

COURTOIS JEAN PHILIPPE

Form 4

June 22, 2005

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
COURTOIS JEAN PHILIPPE

(Last) (First) (Middle)

C/O MICROSOFT
CORPORATION, ONE
MICROSOFT WAY

(Street)

REDMOND, WA 98052-6399

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
MICROSOFT CORP [MSFT]

3. Date of Earliest Transaction
(Month/Day/Year)
06/20/2005

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)

Senior Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

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 (D) Price			
Common Stock					376,107	D	
Common Stock					437,087	I	Held through "contrats d'assurance vie" ⁽¹⁾
Common Stock					66,133	I	Held through "contrats de capitalization" ⁽²⁾

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Common Stock	66,133	I	Held through "contrats de capitalization" (2)
Common Stock	66,133	I	Held through "contrats de capitalization" (2)

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

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SEC 1474
(9-02)

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 Underlying Security (Instr. 3 and 4)
Performance Rights	\$ 0 (3)	06/20/2005		A	92,889 (4) (5)	08/31/2006(6) 08/31/2008	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
COURTOIS JEAN PHILIPPE C/O MICROSOFT CORPORATION ONE MICROSOFT WAY REDMOND, WA 98052-6399			Senior Vice President	

Signatures

Keith R. Dolliver, Attorney-in-Fact for Jean-Philippe
Courtois

06/22/2005

Signature of Reporting Person

Date

Explanation of Responses:

* 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).

(1) 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.

(2) 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, except to the extent of his pecuniary interest therein.

(3) 1-for-1

(4) This filing is being made to report the increase, effective June 20, 2005, in the minimum number of shares of common stock issuable under a shared performance stock award ("SPSA") for the fiscal 2004-2006 performance period.

The number of shares ultimately received depends on the company's performance against specified performance targets. At the end of the performance period, the number of shares of stock and stock awards will be determined by adjusting upward or downward from a target in a range between 33% and 150%. The number reported herein is based on the 33% minimum. The final performance percentage on which the payout will be based, considering company performance metrics established for the performance period, will be determined by the board or a board committee in its sole discretion. Shares of stock are issued at the end of the performance period and as the stock awards vest over the following two years, provided that the reporting person remains continuously employed through the applicable vest date.

(6) One-third of the number of shares of common stock ultimately awarded under the SPSA will be distributed to the reporting person on or about August 31, 2006 (the "initial vest date"), an additional one-third shall vest and distributed to the reporting person on each of the first and second anniversaries of the initial vest date, provided that the Reporting Person remains continuously employed through the applicable vesting date.

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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