

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

FORM 4

OMB APPROVAL

o 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**

OMB Number: 3235-0287
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(Print or Type Responses)

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

<p>1. Name and Address of Reporting Person*</p> <p align="center">Gates III William H.</p> <hr/> <p align="center">(Last) (First) (Middle)</p> <p align="center">One Microsoft Way</p> <hr/> <p align="center">(Street)</p> <hr/> <p align="center">Redmond WA 98052-6399</p> <hr/> <p align="center">(City) (State) (Zip)</p>	<p>2. Issuer Name and Ticker or Trading Symbol</p> <p align="center">MICROSOFT CORPORATION (MSFT)</p> <hr/> <p>3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)</p> <hr/> <p>4. Statement for Month/Day/Year</p> <p align="center">2/3/2003</p> <hr/> <p>5. If Amendment, Date of Original (Month/Day/Year)</p>	<p>6. Relationship of Reporting Person(s) to Issuer (Check all applicable)</p> <p><input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner</p> <hr/> <p><input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)</p> <p align="center">Chairman of the Board; Chief Software Architect</p> <hr/> <p>7. Individual or Joint/Group Filing (Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person</p> <p><input type="checkbox"/> Form filed by More than One Reporting Person</p>
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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 Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount (A) or Price (D)			
Common Stock	2/3/2003		S	10,000 D 48.28			
Common Stock	2/3/2003		S	11,100 D 48.30			
Common Stock	2/3/2003		S	3,900 D 48.31			
Common Stock	2/3/2003		S	27,400 D 48.55			
Common Stock	2/3/2003		S	154,709 D 48.56			
Common Stock	2/3/2003		S	37,683 D 48.57			
Common Stock	2/3/2003		S	9,000 D 48.58			
Common Stock	2/3/2003		S	167 D 48.59			
Common Stock	2/3/2003		S	46,046 D 48.60			
Common Stock	2/3/2003		S	20,300 D 48.61			
Common Stock	2/3/2003		S	12,600 D 48.62			
Common Stock	2/3/2003		S	94,611 D 48.63			
Common Stock	2/3/2003		S	14,904 D 48.64			
Common Stock	2/3/2003		S	98,538 D 48.65			
Common Stock	2/3/2003		S	17,400 D 48.66			
Common Stock	2/3/2003		S	39,359 D 48.67			
Common Stock	2/3/2003		S	82,791 D 48.70			
Common Stock	2/3/2003		S	10,020 D 48.71			
Common Stock	2/3/2003		S	13,900 D 48.72			
Common Stock	2/3/2003		S	75 D 48.74			
Common Stock	2/3/2003		S	38,350 D 48.75			
Common Stock	2/3/2003		S	2,500 D 48.79			
Common Stock	2/3/2003		S	52,847 D 48.80			

Explanation of Responses:

/s/ Michael Larson

2/4/03

**Signature of Reporting Person

Date

Attorney-in-fact.

Duly authorized under Special Power of Attorney appointing Michael Larson attorney-in-fact, dated March 14, 2001, by and on behalf of William H. Gates III, filed as Exhibit B to Cascade Investment's Amendment No. 1 to Schedule 13D with respect to Pan American Silver Corp. on March 19, 2001, SEC File No. 005-52919, and incorporated by reference herein.

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 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).

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

<http://www.sec.gov/divisions/corpfin/forms/form4.htm>

Last update: 09/05/2002
