

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 APPROVAL	
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1. Name and Address of Reporting Person* <b>BALLMER STEVEN A</b>			2. Issuer Name and Ticker or Trading Symbol <b>MICROSOFT CORP [ MSFT ]</b>		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <b>Chief Executive Officer</b>	
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <b>05/21/2003</b>		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person	
(Street)			4. If Amendment, Date of Original Filed (Month/Day/Year)			
(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/21/2003		S <sup>(1)</sup>		114,109	D	24.43	458,764,063	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		25,210	D	24.44	458,738,853	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		833,457	D	24.45	457,905,396	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		243,441	D	24.46	457,661,955	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		212,462	D	24.47	457,449,493	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		63,942	D	24.48	457,385,551	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		41,869	D	24.49	457,343,682	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		208,886	D	24.5	457,134,796	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		600	D	24.51	457,134,196	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		35,209	D	24.52	457,098,987	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		1,725	D	24.53	457,097,262	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		600	D	24.55	457,096,662	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		300	D	24.56	457,096,362	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		131,004	D	24.59	456,965,358	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		61,466	D	24.6	456,903,892	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		92,941	D	24.61	456,810,951	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		129,109	D	24.62	456,681,842	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		11,587	D	24.63	456,670,255	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		3,600	D	24.65	456,666,655	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		143,485	D	24.66	456,523,170	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		255,096	D	24.67	456,268,074 <sup>(2)</sup>	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)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

Explanation of Responses:

1. This sale was effected pursuant to a 10b5-1 sales plan adopted by the reporting person.
2. This Form 4 is the third of three forms to report all May 21, 2003 transactions for the reporting person.

John A. Seethoff, Attorney-in-  
Fact for Steven A. Ballmer      05/23/2003

\*\* 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.**