |
| ASHOK ALEXANDER<br>1551 EASTLAKE AVENUE EAST                  | DIR INDIA AIDS INIT.<br>40 HRS/WK                        | 291,856.         | 33,691.   | NONE                                  |
| REGINA N. RABINOVICH, MD<br>1551 EASTLAKE AVENUE EAST         | DIR DISEASES PROGRAM<br>40 HRS/WK                        | 288,606.         | 39,656.   | NONE                                  |
| THOMAS J. VANDER ARK<br>1551 EASTLAKE AVENUE EAST             | EXEC DIR EDUC. INIT.<br>40 HRS/WK                        | 280,792.         | 43,416.   | NONE                                  |
| GORDON W. PERKIN, MD<br>1551 EASTLAKE AVENUE EAST             | SENIOR FELLOW<br>40 HRS/WK                               | 266,408.         | 38,971.   | NONE                                  |
| Total number of other employees paid over \$50,000            |  |                  |   | 182                                   |

**3 Five highest-paid independent contractors for professional services - (see page 20 of the instructions). If none, enter "NONE."**

| (a) Name and address of each person paid more than \$50,000                     | (b) Type of service  | (c) Compensation |
|---|----------------------|------------------|
| COALITION OF ESSENTIAL SCHOOLS NORTHWEST<br>1500 NORTH WARNER, TACOMA, WA 98416 | GRANTEE ASSISTANCE   | 4,529,103.       |
| KPMG<br>DEPT 0966, PO BOX 120001 DALLAS TX 75312                                | GLOBAL GRANT SUPPORT | 1,477,049.       |
| THE CORKERY GROUP<br>260 FIFTH AVENUE, NEW YORK, NY 10001                       | HIV WORKING GROUP    | 1,314,351.       |
| CARNEGIE CORPORATION<br>437 MADISON AVENUE, NEW YORK, NY 10022                  | SCHOOL REFORM EFFORT | 1,000,000.       |
| CONSULTNET WASHINGTON<br>11814 S ELECTION DRIVE, DRAPER, UT 84020               | TECHNOLOGY SUPPORT   | 896,836.         |
| Total number of others receiving over \$50,000 for professional services        |                      | 49               |

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

|   | Expenses    |
|---|-------------|
| 1 PROVIDED CONSULTING ASSISTANCE TO SCHOOLS AND DISTRICTS;<br>CONVENED EDUCATORS ON LEADERSHIP/EDUCATION BEST PRACTICES;<br>SHARED PROGRAM EVALUATION INFO AND LESSONS LEARNED        | 18,792,856. |
| 2 PROVIDED COMPUTER INSTALLATION SERVICES, TRAINING, AND TECH<br>SUPPORT TO PUBLIC LIBRARIES IN NINE STATES (DE, MO, WI, CT,<br>RI, MA, NH, IA, AK) FOR PUBLIC ACCESS TO THE INTERNET | 12,537,145. |
| 3 PROVIDED GROUNDWORK FOR VACCINE MANUFACTURERS ALLIANCE<br>CONCEPT; INITIATED GLOBAL HEALTH LEADERSHIP PROGRAM;<br>DEVELOPED INDIA HIV/AIDS PREVENTION STRATEGY                      | 1,324,799.  |
| 4 SUPPORTED DEVELOPMENT OF A LONG-TERM PROGRAM FOR<br>TRANSITIONAL HOUSING; PROVIDED GRANTEE ASSISTANCE IN<br>RURAL COMMUNITIES   | 117,289.    |

**Part IX-B Summary of Program-Related Investments** (see page 21 of the instructions)

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2. |   | Amount     |
|---|---|------------|
| 1   | INTEREST FREE LOAN TO UNIVERSITY CHILD DEVELOPMENT SCHOOL IN SEATTLE, WA TO PROVIDE INTERIM FUNDING IN SUPPORT OF CONSTRUCTION OF THE NORTH CAMPUS BUILDING | 1,440,000. |
| 2   |   |            |
| All other program-related investments. See page 21 of the instructions.   |   |            |
| 3   | NONE  |            |
| <b>Total.</b> Add lines 1 through 3   |   | 1,440,000. |

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 21 of the instructions.)

|   |   |    |                 |
|---|---|----|-----------------|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:               |    |                 |
| a | Average monthly fair market value of securities   | 1a | 24,403,091,993. |
| b | Average of monthly cash balances  | 1b | 824,321,283.    |
| c | Fair market value of all other assets (see page 22 of the instructions)   | 1c | 16,289,505.     |
| d | <b>Total</b> (add lines 1a, b, and c)   | 1d | 25,243,702,781. |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)                 | 1e | NONE            |
| 2 | Acquisition indebtedness applicable to line 1 assets  | 2  | NONE            |
| 3 | Subtract line 2 from line 1d  | 3  | 25,243,702,781. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 23 of the instructions) | 4  | 378,655,542.    |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4                      | 5  | 24,865,047,239. |
| 6 | Minimum investment return. Enter 5% of line 5   | 6  | 1,243,252,362.  |

**Part XI Distributable Amount** (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

|    |  |    |                |
|----|--|----|----------------|
| 1  | Minimum investment return from Part X, line 6  | 1  | 1,243,252,362. |
| 2a | Tax on investment income for 2003 from Part VI, line 5   | 2a | 16,252,552.    |
| b  | Income tax for 2003. (This does not include the tax from Part VI.)                                 | 2b | NONE           |
| c  | Add lines 2a and 2b  | 2c | 16,252,552.    |
| 3  | Distributable amount before adjustments. Subtract line 2c from line 1                              | 3  | 1,226,999,810. |
| 4a | Recoveries of amounts treated as qualifying distributions  | 4a | 10,200,931.    |
| b  | Income distributions from section 4947(a)(2) trusts  | 4b | NONE           |
| c  | Add lines 4a and 4b  | 4c | 10,200,931.    |
| 5  | Add lines 3 and 4c   | 5  | 1,237,200,741. |
| 6  | Deduction from distributable amount (see page 23 of the instructions)                              | 6  | NONE           |
| 7  | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | 7  | 1,237,200,741. |

**Part XII Qualifying Distributions** (see page 23 of the instructions)

|   |   |    |                |
|---|---|----|----------------|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:  |    |                |
| a | Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26   | 1a | 1,259,027,603. |
| b | Program-related investments - Total from Part IX-B  | 1b | 1,440,000.     |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes   | 2  | 3,638,306.     |
| 3 | Amounts set aside for specific charitable projects that satisfy the:  |    |                |
| a | Suitability test (prior IRS approval required)  | 3a | NONE           |
| b | Cash distribution test (attach the required schedule)   | 3b | NONE           |
| 4 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4  | 4  | 1,264,105,909. |
| 5 | Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions) | 5  | 16,252,552.    |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4  | 6  | 1,247,853,357. |

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see page 24 of the instructions)

|  | (a)<br>Corpus | (b)<br>Years prior to 2002 | (c)<br>2002 | (d)<br>2003 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2003 from Part XI, line 7 . . . . .   |               |                            |             | 1237200741. |
| 2 Undistributed income, if any, as of the end of 2002:   |               |                            |             |             |
| a Enter amount for 2002 only . . . . .   |               |                            | NONE        |             |
| b Total for prior years: . . . . .   |               | NONE                       |             |             |
| 3 Excess distributions carryover, if any, to 2003:   |               |                            |             |             |
| a From 1998 . . . . .  | 72,267,391.   |                            |             |             |
| b From 1999 . . . . .  | 203,473,210.  |                            |             |             |
| c From 2000 . . . . .  | 76,942,701.   |                            |             |             |
| d From 2001 . . . . .  | 135,729,759.  |                            |             |             |
| e From 2002 . . . . .  | 103,019,469.  |                            |             |             |
| f Total of lines 3a through e . . . . .  | 591,432,530.  |                            |             |             |
| 4 Qualifying distributions for 2003 from Part XII, line 4: ▶ \$ 1,264,105,909.   |               |                            |             |             |
| a Applied to 2002, but not more than line 2a . . . . .   |               |                            | NONE        |             |
| b Applied to undistributed income of prior years (Election required - see page 24 of the instructions) . . . . .   |               | NONE                       |             |             |
| c Treated as distributions out of corpus (Election required - see page 24 of the instructions) . . . . .   | NONE          |                            |             |             |
| d Applied to 2003 distributable amount. . . . .  |               |                            |             | 1237200741. |
| e Remaining amount distributed out of corpus . . . . .   | 26,905,168.   |                            |             |             |
| 5 Excess distributions carryover applied to 2003 (If an amount appears in column (d), the same amount must be shown in column (a).)  | NONE          |                            |             | NONE        |
| 6 Enter the net total of each column as indicated below:   |               |                            |             |             |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .  | 618,337,698.  |                            |             |             |
| b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .   |               | NONE                       |             |             |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . . |               | NONE                       |             |             |
| d Subtract line 6c from line 6b. Taxable amount - see page 24 of the instructions . . . . .  |               | NONE                       |             |             |
| e Undistributed income for 2002. Subtract line 4a from line 2a. Taxable amount - see page 24 of the instructions . . . . .   |               |                            | NONE        |             |
| f Undistributed income for 2003. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2004 . . . . .  |               |                            |             | NONE        |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions) . . . . .                   | NONE          |                            |             |             |
| 8 Excess distributions carryover from 1998 not applied on line 5 or line 7 (see page 25 of the instructions) . . . . .   | 72,267,391.   |                            |             |             |
| 9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a . . . . .  | 546,070,307.  |                            |             |             |
| 10 Analysis of line 9:   |               |                            |             |             |
| a Excess from 1999 . . . . .   | 203,473,210.  |                            |             |             |
| b Excess from 2000 . . . . .   | 76,942,701.   |                            |             |             |
| c Excess from 2001 . . . . .   | 135,729,759.  |                            |             |             |
| d Excess from 2002 . . . . .   | 103,019,469.  |                            |             |             |
| e Excess from 2003 . . . . .   | 26,905,168.   |                            |             |             |



**Part XIV Private Operating Foundations** (see page 25 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2003, enter the date of the ruling . . . . .

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

|   | Tax year |          |          |          | (e) Total |
|---|----------|----------|----------|----------|-----------|
|   | (a) 2003 | (b) 2002 | (c) 2001 | (d) 2000 |           |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .                     |          |          |          |          |           |
| b 85% of line 2a . . . . .  |          |          |          |          |           |
| c Qualifying distributions from Part XII, line 4 for each year listed . . . . .   |          |          |          |          |           |
| d Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .   |          |          |          |          |           |
| e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .                                   |          |          |          |          |           |
| 3 Complete 3a, b, or c for the alternative test relied upon:  |          |          |          |          |           |
| a "Assets" alternative test - enter:  |          |          |          |          |           |
| (1) Value of all assets . . . . .   |          |          |          |          |           |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .   |          |          |          |          |           |
| b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .                              |          |          |          |          |           |
| c "Support" alternative test - enter:   |          |          |          |          |           |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . . |          |          |          |          |           |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii) . . . . .                                       |          |          |          |          |           |
| (3) Largest amount of support from an exempt organization . . . . .   |          |          |          |          |           |
| (4) Gross investment income . . . . .   |          |          |          |          |           |

**Part XV Supplementary Information** (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 25 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

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b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 25 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

SEE STATEMENT 15

b The form in which applications should be submitted and information and materials they should include:

SEE STATEMENT 15 AND WWW.GATESFOUNDATION.ORG

c Any submission deadlines:

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: SEE STATEMENT 15 AND WWW.GATESFOUNDATION.ORG

**Part XV** Supplementary Information (continued)

**3** Grants and Contributions Paid During the Year or Approved for Future Payment

| Recipient<br>Name and address (home or business)  | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount         |
|---|---|--------------------------------|----------------------------------|----------------|
| a Paid during the year<br>SEE ATTACHMENT C        |   |                                |                                  | 1182791982.    |
| Total ..... ▶ 3a                                  |   |                                |                                  | 1,182,791,982. |
| b Approved for future payment<br>SEE ATTACHMENT G |   |                                |                                  | 824,493,982.   |
| Total ..... ▶ 3b                                  |   |                                |                                  | 824,493,982.   |

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, and (e) Related or exempt function income. Rows include Program service revenue, Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income or (loss) from real estate, Net rental income or (loss) from personal property, Other investment income, Gain or (loss) from sales of assets other than inventory, Net income or (loss) from special events, Gross profit or (loss) from sales of inventory, Other revenue, Subtotal, and Total.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). (See page 26 of the instructions.)

NOT APPLICABLE

**Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
- |  | Yes | No |
|--|-----|----|
| a Transfers from the reporting organization to a noncharitable exempt organization of:   |     |    |
| (1) Cash   | X   |    |
| (2) Other assets   |     | X  |
| b Other transactions:  |     |    |
| (1) Sales of assets to a noncharitable exempt organization   |     | X  |
| (2) Purchases of assets from a noncharitable exempt organization   |     | X  |
| (3) Rental of facilities, equipment, or other assets   |     | X  |
| (4) Reimbursement arrangements   |     | X  |
| (5) Loans or loan guarantees   |     | X  |
| (6) Performance of services or membership or fundraising solicitations   |     | X  |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees   |     | X  |
| d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. |     |    |

| (a) Line no. | (b) Amount involved | (c) Name of noncharitable exempt organization | (d) Description of transfers, transactions, and sharing arrangements |
|--------------|---------------------|---|--|
| 1A(1)        | 185,900.            | ALASKA COUNCIL OF SCHOOL ADMINISTRATOR        | LEADERSHIP DEVELOPMENT FOR SUPERINTENDENTS & PRINCIPALS              |
| 1A(1)        | 604,314.            | ALASKA COUNCIL OF SCHOOL ADMINISTRATOR        | LEADERSHIP DEVELOPMENT FOR SUPERINTENDENTS & PRINCIPALS              |
| 1A(1)        | 200,000.            | IDAHO ASSOCIATION OF SCHOOL ADMINISTRATOR     | LEADERSHIP DEVELOPMENT FOR SUPERINTENDENTS & PRINCIPALS              |
| 1A(1)        | 814,000.            | MINNESOTA ASSOC. OF SCHOOL ADMINISTRATOR      | LEADERSHIP DEVELOPMENT FOR SUPERINTENDENTS & PRINCIPALS              |

2 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

b If "Yes," complete the following schedule.

| (a) Name of organization | (b) Type of organization | (c) Description of relationship |
|--------------------------|--------------------------|---------------------------------|
| N/A                      |                          |                                 |

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

|  |                                 |  |      |   |
|--|---------------------------------|--|------|---|
| Sign Here  | Signature of officer or trustee |  | Date | Title   |
|  | Paid Preparer's Use Only        | Preparer's signature   | Date | Check if self-employed <input type="checkbox"/> |
| Firm's name (or yours if self-employed), address, and ZIP code |                                 | CLARK NUBER P.S.<br>10900 NE 4TH, SUITE 1700<br>BELLEVUE, WA 98004 |      | EIN ▶ 91-1194016<br>Phone no. 425 454-4919      |

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

| Kind of Property                             |                                       | Description  |                          |                                 |                                    | P<br>or<br>D | Date<br>acquired             | Date sold |
|--|---------------------------------------|--|--------------------------|---------------------------------|------------------------------------|--------------|------------------------------|-----------|
| Gross sale<br>price less<br>expenses of sale | Depreciation<br>allowed/<br>allowable | Cost or<br>other<br>basis  | FMV<br>as of<br>12/31/69 | Adj. basis<br>as of<br>12/31/69 | Excess of<br>FMV over<br>adj basis |              | Gain<br>or<br>(loss)         |           |
| 1683359318                                   |                                       | EQUITIES - SEE ATTACHMENT N<br>PROPERTY TYPE: SECURITIES<br>1655288567         |                          |                                 |                                    | P            | VAR<br><br>28070751.         | VAR       |
| 6059956997                                   |                                       | FIXED INCOME - SEE ATTACHMENT O<br>PROPERTY TYPE: SECURITIES<br>5524454765     |                          |                                 |                                    | P            | VAR<br><br>535502232.        | VAR       |
| 5821816207                                   |                                       | CASH EQUIVALENTS - SEE ATTACHMENT P<br>PROPERTY TYPE: SECURITIES<br>5795951830 |                          |                                 |                                    | P            | VAR<br><br>25864377.         | VAR       |
| 368.   |                                       | CAPITAL GAIN DISTRIBUTION<br>PROPERTY TYPE: SECURITIES                         |                          |                                 |                                    | P            | VAR<br><br>368.              | VAR       |
| TOTAL GAIN (LOSS) .....                      |                                       |  |                          |                                 |                                    |              | -----<br>589437728.<br>===== |           |

- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box  **Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.**
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

**Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.**

|   |  |   |
|---|--|---|
| Type or print<br><br>File by the extended due date for filing the return. See instructions. | Name of Exempt Organization<br><b>Bill &amp; Melinda Gates Foundation</b>  | Employer identification number<br><b>91 : 1663695</b> |
|   | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>PO Box 23350</b>                        | For IRS use only                                      |
|   | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>Seattle, WA 98102</b> |   |

Check type of return to be filed (File a separate application for each return):

- Form 990     Form 990-EZ     Form 990-T (sec. 401(a) or 408(a) trust)     Form 1041-A     Form 5227     Form 8870  
 Form 990-BL     Form 990-PF     Form 990-T (trust other than above)     Form 4720     Form 6069

**STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until November 15, 2004
- 5 For calendar year 2003, or other tax year beginning \_\_\_\_\_, 20... and ending \_\_\_\_\_, 20....
- 6 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- 7 State in detail why you need the extension Taxpayer is waiting for information from third parties necessary to file a complete and accurate return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 990-T, 990-T, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions 19,867,116

b If this application is for Form 990-PF, 990-T, 990-T, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 32,811,832

c **Balance Due.** Subtract line 8b from line 8a. Include any payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions 0

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete and that I am authorized to prepare this form.

Signature \_\_\_\_\_ Title Chief Financial Officer Date 6 AUG 04

**Notice to Applicant—To Be Completed by the IRS**

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was granted.
- Other \_\_\_\_\_

**EXTENSION APPROVED**

**AUG 3 12 00 04**

**FIELD DIRECTOR  
SUBMISSION PROCESSING, OGDEN**

Director \_\_\_\_\_ By: \_\_\_\_\_  
Alternate Mailing Address — Enter the address if you want the copy of this application for an add returned to an address different than the one entered above.

|               |   |
|---------------|---|
| Type or print | Name  |
|               | Number and street (include suite, room, or apt. no.) Or a P.O. box number   |
|               | City or town, province or state, and country (including postal or ZIP code) |

# Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box  **X**
  - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

**Part I Automatic 3-Month Extension of Time** — Only submit original (no copies needed)  
**Note: Form 990-T corporations requesting an automatic 6-month extension** — check this box and complete Part I only  **X**  
 All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

|   |  |   |
|---|--|---|
| Type or print<br><br>File by the due date for filing your return. See instructions. | Name of Exempt Organization<br><b>Bill &amp; Melinda Gates Foundation</b>  | Employer identification number<br><b>91-1663695</b> |
|   | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>PO Box 23350</b>                        |   |
|   | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>Seattle, WA 98102</b> |   |

- Check type of return to be filed (file a separate application for each return):**
- |   |   |                                    |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990               | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ            | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States, check this box  **X**
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  **X**. If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until August 16, 2004, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  **X** calendar year 2003 or  
 ▶  tax year beginning \_\_\_\_\_, 20\_\_\_\_, and ending \_\_\_\_\_, 20\_\_\_\_.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions ..... \$ 19,867,116

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit ..... \$ 32,811,832

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions ..... \$ 0.00

### Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ \_\_\_\_\_ Title ▶ Chief Financial Officer Date ▶ May 13, 2004