

FORM 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
OMB Number:	3235-0362
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Form 3 Holdings Reported.

Form 4 Transactions Reported.

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>COLE DAVID WAYNE</u> (Last) (First) (Middle) <u>ONE MICROSOFT WAY</u> (Street) <u>REDMOND WA 98052-6399</u> (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) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Senior Vice President</u>
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) <u>06/30/2003</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year) <u>08/06/2003</u>		

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock	01/08/2002		G	900 ⁽¹⁾	D	\$0	19,950	D	
Common Stock	08/08/1988		J ⁽²⁾	30	D	\$0	19,920	D	
Common Stock	07/31/2002		A	10,000 ⁽³⁾	A	\$0	29,920 ⁽⁴⁾	D	
Common Stock							10 ⁽⁴⁾	I	By dependent child
Common Stock							10 ⁽⁴⁾	I	By dependent child
Common Stock							10 ⁽⁴⁾	I	By dependent child

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)
					(A)	(D)	Date Exercisable	Expiration Date					
Employee Stock Option (Right to Buy)	\$23.99 ⁽⁵⁾	07/31/2002		A	600,000 ⁽⁵⁾		01/31/2004 ⁽⁶⁾	07/31/2012	Common Stock 600,000 ⁽⁵⁾	\$0	600,000 ⁽⁵⁾	D	

Explanation of Responses:

- This amendment is to report a gift of 900 shares made on January 8, 2002 which was inadvertently not previously reported. This number has been adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
- The was previously reported as the receipt of a gift of 15 shares and has been adjusted to reflect a 2-for-1 stock split effective February 14, 2003. The reporting person never received these shares.
- Represents vesting stock award which shall vest over 5 years at the rate of 20% on the first anniversary of the date of grant and then at the rate of 20% on each of the following four anniversaries thereafter, subject to continued employment. Adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
- Adjusted to reflect a 2-for-1 stock split effective February 14, 2003. This total represents shares owned as of June 30, 2003.
- Adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
- The option vests over 5 years at the rate of 12.5% on January 31, 2004 and then at the rate of 12.5% each six months thereafter.

Remarks:

Shauna L. Vernal, Attorney-in-Fact for David W. Cole 08/08/2003

** 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.