

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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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* COURTOIS JEAN PHILIPPE			2. Issuer Name and Ticker or Trading Symbol MICROSOFT CORP [MSFT]			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) Senior Vice President		
(Last)	(First)	(Middle)	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 06/30/2005			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
ONE MICROSOFT WAY			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) REDMOND WA 98052-6399								
(City) (State) (Zip)								

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							379,111 ⁽¹⁾	D	
Common Stock							437,087	I	Held through "contrats d'assurance vie" ⁽²⁾
Common Stock							66,133	I	Held through "contrats de capitalization" ⁽³⁾
Common Stock							66,133	I	Held through "contrats de capitalization" ⁽³⁾
Common Stock							66,133	I	Held through "contrats de capitalization" ⁽³⁾

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	Title	Amount or Number of Shares				
Employee Stock Option (right to buy) #0163492	\$38.6157 ⁽⁴⁾						11/15/2004	07/30/2006	Common Stock	44,444		44,444 ⁽⁴⁾	D	
Employee Stock Option (right to buy) #0167433	\$40.4157 ⁽⁵⁾						11/22/2005 ⁽⁶⁾	11/22/2009	Common Stock	44,444		44,444 ⁽⁵⁾	D	
Employee Stock Option (right to buy) #0171050	\$40.7813 ⁽⁷⁾						03/06/2005	03/06/2010	Common Stock	2,222,222		2,222,222 ⁽⁷⁾	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)
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (right to buy) #0194881	\$29.9813 ⁽⁸⁾						11/15/2004	04/24/2007	Common Stock	44,444		44,444 ⁽⁸⁾	D	
Employee Stock Option (right to buy) #0202990	\$29.9813 ⁽⁹⁾						10/24/2005 ⁽¹⁰⁾	04/24/2010	Common Stock	44,444		44,444 ⁽⁹⁾	D	
Employee Stock Option (right to buy) #0203711	\$29.9813 ⁽¹¹⁾						04/24/2005	04/24/2010	Common Stock	1,111,111		1,111,111 ⁽¹¹⁾	D	
Employee Stock Option (right to buy) #0285499	\$27.9375 ⁽¹²⁾						08/20/2005 ⁽¹³⁾	02/20/2011	Common Stock	1,000,000		1,000,000 ⁽¹²⁾	D	

Explanation of Responses:

- Includes an increase to the existing 2002, 2003 and 2004 stock awards in the aggregate of 3,004 shares in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- Held through "contrats d'assurance vie," a form of life insurance program, where the reporting person maintains investment control over the Microsoft shares held in the program. Beneficiaries of the program include the reporting person's minor children. The reporting person disclaims beneficial ownership of these securities, except to the extent of his pecuniary interest therein.
- Held through "contrats de capitalization," a form of life insurance program for the benefit of the reporting person's three minor children, where the reporting person maintains investment control over the Microsoft shares held in the program. 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 purposes of Section 16 or any other purpose.
- This option was previously reported as an option covering 20,000 shares at an exercise price of \$85.8125 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. The option has been further adjusted in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- This option was previously reported as an option covering 20,000 shares at an exercise price of \$89.8125 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. The option has been further adjusted in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- 34,211 shares are vested and immediately exercisable, 3,411 shares will vest and become exercisable on each of November 22, 2005, May 22, 2006 and November 22, 2006.
- This option was previously reported as an option covering 1,000,000 shares at an exercise price of \$90.625 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. The option has been further adjusted in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- This option was previously reported as an option covering 20,000 shares at an exercise price of \$66.625 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. The option has been further adjusted in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- This option was previously reported as an option covering 20,000 shares at an exercise price of \$66.625 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. The option has been further adjusted in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- 30,800 shares are vested and immediately exercisable, 3,411 shares will vest and become exercisable on each of October 24, 2005, April 24, 2006, October 24, 2006 and April 24, 2007.
- This option was previously reported as an option covering 500,000 shares at an exercise price of \$66.625 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. The option has been further adjusted in connection with the \$3.00 special dividend paid to shareholders of record on November 17, 2004.
- This option was previously reported as an option covering 500,000 shares at an exercise price of \$55.88 per share, and has been adjusted as a result of a 2-for-1 stock split on February 14, 2003. This option was not adjusted in connection with the \$3.00 special dividend.
- 875,000 shares are vested and immediately exercisable and 125,000 shares vest and become exercisable on August 20, 2005.

Remarks:

Keith R. Dolliver, Attorney-in-Fact for Jean-Philippe Courtois 07/08/2005

** 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.

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