FORM 5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington,	D.C.	20549
vvasiliigtoii,	D.C.	20070

ANNUAL STATEMENT	OF CHANGES	IN BENEFICIAL

OMB APPROVAL									
OMB Number:	3235-0362								
Estimated average burden									
hours per response:	1.0								

Form 3 Holdings Reported.

Instruction 1(b)

OWNERSHIP

Transactions F	teported.	FIIE													
1. Name and Address of Reporting Person* SMITH BRADFORD L				2. Issuer Name and Ticker or Trading Symbol MICROSOFT CORP [MSFT]						5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner				Owner	
ROSOFT C	CORPORATION	•	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 06/30/2008						Year)	X Officer (give title below) Other (specify below) Senior Vice President					
ND WA	A 9		4. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person								rson				
	Tabl	e I - Non-Deriv	ative Sec	uritie	s Ac	quire	d, Di	sposed (of, or	Benefici	ally Ow	ned			
1. Title of Security (Instr. 3) 2. Transaction Date (Month/Day/Year)				Transaction Code (Instr. 3, 4 and 5)		or Disposed	Securities Beneficially		Forn	ership n: Direct	7. Nature of ndirect Beneficial Ownership				
					Amount		(A) or (D)	Price	Issue	s Fiscal Ìndi		ect (I)	(Instr. 4)		
Stock												196,866(1)		D	
Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)															
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)	on of of Expired (Mon Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		Expir: (Mont	Expiration Date (Month/Day/Year) Date Expiration		Amour or Numbe		Derivativ	e derivative Securitie Beneficia Owned Following Reported	e s Illy	Form: Direct (D) or Indirec	Beneficial Ownership (Instr. 4)
	d Address of BRADF (Fir ROSOFT CROSOFT CROSOF	(First) (Interest) (First) (Interest) (Inter	Transactions Reported. d Address of Reporting Person* BRADFORD L (First) (Middle) ROSOFT CORPORATION CROSOFT WAY ND WA 98052-6399 (State) (Zip) Table I - Non-Deriv curity (Instr. 3) 2. Transaction Date (Month/Day/Year) Stock Table II - Derivat (e.g., pt Conversion or Exercise Price of Derivative (Month/Day/Year) 3. Transaction Date (Month/Day/Year) 3. Deemed Execution Date, if any (Month/Day/Year)	Table I - Non-Derivative Security (Instr. 3) Table II - Derivative Security (Month/Day/Year) Table II - Derivative Security (Month/Day/Year) Stock Table II - Derivative Security (Month/Day/Year) Transaction Code (Instr. 8)	Table I - Non-Derivative Securities (e.g., puts, calls, warr 2. Conversion or Exercise Price of Derivative Security 2. Transaction Date (Month/Day/Year) Stock Table II - Derivative Securities (e.g., puts, calls, warr (Month/Day/Year) 3. Statement for 06/30/2008 4. 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Statement for Issuer's Fiscal Year Ended (Month/Day/Year) (State) (State) (State) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned (Month/Day/Year) (Month/Day/Year) (A) 0 Price Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (A) or (P) Price (A) or Exercise (Month/Day/Year) (Month/Day/Year)

Explanation of Responses:

1. Includes 533 shares acquired on March 31, 2008 and 210 shares acquired on June 30, 2008 under the Microsoft employee stock purchase plan.

Remarks:

Keith R. Dolliver, Attorney-in-Fact for Bradford L. Smith ** Signature of Reporting Person

07/10/2008

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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.