SEC Form 4

FORM 4

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

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 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person[*] **GATES WILLIAM H III** (Last) (First) (Middle) **ONE MICROSOFT WAY** (Street) **REDMOND WA 98052** (City) (State) (Zip)	2. Issuer Name **and** Ticker or Trading Symbol **MICROSOFT CORP** [**MSFT**] 3. Date of Earliest Transaction (Month/Day/Year) 02/07/2006 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner X Officer (give title below) Other (specify below) Chairman of the Board 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 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	02/07/2006		S		10,000	D	$27.12	991,489,336	D	
Common Stock	02/07/2006		S		31,300	D	$27.1	991,458,036	D	
Common Stock	02/07/2006		S		107,800	D	$27.05	991,350,236	D	
Common Stock	02/07/2006		S		58,700	D	$27.04	991,291,536	D	
Common Stock	02/07/2006		S		54,500	D	$27.01	991,237,036	D	
Common Stock	02/07/2006		S		53,600	D	$27	991,183,436	D	
Common Stock	02/07/2006		S		116,900	D	$26.99	991,066,536	D	
Common Stock	02/07/2006		S		50,500	D	$26.98	991,016,036	D	
Common Stock	02/07/2006		S		144,500	D	$26.97	990,871,536	D	
Common Stock	02/07/2006		S		10,000	D	$26.96	990,861,536	D	
Common Stock	02/07/2006		S		1,054,318	D	$26.95	989,807,218	D	
Common Stock	02/07/2006		S		451,888	D	$26.94	989,355,330	D	
Common Stock	02/07/2006		S		440,194	D	$26.93	988,915,136	D	
Common Stock	02/07/2006		S		115,800	D	$26.92	988,799,336	D	
Common Stock	02/07/2006		S		100,000	D	$26.91	988,699,336	D	
Common Stock	02/07/2006		S		100,000	D	$26.89	988,599,336	D	
Common Stock	02/07/2006		S		100,000	D	$26.87	988,499,336[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)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

Explanation of Responses:

1. In addition, there are 425,066 shares owned by reporting person's spouse. The reporting person 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 purpose of Section 16 or for any other purposes.

Remarks:

* Duly authorized under Special Power of Attorney appointing Michael Larson attorney-in-fact, dated February 4, 2005, by and on behalf of William H. Gates III, filed as Exhibit 99.3 to Cascade Investment, L.L.C.'s Amendment No. 5 to Schedule 13G with respect to Canadian National Railway Company on February 11, 2005, SEC File No. 005-48661, and incorporated by reference herein.

William H. Gates III By: /s/   02/09/2006
Michael Larson*, Attorney-In-

Fact

** Signature of Reporting Person   Date

** Signature of Reporting Person   Date