

STATEMENT OF CHANGES IN 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* <u>VASKEVITCH DAVID</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. Date of Earliest Transaction (Month/Day/Year) <u>12/11/2003</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price				
Common Stock								45,700	D		
Common Stock								2,456	I	By Daughter	
Common Stock								2,456	I	By Daughter	
Common Stock								9,450 ⁽¹⁾	I	By 401(k)	

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)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (Right to Buy)	\$42.9063 ⁽²⁾	12/11/2003		j ⁽³⁾		12,000 ⁽²⁾		07/30/2000 ⁽⁴⁾	07/30/2006	Common Stock	12,000 ⁽²⁾	\$0.4154 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$44.9063 ⁽⁵⁾	12/11/2003		j ⁽³⁾		60,000 ⁽⁵⁾		11/22/2000 ⁽⁶⁾	11/22/2009	Common Stock	60,000 ⁽⁵⁾	\$0.4069 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$45.3125 ⁽⁷⁾	12/11/2003		j ⁽³⁾		2,000,000 ⁽⁷⁾		09/06/2001 ⁽⁸⁾	03/06/2010	Common Stock	2,000,000 ⁽⁷⁾	\$0.114 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$33.3125 ⁽⁹⁾	12/11/2003		j ⁽³⁾		12,000 ⁽⁹⁾		04/24/2001 ⁽⁴⁾	04/24/2007	Common Stock	12,000 ⁽⁹⁾	\$1.9644 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$33.3125 ⁽¹⁰⁾	12/11/2003		j ⁽³⁾		60,000 ⁽¹⁰⁾		04/24/2001 ⁽⁶⁾	04/24/2010	Common Stock	60,000 ⁽¹⁰⁾	\$1.9644 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$33.3125 ⁽¹¹⁾	12/11/2003		j ⁽³⁾		1,000,000 ⁽¹¹⁾		10/24/2001 ⁽⁸⁾	04/24/2010	Common Stock	1,000,000 ⁽¹¹⁾	\$1.9644 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$35 ⁽¹²⁾	12/11/2003		j ⁽³⁾		1,500,000 ⁽¹²⁾		02/07/2002 ⁽⁸⁾	08/07/2010	Common Stock	1,500,000 ⁽¹²⁾	\$1.5907 ⁽³⁾	0	D	
Employee Stock Option (Right to Buy)	\$27.9375 ⁽¹³⁾							08/20/2002 ⁽⁸⁾	02/20/2011	Common Stock	1,000,000 ⁽¹³⁾		1,000,000	D	

Explanation of Responses:

- 1. 401(k) balance as of November 30, 2003.
- 2. This option was previously reported as covering 6,000 shares with an exercise price of \$85.8125 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.

3. The reporting person has elected to transfer these options to JPMorgan Chase Bank under the Microsoft Stock Option Transfer Program, which is described in the Schedule TO filed with the Securities and Exchange Commission on October 15, 2003, as amended. The payment to the reporting person for each such option is reported in Item 8 of Table II of this Form 4. One-third of the total payment is expected to be paid no later than December 31, 2003. One-half of the remainder of the total payment, plus interest equivalent for this payment, is scheduled to be made in December 2005 and the remaining amount, plus interest equivalent for this payment, is scheduled to be made in December 2006. The payments in 2005 and 2006 are contingent upon continued employment with Microsoft.

4. The option vests over 4-1/2 years at the rate of 12.5% after 12 months from date of grant and then at the rate of 12.5% each 6 months thereafter.
5. This option was previously reported as covering 30,000 shares with an exercise price of \$89.81 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
6. The option vests over 7 years at the rate of 7.7% after 12 months from date of grant and then at the rate of 7.7% each 6 months thereafter.
7. This option was previously reported as covering 1,000,000 shares with an exercise price of \$90.63 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
8. The option vests over 5 years at the rate of 12.5% after 18 months from date of grant and then at the rate of 12.5% each 6 months thereafter.
9. This option was previously reported as covering 6,000 shares with an exercise price of \$66.63 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
10. This option was previously reported as covering 30,000 shares with an exercise price of \$66.63 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
11. This option was previously reported as covering 500,000 shares with an exercise price of \$66.63 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
12. This option was previously reported as covering 750,000 shares with an exercise price of \$70.00 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.
13. This option was previously reported as covering 500,000 shares with an exercise price of \$55.88 per share, but is adjusted to reflect a 2-for-1 stock split effective February 14, 2003.

Remarks:

Keith R. Dolliver, Attorney-in-
Fact for David Vaskevitch 12/12/2003

** 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.

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