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 I	N BENEFICIAL	OWNERSHIP

OMB APPROVAL

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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				suer Name and T CROSOFT					5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director X 10% Owner						
(Last) (First) (Middle) ONE MICROSOFT WAY					3. Date of Earliest Transaction (Month/Day/Year) 08/18/2003							X Officer (give title Other (specify below) Chairman of the Board			
(Street)	ND W	4. If A	Amendment, Date	of Origin	nal File	ed (Month/Day		6. Individual or Joint/Group Filing (Check Applicable Line)							
, TEDWO	IND W	A .	98052	-								n filed by More	Reporting Pers than One Rep		
(City)	(Si		(Zip)												
4 7:4140			le I - Non-Der		Securities A	_	d, Di						6. Ownership	7. Nature	
1. Title of Security (Instr. 3)		Date	action Day/Year)	Execution Date,	3. Transaction Code (Instr. 8)			s Acquired (A) or of (D) (Instr. 3, 4 and		5. Amount of Securities Beneficially Owned Following Reported Transaction(s)		Form: Direct (D) or Indirect (I) (Instr. 4)	of Indirect Beneficial Ownership (Instr. 4)		
						Code	v	Amount	(A) or (D)	Price	(Instr. 3			(
Common	Stock		08/18	/2003		S		60,000	D	\$25.7	78 1,165	5,439,336	D		
Common	Stock		08/18	/2003		S		71,800	D	\$25.7	76 1,165	5,367,536	D		
Common	Stock		08/18	/2003		S		20,000	D	\$25.7	75 1,165	5,347,536	D		
Common	Stock		08/18	/2003		S		27,800	D	\$25.7	74 1,165	5,319,736	D		
Common	Stock		08/18	/2003		S		14,500	D	\$25.7	73 1,165	5,305,236	D		
Common	Stock		08/18	/2003		S		5,900	D	\$25.	72 1,165	5,299,336	D		
Common	Stock		08/18	/2003		S		15,800	D	\$25.	7 1,165	5,283,536	D		
Common	Stock		08/18	/2003		S		4,200	D	\$25.0	59 1,165	5,279,336	D		
Common	Stock		08/18	/2003		S		55,000	D	\$25.0	58 1,165	5,224,336	D		
Common	Stock		08/18	/2003		S		47,200	D	\$25.0	56 1,165	5,177,136	D		
Common	Stock		08/18	/2003		S		62,800	D	\$25.0	55 1,165	5,114,336	D		
Common	Stock		08/18	/2003		S		9,400	D	\$25.0	54 1,165	5,104,936	D		
Common	Stock		08/18	/2003		S		30,000	D	\$25.0	53 1,165	5,074,936	D		
Common	Stock		08/18	/2003		S		35,600	D	\$25.0	52 1,165	5,039,336	D		
Common	Stock		08/18	/2003		S		145,000	D	\$25.0	51 1,164	4,894,336	D		
Common	Stock		08/18	/2003		S		124,900	D	\$25.	6 1,164	4,769,436	D		
Common	Stock		08/18	/2003		S		20,100	D	\$25.5	59 1,164	4,749,336	D		
Common	Stock		08/18	/2003		S		15,800	D	\$25.5	58 1,164	4,733,536	D		
Common	Stock		08/18	/2003		S		25,300	D	\$25.5	57 1,164	4,708,236	D		
Common	Stock		08/18	/2003		S		8,900	D	\$25.5	55 1,164	4,699,336	D		
Common	Stock		08/18	/2003		S		50,000	D	\$25.5	51 1,164	4,649,336	D		
Common	Stock		08/18	/2003		S		50,000	D	\$25.4	49 1,164	4,599,336	D		
Common	Stock		08/18	/2003		S		100,000	D	\$25.4	48 1,164	,499,336 ⁽¹⁾	D		
		Ta	able II - Deriva (e.g.,		ecurities Acq alls, warrants						y Owned				
1. Title of Derivative Conversion Date Execution Security or Exercise (Month/Day/Year)		3A. Deemed Execution Date,	4. Transac	5. Number		Exerc	cisable and ate 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((Instr. 4)	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)		

		Та	ble II - Deriva (e.g., p					ired, Disp options,		le sec		y Owned			
1. Title of	2. Conversion	3. Transaction	3A. Deemed Execution Date,	C ode		(5A)Nu	m(150e)r	6xDatisEbler Expiration D	ist⊋abibe and		aSalodares	8. Price of Derivative	9. Number of derivative	10. Ownership	11. Nature
Esectantation	of Exespises Price of there are 428, Derivative on stip	e 6 Month/Day/Year)		Code (Instr.	Derives Secues Acquired Acquir	rities rson dis ired other p osed . 3, 4	(Month/Day/	Year) ial ownershi _l	Securi Underl Deriva Securi and 4)	ties ying sectirities, a live ty (Instr. 3	Security	Securities Beneficially Owned Following Reported Transaction(s)	Form: Direct (D) of Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiratic	uthorize torney Villiam 1 (19/200 vestme	lated 3/1 H. Gates I with Ca	power of 4/2001 by III, filed or scade dule 13D,	08/20/200 1	<u>3</u>	

** Signature of Reporting Person D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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.

^{*} 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).