MICROSOFT CORP

Form 4

February 20, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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OMB APPROVAL

subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction

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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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading **GATES WILLIAM H III** Issuer Symbol MICROSOFT CORP [MSFT] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) _X__ Director 10% Owner Other (specify Officer (give title ONE MICROSOFT WAY 02/15/2007 below)

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

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

Person

REDMOND, WA 98052

(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. Transacti Code (Instr. 8)	4. Securities or Dispose (Instr. 3, 4	d of (L))	5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	(D)	Price	(Instr. 3 and 4)			
Common Stock	02/15/2007		S	108,700	D	\$ 29.63	930,390,636	D		
Common Stock	02/15/2007		S	6,100	D	\$ 29.62	930,384,536	D		
Common Stock	02/15/2007		S	12,700	D	\$ 29.61	930,371,836	D		
Common Stock	02/15/2007		S	25,200	D	\$ 29.6	930,346,636	D		
Common Stock	02/15/2007		S	18,900	D	\$ 29.59	930,327,736	D		
	02/15/2007		S	22,900	D		930,304,836	D		

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Common Stock					\$ 29.58		
Common Stock	02/15/2007	S	42,300	D	\$ 29.57	930,262,536	D
Common Stock	02/15/2007	S	21,150	D	\$ 29.56	930,241,386	D
Common Stock	02/15/2007	S	17,350	D	\$ 29.55	930,224,036	D
Common Stock	02/15/2007	S	186,376	D	\$ 29.54	930,037,660	D
Common Stock	02/15/2007	S	344,037	D	\$ 29.53	929,693,623	D
Common Stock	02/15/2007	S	85,259	D	\$ 29.52	929,608,364	D
Common Stock	02/15/2007	S	69,500	D	\$ 29.51	929,538,864	D
Common Stock	02/15/2007	S	82,189	D	\$ 29.5	929,456,675	D
Common Stock	02/15/2007	S	34,800	D	\$ 29.49	929,421,875	D
Common Stock	02/15/2007	S	89,439	D	\$ 29.48	929,332,436	D
Common Stock	02/15/2007	S	133,181	D	\$ 29.47	929,199,255	D
Common Stock	02/15/2007	S	137,919	D	\$ 29.46	929,061,336	D
Common Stock	02/15/2007	S	111,500	D	\$ 29.45	928,949,836	D
Common Stock	02/15/2007	S	14,100	D	\$ 29.44	928,935,736	D
Common Stock	02/15/2007	S	30,373	D	\$ 29.43	928,905,363	D
Common Stock	02/15/2007	S	98,300	D	\$ 29.42	928,807,063	D
Common Stock	02/15/2007	S	96,527	D	\$ 29.41	928,710,536	D
Common Stock	02/15/2007	S	29,100	D	\$ 29.4	928,681,436	D
Common Stock	02/15/2007	S	40,200	D	\$ 29.39	928,641,236	D
	02/15/2007	S	36,462	D		928,604,774	D

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Common Stock					\$ 29.38		
Common Stock	02/15/2007	S	60,438	D	\$ 29.37	928,544,336	D
Common Stock	02/15/2007	S	33,100	D	\$ 29.36	928,511,236	D
Common Stock	02/15/2007	S	2,200	D	\$ 29.35	928,509,036	D
Common Stock	02/15/2007	S	900	D	\$ 29.34	928,508,136 (1)	D

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

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(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. Transacti Code (Instr. 8)	5. Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	:	ate	7. Titl Amou Under Secur (Instr.	ınt of rlying	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owno Follo Repo Trans (Instr
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships							
1	Director	10% Owner	Officer	Other				
GATES WILLIAM H III ONE MICROSOFT WAY	X							
REDMOND, WA 98052	Λ							

Signatures

William H. Gates III By: /s/ Michael Larson*, Attorney-In-Fact

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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).
- In addition, there are 425,066 shares owned by reporting person's spouse. 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 for any other purposes.

Remarks:

* Duly authorized under Special Power of Attorney appointing Michael Larson attorney-in-fact, dated February 3, 2006, by ar Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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