

BACH ROBERT J
 Form 4
 November 16, 2005

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

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).

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 BACH ROBERT J

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 ONE MICROSOFT WAY

3. Date of Earliest Transaction (Month/Day/Year)
 11/16/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Senior Vice President

(Street)
 REDMOND, WA 98052-6399

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

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

(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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	11/16/2005		M	59,300	A \$ 6.2227	410,675	D
Common Stock	11/16/2005		S	5,000	D \$ 27.5	405,675	D
Common Stock	11/16/2005		S	5,000	D \$ 27.55	400,875	D
Common Stock	11/16/2005		S	5,000	D \$ 27.6	395,675	D
Common Stock	11/16/2005		S	5,000	D \$ 27.65	390,867	D

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Common Stock	11/16/2005	S	5,000	D	\$ 27.7	385,675	D
Common Stock	11/16/2005	S	5,000	D	\$ 27.8	380,675	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. 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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 6.2227	11/16/2005		M	59,300	11/15/2004	07/15/2006	Common Stock	59,300

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BACH ROBERT J ONE MICROSOFT WAY REDMOND, WA 98052-6399			Senior Vice President	

Signatures

Keith R. Dolliver, Attorney-in-Fact for Robert J. Bach
11/16/2005

__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).

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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