

Locke Arthur S III
Form 4
February 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 *
Locke Arthur S III

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
02/23/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

VP, Finance and CFO

C/O MICROSTRATEGY INCORPORATED, 1861 INTERNATIONAL DRIVE

(Street)

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

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

MCLEAN, VA 22102

(City) (State) (Zip)

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) | |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|---|
| | | | | (A) or (D) | Price | | | |
| | | | | Code | V | Amount | | |
| Class A Common Stock | 02/23/2005 | | M | 16 | A | \$ 23 | 16 | D |
| Class A Common Stock | 02/23/2005 | | M | 1,524 | A | \$ 20.69 | 1,540 | D |
| Class A Common Stock | 02/23/2005 | | S | 700 | D | \$ 70.49 | 840 ⁽¹⁾ | D |
| Class A Common Stock | 02/23/2005 | | S | 300 | D | \$ 70.5 | 540 | D |

Signatures

Arthur S. Locke,
III

02/25/2005

__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) The order in which sale transactions are set forth in Table I is not necessarily reflective of the sequence in which the sale transactions occurred in fact.

(2) The 16 shares exercised on 02/23/2005 pursuant to this stock option vested on 12/31/2004. The remaining 124 shares subject to the stock option vest as follows: 15 shares on 03/31/2005, 16 shares on 06/30/2005, 15 shares on 09/30/2005, 16 shares on 12/31/2005, 16 shares on 03/31/2006, 15 shares on 06/30/2006, 15 shares on 09/30/2006, and 16 shares on 12/31/2006.

(3) The 1,524 shares exercised on 02/23/2005 pursuant to this stock option vested on 02/08/2005. The remaining 5,100 shares subject to the stock option vest in three equal annual installments beginning on 02/08/2006.

(4) See Exhibit A.

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.