

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) August 22, 2006

**Microsoft Corporation**

(Exact Name of Registrant as Specified in Its Charter)

Washington

(State or Other Jurisdiction of Incorporation)

0-14278

(Commission File Number)

91-1144442

(IRS Employer Identification No.)

One Microsoft Way, Redmond, Washington

(Address of Principal Executive Offices)

98052-6399

(Zip Code)

(425) 882-8080

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers**

On August 22, 2006, Ann McLaughlin Korologos, a member of the Microsoft Board of Directors since 2000, informed the Company that she has decided to retire from the Board effective as of the 2006 annual meeting of shareholders, and therefore will not stand for re-election at the annual meeting. The Company issued a press release announcing Ms. Korologos' plans on August 25, 2006.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

99.1 Press Release of Microsoft Corporation dated August 25, 2006

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MICROSOFT CORPORATION  
(Registrant)

Date: August 25, 2006

/s/ John A. Seethoff  
John A. Seethoff  
Assistant Secretary

**INDEX TO EXHIBITS**

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Press release dated August 25, 2006

**For Immediate Release**  
**Aug. 25, 2006**

**Korologos to Retire From Microsoft Board**

**REDMOND, Wash. — Aug. 25, 2006** — Microsoft Corp. today announced that Ann McLaughlin Korologos, chairman of the RAND Corp. board of trustees, has decided not to seek re-election to Microsoft's board of directors at the company's 2006 shareholder meeting.

Korologos' decision was prompted by increasing demands on her time from other professional and personal commitments. She is completing her seventh year on the Microsoft board, having joined the group in January 2000.

"Ann has been an outstanding member of the Microsoft board," said Steve Ballmer, chief executive officer at Microsoft. "Her contributions and guidance have been invaluable, and we appreciate her seven years of service."

"I have thoroughly enjoyed my tenure on the board of this worldwide, highly respected company; however, new responsibilities and opportunities force me reluctantly not to seek re-election," Korologos said.

Other members of the Microsoft board of directors are Bill Gates, chairman of Microsoft; Ballmer; James I. Cash Jr., Ph.D., former James E. Robison professor at the Harvard Business School; Dina Dublon, former chief financial officer of JPMorgan Chase; Raymond V. Gilmartin, former chairman, president and chief executive officer of Merck & Co. Inc.; David F. Marquardt, general partner at August Capital; Charles H. Noski, former vice chairman of AT&T Corp.; Dr.

- more -

Helmut Panke, chairman of the board of management at BMW AG; and Jon Shirley, former president and chief operating officer of Microsoft.

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

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**For more information, press only:**

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