

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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).

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>MUGLIA ROBERT L</u>  (Last) (First) (Middle) <u>C/O MICROSOFT CORPORATION</u> <u>ONE MICROSOFT WAY</u>  (Street) <u>REDMOND WA 98053-6399</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 <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) <input type="checkbox"/> <p style="text-align: right;"><b>Senior Vice President</b></p>
	3. Date of Earliest Transaction (Month/Day/Year) <u>04/24/2008</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	04/24/2008		M		150,000 <sup>(1)</sup>	A	\$25.1438	425,473 <sup>(2)</sup>	D	
Common Stock	04/24/2008		S		104,592 <sup>(3)</sup>	D	\$32	320,881	D	
Common Stock	04/24/2008		S		600 <sup>(3)</sup>	D	\$32.0025	320,281	D	
Common Stock	04/24/2008		S		38,648 <sup>(3)</sup>	D	\$32.01	281,633	D	
Common Stock	04/24/2008		S		400 <sup>(3)</sup>	D	\$32.0125	281,233	D	
Common Stock	04/24/2008		S		5,760 <sup>(3)</sup>	D	\$32.015	275,473	D	
Common Stock								63,040 <sup>(4)</sup>	I	By 401(k)
Common Stock								5,790	I	By Spouse
Common Stock								19,292 <sup>(4)</sup>	I	By Spouse 401(k)
Common Stock								7,200	I	By IRA
Common Stock								34,793 <sup>(5)</sup>	I	By Family Foundation

**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) #0285244	\$25.1438	04/24/2008		M		150,000 <sup>(1)</sup>		02/20/2006	02/20/2011	Common Stock	150,000	\$0	922,422	D	
Call Option (obligation to sell)	\$32.5	04/19/2008		E	V	498 <sup>(6)</sup>		10/23/2007	04/19/2008	Common Stock	49,800	\$0	0	D	

**Explanation of Responses:**

- The exercise was made under a 10b5-1 plan previously adopted by the reporting person.
- Includes 709 shares acquired on March 31, 2008 under the Microsoft employee stock purchase plan.
- The sale was made under a 10b5-1 plan previously adopted by the reporting person.
- Balance as of March 31, 2008.
- The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission or that the reporting person is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
- Prior to becoming a reporting person, Mr. Muglia wrote a Call Option (obligation to sell) under a Rule 10b5-1 Trading Plan for 498 lots (49,800 shares) at \$32.50 per share. The Call Option expired for no value.

**Remarks:**

Keith R. Dolliver, Attorney-in-Fact for Robert L. Muglia 04/25/2008

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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