

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>MICROSOFT CORP</u> (Last) (First) (Middle) <u>ONE MICROSOFT WAY</u> (Street) <u>REDMOND WA 98052-6399</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>03/21/2006</u>	3. Issuer Name and Ticker or Trading Symbol <u>Avanade Inc. [NO TICKER]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>99</u>	<u>I</u>	<u>see footnote⁽¹⁾</u>

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Convertible Series A Preferred Stock</u>	<u>(2)</u>	<u>(2)</u>	<u>Common Stock</u> <u>15,479,135</u>	<u>(3)</u>	<u>I</u>	<u>see footnote⁽⁴⁾</u>

1. Name and Address of Reporting Person* <u>MICROSOFT CORP</u> (Last) (First) (Middle) <u>ONE MICROSOFT WAY</u> (Street) <u>REDMOND WA 98052-6399</u> (City) (State) (Zip)		
1. Name and Address of Reporting Person* <u>Microsoft AVN Holdings, Inc.</u> (Last) (First) (Middle) <u>ONE MICROSOFT WAY</u> (Street) <u>REDMOND WA 98052-6399</u> (City) (State) (Zip)		

Explanation of Responses:

- These shares are owned directly by Microsoft AVN Holdings, Inc., which is a wholly-owned subsidiary of Microsoft Corporation. Microsoft Corporation is an indirect beneficial owner of the reported shares of common stock.
- The Convertible Series A preferred stock is convertible at any time at the holder's election. The conversion rights do not expire.
- The Convertible Series A preferred stock is convertible into Avanade Inc. common stock on a one-for-one basis, subject to certain adjustments in accordance with the terms of the Convertible Series A preferred stock.
- Includes 14,343,008 shares of Convertible Series A preferred stock owned by Microsoft AVN Holdings, Inc., a wholly-owned subsidiary of Microsoft Corporation and 1,136,127 shares of Convertible Series A preferred stock owned directly by Microsoft Corporation. Microsoft Corporation is an indirect beneficial owner of the Convertible Series A preferred stock held by Microsoft AVN Holdings, Inc.

Remarks:

Keith R. Dolliver, Assistant
Secretary, Microsoft
Corporation

03/21/2006

Keith R. Dolliver, Vice
President, Microsoft AVN

03/21/2006

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

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.