

OMB APPROVAL	
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**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

1. Name and Address of Reporting Person* <u>BALLMER STEVEN A</u>  (Last) (First) (Middle)  (Street)  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>MICROSOFT CORP [ MSFT ]</u>	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) <u>Chief Executive Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>05/21/2003</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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>		685,686	D	24.14	461,170,184	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		542,558	D	24.15	460,627,626	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		243,648	D	24.16	460,383,978	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		104,768	D	24.17	460,279,210	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		363,242	D	24.18	459,915,968	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		10,850	D	24.19	459,905,118	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		117,988	D	24.2	459,787,130	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		115,287	D	24.21	459,671,843	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		2,300	D	24.22	459,669,543	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		200	D	24.27	459,669,343	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		638	D	24.28	459,668,705	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		1,712	D	24.29	459,666,993	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		197,110	D	24.3	459,469,883	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		1,516	D	24.31	459,468,367	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		41,595	D	24.32	459,426,772	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		1,407	D	24.33	459,425,365	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		1,400	D	24.34	459,423,965	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		66,360	D	24.35	459,357,605	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		34,739	D	24.36	459,322,866	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		98,733	D	24.37	459,224,133	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		26,364	D	24.38	459,197,769	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		63,922	D	24.39	459,133,847	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		128,795	D	24.4	459,005,052	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		97,540	D	24.41	458,907,512	D	
Common Stock	05/21/2003		S <sup>(1)</sup>		29,340	D	24.42	458,878,172 <sup>(2)</sup>	D	

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Deemed Execution Date, if any (e.g., puts/calls, warrants, options, convertible securities) (Month/Day/Year)	5. Transaction Code (Instr. 8)	6. Number of Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	7. Date Exercisable and Expiration Date (Month/Day/Year)	8. Title and Amount of Underlying Derivative Security (Instr. 3 and 4)	9. Price of Derivative Security (Instr. 5)	10. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	11. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	12. Nature of Indirect Beneficial Ownership (Instr. 4)
<p>Explanation of Responses:</p> <p>1. This sale was effected pursuant to a 10b5-1 sales plan adopted by the reporting person.</p> <p>2. This Form 4 is the second of three forms to report all May 21, 2003 transactions for the reporting person.</p>											
<p>Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.</p> <p>* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).</p>											

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

\*\* 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.