

MICHAELS STORES INC
Form 4
June 15, 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 *
MARCUS RICHARD C

(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)
06/13/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	06/13/2005		M		30,900 A \$ 10.5	44,900	D
Common Stock	06/13/2005		S		15,000 D \$ 41.99	29,900	D
Common Stock	06/13/2005		S		100 D \$ 41.98	29,800	D
Common Stock	06/13/2005		S		4,900 D \$ 41.96	24,900	D
Common Stock	06/13/2005		S		4,300 D \$ 41.87	20,600	D
	06/13/2005		S		700 D \$ 41.9	19,900	D

Common
Stock

Common Stock	06/13/2005	S	3,800	D	\$ 41.82	16,100	D
Common Stock	06/13/2005	S	1,200	D	\$ 41.84	14,900	D
Common Stock	06/13/2005	S	900	D	\$ 41.78	14,000	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)	8. Amount or Number of Shares
Stock Option (Right to Buy)	\$ 10.5	06/13/2005		M	30,900	<u>(1)</u> 10/04/2006	Common Stock	30,900

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MARCUS RICHARD C 8000 BENT BRANCH DRIVE IRVING, TX 75063		X		

Signatures

/s/ Todd J. Thorson Todd J. Thorson, Attorney-in-Fact for Richard C. Marcus

06/15/2005

**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).

Exercise of stock options pursuant to original grant to the reporting person on October 5, 2001 of options under the Michaels Stores, Inc. Second Amended and Restated 2001 General Stock Option Plan to purchase 70,000 shares of Michaels Stores, Inc. common stock

- (1) (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). All the options associated with this grant vested on October 5, 2001. After giving effect to the transaction that is the subject of this report, 39,100 options remain outstanding under this grant.

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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