

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2006, or tax year beginning 10/25, 2006, and ending 12/31/2006

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

Name of foundation: BILL & MELINDA GATES FOUNDATION
Employer identification number: 56-2618866
Address: 1551 EASTLAKE AVENUE EAST, SEATTLE, WA 98102
Room/suite:
Telephone number: (206) 709-3100

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
I Fair market value of all assets at end of year: \$ 29,654,540,810
J Accounting method: [X] Accrual

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Revenue (1-12) and Operating and Administrative Expenses (13-27).

For Privacy Act and Paperwork Reduction Act Notice, see the instructions. \*\*STMT 1 Form 990-PF (2006)

<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
<b>Assets</b>	1	Cash - non-interest-bearing . . . . .	NONE	100.	100.	
	2	Savings and temporary cash investments . . . . .	NONE	5,524,412.	5,524,412.	
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶				
	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 16 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 . . . . .	NONE	327,042.	327,042.	
	10 a	Investments - U.S. and state government obligations (attach schedule) . . . . .				
	b	Investments - corporate stock (attach schedule) . . . . .				
	c	Investments - corporate bonds (attach schedule) . . . . .				
	11	Investments - land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶	11,157,821.	NONE	11,157,821.	11,157,821.
	12	Investments - mortgage loans . . . . .				
	13	Investments - other (attach schedule) . . . . . STMT 3		NONE	29,564,176,183.	29,564,176,183.
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶	43,349,460.	NONE	43,349,460.	43,349,460.
15	Other assets (describe ▶ STMT 4 )		NONE	30,005,792.	30,005,792.	
16	<b>Total assets</b> (to be completed by all filers - see page 17 of the instructions. Also, see page 1, item I) . . . . .		NONE	29,654,540,810.	29,654,540,810.	
<b>Liabilities</b>	17	Accounts payable and accrued expenses . . . . .	NONE	2,025,262.		
	18	Grants payable . . . . .				
	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 ▶ )				
23	<b>Total liabilities</b> (add lines 17 through 22) . . . . .		NONE	2,025,262.		
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 24 through 26 and lines 30 and 31.</b>					
	24	Unrestricted . . . . .	NONE	29,652,515,548.		
	25	Temporarily restricted . . . . .				
	26	Permanently restricted . . . . .				
	<b>Organizations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <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	<b>Total net assets or fund balances</b> (see page 18 of the instructions) . . . . .		NONE	29,652,515,548.		
31	<b>Total liabilities and net assets/fund balances</b> (see page 18 of the instructions) . . . . .		NONE	29,654,540,810.		

<b>Part III Analysis of Changes in Net Assets or Fund Balances</b>			
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	NONE
2	Enter amount from Part I, line 27a . . . . .	2	88,339,365.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 5	3	29,564,176,183.
4	Add lines 1, 2, and 3 . . . . .	4	29,652,515,548.
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	29,652,515,548.

Part IV Capital Gains and Losses for Tax on Investment Income

Table with columns for property description, acquisition method, date acquired, date sold, sales price, depreciation, cost basis, gain/loss, and net capital gain/loss.

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. NOT AVAILABLE FOR INITIAL YEAR RETURNS

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

Table for qualification under Section 4940(e) with columns for base period years, adjusted qualifying distributions, net value of noncharitable-use assets, and distribution ratio.

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 19.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 19 of the instructions)

Table with 11 rows for excise tax calculations. Includes items like 'Exempt operating foundations', 'Domestic foundations', 'Tax under section 511', 'Credits/Payments', and 'Total credits and payments'. Values include 1,959, NONE, 10,000, and 8,041.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions like 'Did the foundation attempt to influence any national, state, or local legislation?', 'Did it spend more than \$100 during the year for political purposes?', and 'Has the foundation engaged in any activities that have not previously been reported to the IRS?'. Includes 'Yes' and 'No' columns.

Part VII-A Statements Regarding Activities Continued

11a At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. (see instructions)
b If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address WWW.GATESFOUNDATION.ORG
14 The books are in care of GWEN SHERMAN Telephone no. 206-709-3100
Located at 1551 EASTLAKE AVENUE EAST, SEATTLE, WA ZIP + 4 98102
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-F in lieu of Form 1041 - Check here N/A and enter the amount of tax-exempt interest received or accrues during the year 15

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.
1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(6) Agree to pay money or property to a government official?
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 22 of the instructions)?
c Did the foundation 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 2006?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006?
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation 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?
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation 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 2006?

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

5a During the year did the foundation pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(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)? (see instructions)
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
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 23 of the instructions)?
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ATTACHMENT C.
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
6b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?
7b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

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 23 of the instructions).

Table with 5 columns: (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. Row 1: SEE STATEMENT 7, NONE, NONE, NONE.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 24 of the instructions). If none, enter "NONE."

Table with 5 columns: (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. Row 1: NONE.

Total number of other employees paid over \$50,000 NONE

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

**3 Five highest-paid independent contractors for professional services (see page 24 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
SEE STATEMENT 8		3,143,955.
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<b>Total</b> number of others receiving over \$50,000 for professional services . . . . .		NONE

**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 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)**

Describe the two largest program-related investments made up by the foundation during the tax year on lines 1 and 2.	Amount
1 PROCREDIT HOLDING, A.G. - SEE ATTACHMENT D	20,000,000.
2 OPPORTUNITY TRANSFORMATION INVESTMENTS, INC. - SEE ATTACHMENT D	10,000,000.
All other program-related investments. See page 25 of the instructions.	
3 NONE	
<b>Total.</b> Add lines 1 through 3 . . . . .	30,000,000.

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 25 of the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	NONE
<b>b</b>	Average of monthly cash balances	<b>1b</b>	2,097,452.
<b>c</b>	Fair market value of all other assets (see page 25 of the instructions)	<b>1c</b>	11,163,612.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	13,261,064.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	NONE
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	13,261,064.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 26 of the instructions)	<b>4</b>	198,916.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	13,062,148.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 <b>INITIAL YEAR RETURN</b>	<b>6</b>	121,675.

**Part XI Distributable Amount** (see page 26 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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	121,675.
<b>2a</b>	Tax on investment income for 2006 from Part VI, line 5	<b>2a</b>	1,959.
<b>b</b>	Income tax for 2006. (This does not include the tax from Part VI.)	<b>2b</b>	NONE
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,959.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	119,716.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	NONE
<b>5</b>	Add lines 3 and 4	<b>5</b>	119,716.
<b>6</b>	Deduction from distributable amount (see page 26 of the instructions)	<b>6</b>	NONE
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	119,716.

**Part XII Qualifying Distributions**(see page 26 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	6,493,153.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	30,000,000.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	43,349,460.
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	79,842,613.
<b>5</b>	Foundations 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 27 of the instructions)	<b>5</b>	
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	79,842,613.

**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 27 of the instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
<b>1</b> Distributable amount for 2006 from Part XI, line 7 . . . . .				119,716.
<b>2</b> Undistributed income, if any, as of the end of 2005:				
<b>a</b> Enter amount for 2005 only . . . . .				
<b>b</b> Total for prior years: _____, _____, _____				
<b>3</b> Excess distributions carryover, if any, to 2006:				
<b>a</b> From 2001 . . . . .				
<b>b</b> From 2002 . . . . .				
<b>c</b> From 2003 . . . . .				
<b>d</b> From 2004 . . . . .				
<b>e</b> From 2005 . . . . .				
<b>f</b> <b>Total</b> of lines 3a through e . . . . .				
<b>4</b> Qualifying distributions for 2006 from Part XII, line 4: ▶ \$ <u>79,842,613.</u>				
<b>a</b> Applied to 2005, but not more than line 2a . . . . .				
<b>b</b> Applied to undistributed income of prior years (Election required - see page 27 of the instructions) . . . . .				
<b>c</b> Treated as distributions out of corpus (Election required - see page 27 of the instructions) . . . . .				
<b>d</b> Applied to 2006 distributable amount . . . . .				119,716.
<b>e</b> Remaining amount distributed out of corpus . . . . .	79,722,897.			
<b>5</b> Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a).)				
<b>6</b> <b>Enter the net total of each column as indicated below:</b>				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	79,722,897.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .				
<b>c</b> 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 . . . . .				
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions . . . . .				
<b>e</b> Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions . . . . .				
<b>f</b> Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007 . . . . .				
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 28 of the instructions) . . . . .				
<b>8</b> Excess distributions carryover from 2001 not applied on line 5 or line 7 (see page 28 of the instructions) . . . . .				
<b>9</b> <b>Excess distributions carryover to 2007.</b> Subtract lines 7 and 8 from line 6a . . . . .	79,722,897.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2002 . . . . .				
<b>b</b> Excess from 2003 . . . . .				
<b>c</b> Excess from 2004 . . . . .				
<b>d</b> Excess from 2005 . . . . .				
<b>e</b> Excess from 2006 . . . . .	79,722,897.			

**Part XIV Private Operating Foundations**(see page 28 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 2006, enter the date of the ruling . . . . .

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

	Tax year	Prior 3 years			(e) Total
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> 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 28 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).)

NONE

**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 foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 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 9

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

SEE STATEMENT 9 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 9 AND WWW.GATESFOUNDATION.ORG

**Part XV** **Supplementary Information (continued)**

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

Recipient 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
<b>a</b> <i>Paid during the year</i> SEE ATTACHMENT E				6,493,004.
<b>Total</b> ..... <b>▶ 3a</b>				6,493,004.
<b>b</b> <i>Approved for future payment</i>				
<b>Total</b> ..... <b>▶ 3b</b>				





**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

**2006**

Name of organization

BILL & MELINDA GATES FOUNDATION

Employer identification number

56-2618866

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule - see instructions.)

**General Rule -**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules -**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) . . . . . ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

<b>Name of organization</b> BILL & MELINDA GATES FOUNDATION	<b>Employer identification number</b> 56-2618866
---	---

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	BILL & MELINDA GATES FOUNDATION TRUST  1551 EASTLAKE AVENUE EAST  SEATTLE, WA 98102	73,503,004.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	BILL & MELINDA GATES FOUNDATION TRUST  1551 EASTLAKE AVENUE EAST  SEATTLE, WA 98102	21,235,680.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization BILL & MELINDA GATES FOUNDATION

Employer identification number

56-2618866

**Part II Noncash Property** (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
<u>2</u>	<u>INVESTMENT IN IRIS HOLDINGS, LLC</u>	\$ <u>21,235,680.</u>	<u>11/1/2006</u>
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

- 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.** You must file original and one copy.

Type or print  File by the extended due date for filing the return. See instructions.	Name of Exempt Organization <b>Bill &amp; Melinda Gates Foundation</b>	Employer identification number <b>56 ; 2619366</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>1551 Eastlake Avenue East</b>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <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 checked="" type="checkbox"/> Form 990-PF                   | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 4720   | <input type="checkbox"/> Form 8870 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 5227   |                                    |

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

- The books are in the care of ▶ Gwen Sherman, Director of Finance & Administration  
 Telephone No. ▶ ( 206 ) 709-3100 FAX No. ▶ ( 206 ) 709-3186
- 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.

- I request an additional 3-month extension of time until November 15, 2007.
- For calendar year \_\_\_\_\_, or other tax year beginning October 25, 2006, and ending December 31, 2006.
- If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- State in detail why you need the extension Additional time is required to gather the necessary information from third parties to assure preparation of a complete and accurate tax return.

<b>8a</b> 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.	<b>8a</b>	\$ 4,210
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, 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.	<b>8b</b>	\$ 10,000
<b>c Balance Due.</b> Subtract line 8b from line 8a. 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.	<b>8c</b>	\$ 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 ▶ Gwen Sherman Title ▶ Director of Finance & Administration Date ▶ 7/26/07

**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 extended due date of the return for which an extension was requested.
- Other \_\_\_\_\_

Director \_\_\_\_\_ By: \_\_\_\_\_ Date \_\_\_\_\_

**Alternate Mailing Address.** Enter the address if you want the copy of this application for an additional 3-month extension 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

OMB No. 1545-1709

▶ 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  ▶
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).  
**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).

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only  ▶

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of Exempt Organization <b>Bill &amp; Melinda Gates Foundation</b>	Employer identification number	
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P.O. Box 23350</b>	<b>56</b>	<b>2518866</b>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <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 |

- The books are in the care of ▶ **Gwen Sherman, Director of Finance & Administration**

Telephone No. ▶ ( 206 ) 709-3118 FAX No. ▶ ( 206 ) 709-3186

- 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 will cover.

**1** I request an automatic 3-month (6 months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until August 15, 2007, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶  calendar year 20 \_\_\_\_\_ or
- ▶  tax year beginning October 25, 2006, and ending December 31, 2006.

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

<b>3a</b> 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.	<b>3a</b>	\$	4,210
<b>b</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.	<b>3b</b>	\$	10,000
<b>c Balance Due.</b> 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.	<b>3c</b>	\$	0

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**BILL & MELINDA GATES FOUNDATION  
EIN 56-2618866**

**FORM 990-PF  
FOR THE YEAR-ENDED DECEMBER 31, 2006**

**INDEX OF STATEMENTS AND ATTACHMENTS**

STATEMENT	1	PART I - TAXES
STATEMENT	2	PART I - OTHER EXPENSES
STATEMENT	3	PART II - OTHER INVESTMENTS
STATEMENT	4	PART II - OTHER ASSETS
STATEMENT	5	PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES
STATEMENT	6	PART VII-A - NEW SUBSTANTIAL CONTRIBUTORS
STATEMENT	7	PART VIII - LIST OF OFFICERS, DIRECTORS AND TRUSTEES
STATEMENT	8	PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS
STATEMENT	9	PART XV - NAME, ADDRESS, AND PHONE FOR APPLICATIONS
ATTACHMENT	A	PART II - INVESTMENT IN LAND, BUILDING & EQUIPMENT
ATTACHMENT	B	PART II - LAND, BUILDING & EQUIPMENT
ATTACHMENT	C	PART VII-B / PART XV - EXPENDITURE RESPONSIBILITY REPORTS
ATTACHMENT	D	PART IX-B - SUMMARY OF PROGRAM RELATED INVESTMENTS
ATTACHMENT	E	PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

FORM 990PF, PART I - TAXES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
EXCISE TAXES	4,208.	NONE	NONE
TOTALS	----- 4,208. -----	----- NONE -----	----- NONE -----
	=====	=====	=====

FORM 990PF, PART I - OTHER EXPENSES  
 =====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
FEES, LICENSES & PERMITS	149.	NONE	149.
TOTALS	----- 149. =====	----- NONE =====	----- 149. =====

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
INTEREST IN NET ASSETS OF BILL & MELINDA GATES FOUNDATION TRUST	NONE	29,564,176,183.	29,564,176,183.
TOTALS	NONE	29,564,176,183.	29,564,176,183.
	=====	=====	=====

FORM 990PF, PART II - OTHER ASSETS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
PROGRAM RELATED INVESTMENT			
RECEIVABLES	NONE	30,000,000.	30,000,000.
EXCISE TAX RECEIVABLE	NONE	5,792.	5,792.
	-----	-----	-----
TOTALS	NONE	30,005,792.	30,005,792.
	=====	=====	=====

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
INTEREST IN THE NET ASSETS OF BILL & MELINDA GATES FOUNDATION TRUST	29,564,176,183. -----
TOTAL	29,564,176,183. =====

FORM 990PF, PART VII-A, LINE 10 - NEW SUBSTANTIAL CONTRIBUTORS

NAME AND ADDRESS

-----  
WILLIAM H. GATES, III  
2365 CARILLON POINT  
KIRKLAND, WA 98033

BILL & MELINDA GATES FOUNDATION TRUST  
1551 EASTLAKE AVENUE EAST  
SEATTLE, WA 98102

WILLIAM H. GATES, III BECAME A SUBSTANTIAL CONTRIBUTOR, AS DEFINED IN IRC §507(D)(2)(A), TO THE BILL & MELINDA GATES FOUNDATION IN 2006 BECAUSE THE TERM "SUBSTANTIAL CONTRIBUTOR", IN THE CASE OF A TRUST, INCLUDES THE CREATOR OF THE TRUST.

BILL & MELINDA GATES FOUNDATION TRUST BECAME A SUBSTANTIAL CONTRIBUTOR, AS DEFINED IN IRC §507(D)(2), TO THE BILL & MELINDA GATES FOUNDATION IN 2006 EXCEPT WITH RESPECT TO IRC §4941. FOR PURPOSES OF IRC §4941 (RELATING TO TAXES ON SELF-DEALING), THE TERM "SUBSTANTIAL CONTRIBUTOR" DOES NOT INCLUDE ANY ORGANIZATION WHICH IS DESCRIBED IN IRC §501(C)(3). TREAS. REG. §1.507-6(A)(2). THE BILL & MELINDA GATES FOUNDATION TRUST IS AN ORGANIZATION DESCRIBED IN IRC §501(C)(3) AND, THEREFORE, IT IS NOT A SUBSTANTIAL CONTRIBUTOR TO THE BILL & MELINDA GATES FOUNDATION FOR PURPOSES OF IRC §4941.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
WILLIAM H. GATES, III 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	TRUSTEE 8 HRS/WK	NONE	NONE	NONE
MELINDA GATES 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	TRUSTEE 8 HRS/WK	NONE	NONE	NONE
WARREN E. BUFFETT 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	TRUSTEE 1 HR/WK	NONE	NONE	NONE
WILLIAM H. GATES, SR. 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	CO-CHAIR 20 HRS/WK	NONE	NONE	NONE
PATRICIA STONESIFER 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	CHIEF EXECUTIVE OFFICER 40 HRS/WK	NONE	NONE	NONE
SYLVIA MATHEWS BURWELL 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	PRESIDENT, GLOBAL DEVELOPMENT 40 HRS/WK	NONE	NONE	NONE
ALLAN GOLSTON 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	PRESIDENT, US PROGRAM 40 HRS/WK	NONE	NONE	NONE
TADATAKA YAMADA, MD 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	PRESIDENT, GLOBAL HEALTH 40 HRS/WK	NONE	NONE	NONE
CHERYL SCOTT 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	CHIEF OPERATING OFFICER 40 HRS/WK	NONE	NONE	NONE
CONNIE COLLINGSWORTH 1551 EASTLAKE AVENUE EAST SEATTLE, WA 98102	GENERAL COUNSEL AND SECRETARY 40 HRS/WK	NONE	NONE	NONE
	TOTAL	NONE	NONE	NONE

=====

FOR PUBLIC DISCLOSURE

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

=====

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
NBBJ, LP 223 YALE AVENUE NORTH SEATTLE, WA 98109	ARCHITECTURAL DESIGN	2,981,571.
PRESTON, GATES & ELLIS 925 FOURTH AVENUE #2900 SEATTLE, WA 98104	LEGAL COUNSEL	100,123.
GEOENGINEERS 8410 154TH AVENUE NE REDMOND, WA 98052	ENVT'L SUPPORT	62,261.
TOTAL COMPENSATION		----- 3,143,955. =====

FORM 990-PF, PART XV — NAME, ADDRESS, AND PHONE FOR APPLICATIONS  
=====

GLOBAL DEVELOPMENT DOES NOT ACCEPT UNSOLICITED REQUESTS FOR FUNDING AND ONLY ACCEPTS RESPONSES TO A REQUEST FOR PROPOSAL. GLOBAL HEALTH ACCEPTS LETTERS OF INQUIRY IN SPECIFIC AREAS ONLY OR IN RESPONSE TO A REQUEST FOR PROPOSAL. US PROGRAM AWARDS BY PROACTIVELY IDENTIFYING RECIPIENTS. UNSOLICITED LETTERS OF INQUIRY ARE ACCEPTED BY THE PACIFIC NORTHWEST INITIATIVE ONLY.

FOR MORE INFORMATION, SEE [WWW.GATESFOUNDATION.ORG](http://WWW.GATESFOUNDATION.ORG) OR SEND REQUESTS TO:

BILL & MELINDA GATES FOUNDATION  
GRANTS INQUIRY ADMINISTRATOR  
P.O. BOX 23350  
SEATTLE, WA 98102  
(206) 709-3140

**BILL & MELINDA GATES FOUNDATION**

EIN: 56-2618866

2006 FORM 990-PF

PART II, LINE 11 - INVESTMENT IN LAND BUILDING & EQUIPMENT

Asset Class	Est. Useful Life	Asset Balances			Accum. Depreciation			Accum. Depreciation	
		01/01/2006	2006 Additions	2006 Retirements	12/31/2006	01/01/2006	2006 Depreciation	2006 Retirements	12/31/2006
Land	n/a	-	7,724,834	-	7,724,834	-	-	-	-
Construction in progress	n/a	-	3,432,987	-	3,432,987	-	-	-	-
Computers, printers & software	3	-	-	-	-	-	-	-	-
Furniture & Fixtures	10	-	-	-	-	-	-	-	-
Telecommunications	5	-	-	-	-	-	-	-	-
Artwork	-	-	-	-	-	-	-	-	-
Vehicles	5	-	-	-	-	-	-	-	-
Leasehold improvements	10	-	-	-	-	-	-	-	-
		-	<b>11,157,821</b>	-	<b>11,157,821</b>	-	-	-	-

Net >

**11,157,821**  
Part II, line 11

Part I, line 19

Part II, line 11

Note: Straightline method of depreciation is used for all asset classes.

**BILL & MELINDA GATES FOUNDATION**  
 EIN: 56-2618866  
 2006 FORM 990-PF  
 PART II, LINE 14 - LAND BUILDING & EQUIPMENT

Asset Class	Est. Useful Life	Asset Balances			Accum. Depreciation			Accum. Depreciation 12/31/2006
		01/01/2006	2006 Additions	2006 Retirements	01/01/2006	2006 Depreciation	2006 Retirements	
Land	n/a	-	20,447,603	-	-	-	-	-
Construction in progress	n/a	-	22,901,857	-	-	-	-	-
Computers, printers & software	3	-	-	-	-	-	-	-
Furniture & Fixtures	10	-	-	-	-	-	-	-
Telecommunications	5	-	-	-	-	-	-	-
Artwork	-	-	-	-	-	-	-	-
Vehicles	5	-	-	-	-	-	-	-
Leasehold improvements	10	-	-	-	-	-	-	-
		-	<b>43,349,460</b>	-	-	-	-	-

Net >

**43,349,460**  
 Part II, line 14

Part I, line 19

Part II, line 14

Note: Straightline method of depreciation is used for all asset classes.

Grantee Name & Address	PRI Id #	Award Date	Amount Awarded	Payment Information Date	Payment Information Amount	PRI Reports Date	PRI Reports Amount spent
<b>Opportunity Transformation Investments, Inc.</b> 2122 York Road, Suite 340 Oak Brook, IL 60523	47040	11/22/2006	\$10,000,000	11/30/2006	\$10,000,000	01/09/2007	N/A <sup>1)</sup>
						04/09/2007	N/A <sup>1)</sup>
						06/27/2007	N/A <sup>1)</sup>
						08/06/2007	N/A <sup>1)</sup>
						<u>\$10,000,000</u>	<u>\$0</u>
<b>Purpose:</b>	To rapidly scale microfinance operations for the very poor across multiple countries in Africa						
<b>Diversion:</b>	To the knowledge of the foundation and based on the PRI recipient's reports, no portion of the funds have been diverted from the purpose of the PRI and no verification efforts have been considered necessary						
<b>Notes:</b>	1) Quarterly Report						

Grantee Name & Address	PRI Id #	Award Date	Amount Awarded	Payment Information Date	Payment Information Amount	PRI Reports Date	PRI Reports Amount spent
ProCredit Holding, A.G. Kirschwaldstrasse 19 Frankfurt am Main D-60435 Germany	47043	11/20/2006	\$20,000,000	11/30/2006	\$20,000,000	03/14/2007	N/A <sup>1)</sup>
						03/25/2007	\$0 <sup>2)</sup>
						05/14/2007	N/A <sup>1)</sup>
						08/14/2007	N/A <sup>1)</sup>
					<u>\$20,000,000</u>	<u>\$0</u>	

**Purpose:** To increase the access of microentrepreneurs, small businesses and low income groups to responsible banking services in Africa

**Diversion:** To the knowledge of the foundation and based on the PRI recipient's reports, no portion of the funds have been diverted from the purpose of the PRI and no verification efforts have been considered necessary

**Notes:**  
 1) Quarterly Report  
 2) Annual Report

Grantee Name & Address	Grant ID #	Award Date	Amount Awarded	Payment Information Date	Payment Information Amount	Grantee Reports Date	Grantee Reports Amount spent
ProCredit Holding, A.G. Kirschwaldstrasse 19 Frankfurt am Main D-60435 Germany	44865	11/20/2006	\$8,982,000	11/30/2006	\$4,590,500	02/13/2009	\$69,077
					<u>\$4,590,500</u>		<u>\$69,077</u>
<b>Purpose:</b>	To increase the access of microentrepreneurs, small businesses and low income groups to responsible banking services in Africa						
<b>Diversion:</b>	To the knowledge of the foundation and based on the grantee's reports, no portion of the funds have been diverted from the purpose of the grant and no verification efforts have been considered necessary						
<b>Notes:</b>							
<b>Notes:</b>							

**BILL & MELINDA GATES FOUNDATION**

EIN: 56-2618866

2006 Form 990-PF

Part IX-B, Summary of Program-Related Investments

	<u>Amount</u>
1. <b>ProCredit Holding, A.G.</b> - Borrower intends to expand its operations in the African Markets to, among other things, provide access to affordable banking services to micro-entrepreneurs, small business and people with low incomes located in distressed areas in order to alleviate poverty, create jobs, facilitate employment opportunities and generate wealth for such poor individuals and contribute to the economic revitalization of the distressed communities in which they live.	20,000,000
2. <b>Opportunity Transformation Investments, Inc.</b> - Borrower is seeking to expand its investments in microfinance institutions in the African Markets to, among other things, provide access to affordable banking services to micro-entrepreneurs, small business and people with low incomes in distressed areas in order to alleviate poverty, create jobs, facilitate employment opportunities and generate wealth for such poor individuals and contribute to the economic revitalization of the distressed communities in which they live.	10,000,000
<b>Total Program-Related Investments</b>	<u><u>30,000,000</u></u>

**Bill & Melinda Gates Foundation**

**2006 Form 990PF, Part XV, Line 3a - Grants and Contributions Paid During the Year**

**EIN 56-2618866**

<i>Grantee Name and Address</i>	<i>Individual?</i>	<i>Foundation Status</i>	<i>Purpose</i>	<i>Amount</i>
<b>Opportunity International Inc.</b> 2122 York Road, Suite 340 Oak Brook, IL 60523	No	501(c)(3) Public Charity	to create or expand commercial banks for the poor across five certain African countries	\$1,902,504
<b>ProCredit Holding, A.G.</b> Kirschwaldstrasse 19 Frankfurt am Main, D-60435 Germany	No	Foreign Organization (ER)	to increase the access of microentrepreneurs, small businesses and low income groups to responsible banking services in Africa	\$4,590,500
<b>Total</b>				<u>\$6,493,004</u>

(ER) = Expenditure Responsibility

FOR PUBLIC DISCLOSURE

ATTACHMENT E