

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

OMB APPROVAL	
OMB Number:	3235-0104
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1. Name and Address of Reporting Person* <u>Brummel Lisa E.</u> (Last) (First) (Middle) C/O MICROSOFT CORPORATION ONE MICROSOFT WAY (Street) REDMOND WA 98052-6399 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 04/21/2005	3. Issuer Name and Ticker or Trading Symbol <u>MICROSOFT CORP [MSFT]</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Corporate Vice President	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)
Common Stock	42,896 ⁽¹⁾	D	
Common Stock	379	I	By 401(k)

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				
Employee Stock Option (right to buy) (#0128191)	11/15/2004	07/02/2005	Common Stock 22,222	24.1313	D	
Employee Stock Option (right to buy) (#0132500)	11/15/2004	07/02/2005	Common Stock 22,222	24.1313	D	
Employee Stock Option (right to buy) (#0141024)	11/15/2004	07/30/2006	Common Stock 20,000	38.6157	D	
Employee Stock Option (right to buy) (#0163268)	11/15/2004	07/30/2006	Common Stock 133,333	38.6157	D	
Employee Stock Option (right to buy) (#0163268)	03/06/2005	03/06/2010	Common Stock 555,556	40.7813	D	
Employee Stock Option (right to buy) (#0173074)	11/15/2004	04/24/2007	Common Stock 20,000	29.9813	D	
Employee Stock Option (right to buy) (#0202721)	11/15/2004	04/24/2007	Common Stock 13,333	29.9813	D	
Employee Stock Option (right to buy) (#0203271)	04/24/2005	04/24/2007	Common Stock 277,778	29.9813	D	
Employee Stock Option (right to buy) (#0240181)	01/31/2005 ⁽²⁾	07/31/2010	Common Stock 333,333	31.4157	D	
Employee Stock Option (right to buy) (#0285146)	02/20/2005 ⁽³⁾	02/20/2011	Common Stock 166,667	25.1438	D	
Employee Stock Option (right to buy) (#0285147)	02/20/2005 ⁽⁴⁾	02/20/2011	Common Stock 277,778	25.1438	D	
Employee Stock Option (right to buy) (#0364954)	01/31/2005 ⁽⁵⁾	07/31/2012	Common Stock 222,222	21.591	D	
Performance Rights	08/31/2006 ⁽⁶⁾	08/31/2008	Common Stock 24,933 ⁽⁷⁾	0 ⁽⁸⁾	D	

Explanation of Responses:

- Includes Stock Award for 5,333 shares, of which 1,777 shares will vest on July 31, 2005 and 1,778 shares will vest on each of July 31, 2006 and July 31, 2007. Includes Stock Award for 5,760 shares, of which 1,440 shares will vest on each of August 29, 2005, 2006, 2007 and 2008. Includes Stock Award for 8,000 shares, which will vest over 5 years at the rate of 20% each year beginning on August 31, 2005.
- 291,666 shares are vested and immediately exercisable. The remaining 41,667 shares will vest and become exercisable on July 31, 2005
- 125,000 shares are vested and immediately exercisable. 20,833 shares will vest and become exercisable on August 20, 2005 and 20,834 will vest and become exercisable on February 20, 2006
- 208,333 shares are vested and immediately exercisable. 34,722 shares will vest and become exercisable on August 20, 2005 and 34,723 will vest and become exercisable on February 20, 2006
- 83,333 shares are vested and immediately exercisable. 27,778 shares will vest and become exercisable on July 31, 2005, 27,777 shares will vest and become exercisable on January 31, 2006, and 27,778 shares will vest and become exercisable on each of July 31, 2006, January 31, 2007 and July 31, 2007
- One-third of the number of shares of common stock ultimately awarded under the SPSA will be distributed to the reporting person on or about August 31, 2006 (the "initial vest date"), an additional one-third shall vest and distributed to the reporting person on each of the first and second anniversaries of the initial vest date, provided that the Reporting Person remains continuously employed through the applicable vesting date.
- Represents the minimum number of shares of common stock issuable under a shared performance stock award ("SPSA") for the fiscal 2004-2006 performance period. The number of shares ultimately received depends on the company's performance against specified performance targets. At the end of the performance period, the number of shares of stock and stock awards will be determined by adjusting upward or downward from a target in a range between 33% and 150%. The number reported herein is based on the 33% minimum. The final performance percentage on which the payout will be based, considering company performance metrics established for the performance period, will be determined by the board or a board committee in its sole discretion. Shares of stock are issued at the end of the performance period and as the stock awards vest over the following two years, provided that the reporting person remains continuously employed through the applicable vest date.
- 1-for-1

Remarks:

Keith R. Dolliver, Attorney-in-Fact for Lisa E. Brummel 04/28/2005

** 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 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.

April 26, 2005

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0001

Re: Microsoft Corporation - Power of Attorney

To whom it may concern:

This will confirm that I have granted each of the individuals listed below the authority to, on my behalf, execute and file the Initial Statement of Beneficial Owner

The individuals who are authorized to act as my Attorney-In-Fact under this Power of Attorney are as follows:

John A. Seethoff
Keith R. Dolliver
Shauna L. Vernal
Ben O. Orndorff
Bradford L. Smith
Christyne Mayberry

This Power of Attorney is effective immediately upon filing with the Securities Exchange Commission and for purposes of my future Form 4 and Form 5 filings relating

Sincerely,

/s/ Lisa E. Brummel

Lisa E. Brummel