FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| 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* BACH ROBERT J | | | | | | 2. Issuer Name and Ticker or Trading Symbol MICROSOFT CORP [MSFT] | | | | | | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | | | | | | |
|---|---|--------------------------|-------------------------------------|------------|--|---|---|--|---|-------|--|---|---------------------|---|---|---|----------------|---|--|--|
| DACII | KODEKI | <u>L J</u> | | | | | | | | | | | | | irector | | | 10% Ov | · I | |
| (Last) | (F | First) (Middle) | | | | 3. Date of Earliest Transaction (Month/Day/Year) 06/05/2003 | | | | | | | | | elow) | , | | | pecify | |
| | | | | | | | | | | | | | | | Senior Vice President | | | | | |
| (Street) | | | | | 4. | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | | | 6. Individual or Joint/Group Filing (Check Applicable Line) | | | | | |
| | | | | | - | | | | | | | | | | Form filed by One Reporting Person | | | | n | |
| (City) (State) (Zip) | | | | | | | | | | | | | | Form filed by More to Person | | | | ting | | |
| | | Ta | ble I - Noi | n-Der | rivativ | /e Se | curi | ities Acc | uired, | Dis | posed of | , or Ben | eficial | ly Ow | ned | | | | | |
| D | | | | Date | 2. Transaction Date (Month/Day/Year) | | 2A. Deemed Execution Date, if any (Month/Day/Year) | | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4 | | | 5) Se Be | 5. Amount of Securities Beneficially Owned Following | | Form | : Direct Indirect | 7. Nature of Indirect Beneficial Ownership | |
| | | | | | | | | | Code | v | Amount | (A) or (D) | Price | Re Tra | Reported Transaction(s) (Instr. 3 and 4) | | | | (Instr. 4) | |
| Common Stock | | | | 06/05/2003 | | | | | M | | 50,000 | 50,000 A | | 63 | 52,030(1) | | | D | | |
| Common Stock | | | | 06/05/2003 | | | | | S | | 2,000 | D | 24.0 | 4 | 50,030 | | D | | | |
| Common Stock | | | | 06/05/2003 | | | | | S | | 4,000 | D | 24.0 | 5 | 46,030 | | D | | | |
| Common Stock | | | | 06/05/2003 | | | | | S | | 4,000 | D | 24.0 | 7 | 42,030 | | | D | | |
| Common Stock | | | | 06/05/2003 | | | | | S | | 7,000 | D | 24.0 | 8 | 35,030 | | D | | | |
| Common Stock | | | | 06/05/2003 | | | | | S | | 10,700 | D | 24.0 | 9 | 24,330 | | D | | | |
| Common Stock | | | | 06/ | 06/05/2003 | | | | | | 12,300 | D | 24.3 | L | 12,030 | | D | | | |
| Common Stock | | | | 06/ | 06/05/2003 | | | | S | | 2,000 | D | 24.1 | 12 10, | | ,030 | | D | | |
| Common Stock | | | | 06/ | 06/05/2003 | | | | S | | 2,000 | D | 24.1 | 3 8,0 | | 030 | | D | | |
| Common Stock 06 | | | | 06/ | 06/05/2003 | | | | S | | 6,000 | D | 24.1 | 2,0 | | 030 | | D | | |
| | | | Table II - | | | | | | | | osed of, convertib | | | Own | ed | | | | | |
| 1. Title of | 2. | 3. Transaction | 3A. Deemed | | 4. | , | · · | umber of | | | sable and | 7. Title and | | l o Dr | ico of | 9. Numbe | r of | 10. | 11. Nature | |
| Derivative Security (Instr. 3) | Conversion or Exercise Price of Derivative Security | Date (Month/Day/Year) | Execution E if any (Month/Day | ate, | Transaction Code (Instr. 8) | | Deri Secu Acq or D | vative urities uired (A) isposed o) (Instr. 3, | Expiration (Month/E | on Da | te | of Securiti Underlying Derivative (Instr. 3 an | es J Security | Deriv Secu | 3. Price of Derivative Security Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction | e s Illy | Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | of Indirect Beneficial Ownership (Instr. 4) | |
| | | | | Ī | | | | | | | | | Amount | : | | (Instr. 4) | on(s) | | | |
| | | | | | | | | | Date | | Expiration | | or Number of | | | | | | | |
| T la | | | | | Code | V | (A) | (D) | Exercisa | ble | Date | Title | Shares | - | | | | | | |
| Employee Stock Option (Right to Buy) | 5.6563 ⁽²⁾ | 06/05/2003 | | | M | | | 50,000 ⁽²⁾ | 01/31/20 | 001 | 07/31/2005 | Common Stock | 50,000 | | S ₀ | 302,960 ⁽²⁾ | | D | | |

Explanation of Responses:

- 1. Adjusted to reflect a 2-for-1 stock split effective February 14, 2003. Also includes 48 shares acquired under the Microsoft Employee Stock Purchase Plan.
- 2. This option was previously reported as covering 176,480 shares at \$11.31 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.

Shauna L. Vernal, Attorney-in-Fact for Robert J. Bach

06/06/2003

** 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.