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## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

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

OMB APPR	JVAL
OMB Number:	3235-0287
Estimated average burg	den
hours per response:	0.5

1. Name and Address of Reporting Person <sup>*</sup> GATES WILLIAM H III	2. Issuer Name and Ticker or Trading Symbol <u>MICROSOFT CORP</u> [ MSFT ]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director X 10% Owner					
(Last) (First) (Middle ONE MICROSOFT WAY	3. Date of Earliest Transaction (Month/Day/Year) 05/11/2004	X Officer (give title Other (specify below) Chairman of the Board					
(Street) REDMOND WA 98052 (City) (State) (Zip)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person					

## 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 A Disposed Of (	cquired D) (Instr.	(A) or 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(Instr. 4)
Common Stock	05/11/2004		S		25,100	D	\$26.1	1,122,474,236	D	
Common Stock	05/11/2004		S		25,000	D	\$26.09	1,122,449,236	D	
Common Stock	05/11/2004		S		50,000	D	\$26.07	1,122,399,236	D	
Common Stock	05/11/2004		S		100,000	D	\$26.067	1,122,299,236	D	
Common Stock	05/11/2004		S		50,000	D	\$26.053	1,122,249,236	D	
Common Stock	05/11/2004		S		100,000	D	\$26.05	1,122,149,236	D	
Common Stock	05/11/2004		S		150,000	D	\$26.04	1,121,999,236	D	
Common Stock	05/11/2004		S		50,000	D	\$26.034	1,121,949,236	D	
Common Stock	05/11/2004		S		50,000	D	\$26.03	1,121,899,236	D	ĺ
Common Stock	05/11/2004		S		50,000	D	\$26.004	1,121,849,236	D	
Common Stock	05/11/2004		S		100,000	D	\$26.001	1,121,749,236	D	
Common Stock	05/11/2004		S		50,000	D	\$26	1,121,699,236	D	
Common Stock	05/11/2004		S		50,000	D	\$25.979	1,121,649,236	D	
Common Stock	05/11/2004		S		50,000	D	\$25.971	1,121,599,236	D	
Common Stock	05/11/2004		S		1,100,000	D	\$25.95	1,120,499,236	D	
Common Stock	05/11/2004		S		100,000	D	\$25.9	1,120,399,236	D	ĺ
Common Stock	05/11/2004		S		99,900	D	\$25.893	1,120,299,336	D	
Common Stock	05/11/2004		S		100,000	D	\$25.89	1,120,199,336	D	
Common Stock	05/11/2004		S		100,000	D	\$25.883	1,120,099,336	D	
Common Stock	05/11/2004		S		200,000	D	\$25.85	1,119,899,336	D	
Common Stock	05/11/2004		S		100,000	D	\$25.849	1,119,799,336	D	
Common Stock	05/11/2004		S		100,000	D	\$25.828	1,119,699,336	D	
Common Stock	05/11/2004		S		200,000	D	\$25.819	1,119,499,336(1)	D	

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
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		Ta	ble II - Deriva (e.g., p					ired, Disp options, o		le sec	or	y Owned			
1. Title of Derivative	2. Conversion	3. Transaction	3A. Deemed Execution Date,	<b>&amp;</b> ode Transa	V	(6A)Nu	m(160e)r	ExDecties Elatero	isDatatlee and		aSolidiares	8. Price of Derivative	9. Number of derivative	10. Ownership	11. Nature of Indirect
Banantation	of Bespises Price of Derivative Oscillative Security	efMonth/Day/Vear)	if any r(Month/Day/Year) reporting person's sp unities for purpose o	Code	Instr	Deriv Secu Acqu (A) of Dispo of (D) (Instr and S	) r. 3, 4	(Month/Dav/)	<b>(ear)</b> ial ownership <u>M</u>	Securit Underly Derivat Securit and 4)	ies Ving Ive y (Instr. 3 Larson, O	Security (Instr.5) ad this report	Securities Beneficially Source Following Reported Transaction(s)	Form: Direct (D) of Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	A <u>at</u> W Expiratic Date In	uthorize torney ( 'illiam I 19/200 vestme	I. Gates	<u>power of</u> 4/2001 by III, filed o scade dule 13D,	· UD/LD/ZUL	<u>4</u>	

\*\* Signature of Reporting Person Date

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.

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.