

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SINOFSKY STEVEN J</u>  (Last) (First) (Middle) <u>C/O MICROSOFT CORPORATION</u> <u>ONE MICROSOFT WAY</u>  (Street) <u>REDMOND WA 98052-6399</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>MICROSOFT CORP [ MSFT ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>President, Windows Division</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>01/18/2011</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	01/18/2011		M		44,444 <sup>(1)</sup>	A	\$25.1438	737,951	D	
Common Stock	01/18/2011		S		44,444 <sup>(1)</sup>	D	\$28.14	693,507	D	
Common Stock	01/19/2011		M		44,444 <sup>(1)</sup>	A	\$25.1438	737,951	D	
Common Stock	01/19/2011		S		44,444 <sup>(1)</sup>	D	\$28.46	693,507	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (Right to Buy)	\$25.1438	01/18/2011		M		44,444 <sup>(1)</sup>		02/20/2006	02/20/2011	Common Stock	44,444	\$0	177,776	D	
Employee Stock Option (Right to Buy)	\$25.1438	01/19/2011		M		44,444 <sup>(1)</sup>		02/20/2006	02/20/2011	Common Stock	44,444	\$0	133,332	D	

**Explanation of Responses:**

1. The exercise of the stock option and the sale of the underlying shares were made under a 10b5-1 plan previously adopted by the reporting person.

**Remarks:**

Keith R. Dolliver, Attorney-in-Fact for Steven J. Sinofsky 01/19/2011

\*\* Signature of Reporting Person Date

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

\* 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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