

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

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

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 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Senior Vice President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/17/2009</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	11/17/2009		M		119,900 <sup>(1)</sup>	A	\$25.1438	617,783	D	
Common Stock	11/17/2009		S		119,900 <sup>(1)</sup>	D	\$30.0063 <sup>(2)</sup>	497,883	D	
Common Stock	11/18/2009		M		802,522 <sup>(1)</sup>	A	\$25.1438	1,300,405	D	
Common Stock	11/18/2009		S		802,522 <sup>(1)</sup>	D	\$30.0035 <sup>(3)</sup>	497,883	D	
Common Stock								63,045 <sup>(4)</sup>	I	By 401(k)
Common Stock								5,760	I	By Spouse
Common Stock								19,293 <sup>(4)</sup>	I	By Spouse 401(k)
Common Stock								7,200	I	By IRA
Common Stock								20,000 <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)	\$25.1438	11/17/2009		M		119,900		02/20/2006	02/20/2011	Common Stock	119,900	\$0	802,522	D	
Employee Stock Option (right to buy)	\$25.1438	11/18/2009		M		802,522		02/20/2006	02/20/2011	Common Stock	802,522	\$0	0	D	

**Explanation of Responses:**

- The exercise of an employee stock option and the sale of the underlying shares were made under a 10b5-1 plan previously adopted by the reporting person.
- This transaction was executed in multiple trades at prices ranging from \$30.00 to \$30.05. The price reported above reflects the weighted average purchase price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transactions were effected.
- This transaction was executed in multiple trades at prices ranging from \$30.00 to \$30.03. The price reported above reflects the weighted average purchase price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transactions were effected.
- Balance as of October 31, 2009.
- 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.

**Remarks:**

Keith R. Dolliver, Attorney-in-Fact for Robert L. Muglia 11/18/2009

\*\* Signature of Reporting Person Date

\* 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.**