

### INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0104
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<b>1. Name and Address of Reporting Person*</b> <u>MATHEW MICH</u> <hr/> (Last)                      (First)                      (Middle) <hr/> (Street) <hr/> (City)                      (State)                      (Zip)	<b>2. Date of Event Requiring Statement (Month/Day/Year)</b> 06/30/2003	<b>3. Issuer Name and Ticker or Trading Symbol</b> <u>MICROSOFT CORP [ MSFT ]</u> <hr/> <b>4. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b> Director                      10% Owner <input checked="" type="checkbox"/> Officer (give title below)                      Other (specify below) <p style="text-align: center;">Corporate Vice President</p>	<b>5. If Amendment, Date of Original Filed (Month/Day/Year)</b>  <hr/> <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
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#### Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	19,808 <sup>(1)</sup>	D	
Common Stock	982	I	By 401(k)
Common Stock	349,201	I	By Spouse

#### Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Employee Stock Option (Right to Buy) (#0148473)	07/30/2000 <sup>(2)</sup>	07/05/2006	Common Stock	40,000	42.9063	D	
Employee Stock Option (Right to Buy) (#0167441)	11/22/2000 <sup>(3)</sup>	11/22/2009	Common Stock	40,000	44.9063	D	
Employee Stock Option (Right to Buy) (#0170964)	09/06/2001 <sup>(4)</sup>	03/06/2010	Common Stock	640,000	45.3125	D	
Employee Stock Option (Right to Buy) (#0177133)	04/24/2001 <sup>(2)</sup>	04/24/2007	Common Stock	40,000	33.3125	D	
Employee Stock Option (Right to Buy) (#0202678)	04/24/2001 <sup>(3)</sup>	04/24/2010	Common Stock	40,000	33.3125	D	
Employee Stock Option (Right to Buy) (#0203501)	10/24/2001 <sup>(4)</sup>	04/24/2010	Common Stock	320,000	33.3125	D	
Employee Stock Option (Right to Buy) (#0285231)	08/20/2002 <sup>(4)</sup>	02/20/2011	Common Stock	320,000	27.9375	D	
Employee Stock Option (Right to Buy) (#0311630)	01/31/2003 <sup>(4)</sup>	07/31/2011	Common Stock	400,000	33.095	D	
Employee Stock Option (Right to Buy) (#0365282)	01/31/2004 <sup>(4)</sup>	07/31/2007	Common Stock	230,000	23.99	D	
Call Option (obligation to sell)	03/07/2005	03/07/2005	Common Stock	150,000 <sup>(5)</sup>	42.7024	I	By Spouse
Put Option (right to sell)	03/07/2005	03/07/2005	Common Stock	150,000 <sup>(5)</sup>	28.827	I	By Spouse
Call Option (obligation to sell)	04/20/2004	04/20/2004	Common Stock	1,200,000 <sup>(5)</sup>	49.3855	I	By Spouse
Put Option (right to sell)	04/20/2004	04/20/2004	Common Stock	1,200,000 <sup>(5)</sup>	35.025	I	By Spouse

**Explanation of Responses:**

1. Includes vesting stock award of 6,000 shares, of which 1,800 shares will vest and be issued on 7/31/2005, 1,800 shares will vest and be issued on 7/31/2008 and 2,400 shares will vest and be issued on 7/31/2012, provided that the reporting person is an employee of MSFT on each of those dates.
2. The option vests over 4-1/2 years at the rate of 12.5% on the first year anniversary from the date of grant and at the rate of 12.5% each six months thereafter.
3. The option vests over 7 years at the rate of 7.7% on the first year anniversary from the date of grant and at the rate of 7.7% each six months thereafter.
4. The option vests over 5 years at the rate of 12.5% on the 18 month anniversary from the date of grant and at the rate of 12.5% each six months thereafter.
5. The reporting person's spouse has entered into a "zero-cost collar" arrangement pursuant to which he wrote a call option and purchased a put option. Only one of the options can be in the money on the expiration date, at which time the in-the-money option will be exercised (and settled in stock or cash), and the other option will expire. If neither option is in the money on the expiration date, both options will expire.

David Menz, Attorney-in-Fact 07/08/2003  
for Michelle J. Mathews

\*\* 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 5 (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.**

June 30, 2003

Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549-0001

Re: Microsoft Corporation - Power of Attorney

To whom it may concern:

This will confirm that I have granted each of the individuals listed below the authority to, on my behalf, execute and file the Initial Statement of Beneficial Ownership of Securities (Form 3), the Statement of Changes in Beneficial Ownership of Securities (Form 4) and the Annual Statement of Changes in Beneficial Ownership (Form 5), as my Attorney In Fact.

Such power of attorney shall remain in full force and effect until either (i) I am no longer subject to the reporting requirements under Section 16 of the Securities Act of 1933, as amended or (ii) I have provided you with written notice withdrawing this authority.

The individuals who are authorized to act as my Attorney-In-Fact under this Power of Attorney are as follows:

John A. Seethoff  
Keith R. Dolliver  
Shauna L. Vernal  
Kevin J. Fay  
David Menz  
Bradford L. Smith

This Power of Attorney is effective immediately upon filing with the Securities Exchange Commission and, for purposes of my future Form 4 and Form 5 filings, replaces and revokes all other Powers of Attorney previously filed by me.

Sincerely,

/s/ Michelle J. Mathews  
Michelle J. Mathews