

ROULEAU R MICHAEL

Form 4

January 12, 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  
Number: 3235-0287  
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2005  
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burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
ROULEAU R MICHAEL

(Last) (First) (Middle)

8000 BENT BRANCH DRIVE

(Street)

IRVING, TX 75063

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol

MICHAELS STORES INC [MIK]

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

01/10/2005

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 below) \_\_\_\_ Other (specify below)

President and CEO

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	(A) or (D) Price			
Common Stock	01/10/2005		M		50,000	A \$ 10.4375	174,380	D	
Common Stock	01/10/2005		S		200	D \$ 30.28	174,180	D	
Common Stock	01/10/2005		S		3,300	D \$ 30.29	170,880	D	
Common Stock	01/10/2005		S		600	D \$ 30.32	170,280	D	
Common Stock	01/10/2005		S		600	D \$ 30.33	169,680	D	

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Common Stock	01/10/2005	S	2,900	D	\$ 30.34	166,780	D	
Common Stock	01/10/2005	S	3,700	D	\$ 30.35	163,080	D	
Common Stock	01/10/2005	S	3,500	D	\$ 30.36	159,580	D	
Common Stock	01/10/2005	S	2,800	D	\$ 30.37	156,780	D	
Common Stock	01/10/2005	S	4,200	D	\$ 30.38	152,580	D	
Common Stock	01/10/2005	S	10,700	D	\$ 30.39	141,880	D	
Common Stock	01/10/2005	S	14,800	D	\$ 30.4	127,080	D	
Common Stock	01/10/2005	S	800	D	\$ 30.41	126,280	D	
Common Stock	01/10/2005	S	1,000	D	\$ 30.42	125,280	D	
Common Stock	01/10/2005	S	200	D	\$ 30.44	125,080	D	
Common Stock	01/10/2005	S	700	D	\$ 30.45	124,380 <sup>(1)</sup>	D	
Common Stock						12,127 <sup>(2)</sup>	I	By 401(k) Plan

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 of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title

Stock									
Option	\$ 10.4375	01/10/2005		M	50,000	(3)	07/27/2005	Common	50,000
(Right to								Stock	
Buy)									

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ROULEAU R MICHAEL 8000 BENT BRANCH DRIVE IRVING, TX 75063			President and CEO	

## Signatures

/s/ Elizabeth K. Giddens Elizabeth K. Giddens, Attorney-in-Fact for R. Michael Rouleau, President and Chief Executive Officer	01/12/2005
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\_\_\_\_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).

The reported amount includes 24,380 shares of Michaels Stores, Inc. common stock acquired by the reporting person under the Michaels Stores, Inc. Amended and Restated 1997 Employees Stock Purchase Plan (also known as the ESPP), based on a plan statement issued by the ESPP's administrator as of November 30, 2004.

(1) The reported amount is held by a stock fund under the Michaels Stores, Inc. Employees 401(k) Plan (also known as the 401(k) Plan) assumed to be fully invested in Michaels Stores, Inc. common stock, based on a plan statement issued by the 401(k) Plan administrator as of December 31, 2004 as an estimate of the total number of shares that would be available to the reporting person if such holdings were liquidated on that date.

(2) Exercise of stock options pursuant to original grant to the reporting person on July 28, 2000 of options under the Michaels Stores, Inc. Amended and Restated 1997 Stock Option Plan to purchase 400,000 shares of Michaels Stores, Inc. common stock (adjusted to give effect to a two-for-one stock split to stockholders of record as of the close of business on each of November 12, 2001 and September 27, 2004). The options associated with this grant vest in three annual installments beginning on July 28, 2001. After giving effect to the transaction that is the subject of this report, 350,000 options remain outstanding under this grant, all of which are currently vested.

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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