FORM 4

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

(Print or Type Responses)

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

OMB APPROVAL

OMB Number: 3235-0287 Expires: January 31, 2005 Estimated average burden hours per response. . . 0.5

			6. Relationship of Reporting Person(s) to Issuer
			(Check all applicable)
1. Name and Address of Reporting Person *			X Director
			<u>X</u> 10% Owner
	2. Issuer Name and Ticker		X Officer (give title below)
Gates III William H.	or Trading Symbol	4. Statement for	Other (specify below)
(Last) (First) (Middle)		(Month/Day/Year)	
	MICROSOFT CORPORATION		Chairman of the Board; Chief Software Architect
	(MSFT)	3/3/2003	
One Microsoft Way	3. I.R.S. Identification		7. Individual or Joint/Group
(Street)	Number of Reporting		Filing (Check Applicable Line)
	Person, if an entity	5. If Amendment, Date of	
	(voluntary)	Original (Month/Day/Year)	X Form filed by One Reporting Person
Redmond WA 98052-6399			
(City) (State) (Zip)			Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

2. Transaction Date		2A. Deemed Execution Date, if any	3. Transaction Code (Instr. 8)		4. Securities A	.cquired (A) or I 5)	Disposed of (D)	5. Amount of Securities Beneficially Owned Following Reported	Direct (D) or Indirect	7. Nature of Indirect Beneficial
Security (Instr. 3)	(Month/Day/ Year)	(Month/Day/ Year)	Code	V	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		Ownership (Instr. 4)
Common Stock	3/3/03		S		150,000	D	23.63			
Common Stock	3/3/03		S		50,000	D	23.64			
Common Stock	3/3/03		S		25,800	D	23.67			
Common Stock	3/3/03		S		118,400	D	23.69			
Common Stock	3/3/03		S		161,600	D	23.70			
Common Stock	3/3/03		S		244,200	D	23.71			
Common Stock	3/3/03		S		57,600	D	23.72			
Common Stock	3/3/03		S		42,400	D	23.73			
Common Stock	3/3/03		S		26,000	D	23.74			
Common Stock	3/3/03		S		49,000	D	23.75			
Common Stock	3/3/03		S		17,000	D	23.80			
Common Stock	3/3/03		S		50,000	D	23.81			
Common Stock	3/3/03		S		8,000	D	23.83	1,206,498,600	D	
Common Stock								736	I	Through an entity owned by the reporting person
Common Stock								428,520*	I	Held by spouse

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

Derivative Exercise Price of Date	3.	3A. Deemed	4. Transaction Code (Instr. 8)		Disposed of (D)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			9. Number of Derivative Securities	10. Ownership Form of Derivative	11. Nature	
	Exercise Price of Derivative	Date (Month/Day/	Execution Date, if any (Month/Day/ Year)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Derivative Security	Following Reported Transaction(s)	Securities: Direct (D) or Indirect (I)	of Indirect Beneficial Ownership (Instr. 4)

Explanation of Responses:

* The reporting officer disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.

/s/ Michael Larson 3/3/03
** 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