

**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) March 28, 2020

Microsoft Corporation

Washington
(State or Other Jurisdiction
of Incorporation)

001-37845
(Commission
File Number)

91-1144442
(IRS Employer
Identification No.)

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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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of exchange on which registered</u>
Common stock, \$0.0000625 par value per share	MSFT	NASDAQ
2.125% Notes due 2021	MSFT	NASDAQ
3.125% Notes due 2028	MSFT	NASDAQ
2.625% Notes due 2033	MSFT	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

On March 28, 2020, Microsoft Corporation posted an entry on the Microsoft Azure Blog, a site directed primarily at customers, partners, and other parties interested in developments in Azure technologies and services. The post contained, among other information, a statement that “We have seen a 775 percent increase of our cloud services in regions that have enforced social distancing or shelter in place orders.” The metric in this statement was intended to refer only to a specific cloud-based service, Teams calling and meeting monthly users, in a specific country, Italy. The statement was not intended to provide information about the performance of Azure and cloud services generally, Microsoft’s Intelligent Cloud segment, or Microsoft as a whole. We corrected the blog entry to clarify the nature of this information on March 30, 2020. A copy of the corrected blog is filed as [Exhibit 99.1](#) and may be viewed at <https://azure.microsoft.com/en-us/blog/update-2-on-microsoft-cloud-services-continuity/>.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits:

- | | |
|------|---|
| 99.1 | Updated Microsoft Azure Blog Post dated March 30, 2020 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

SIGNATURE

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: March 31, 2020

/s/ Frank H. Brod

Frank H. Brod
Corporate Vice President, Finance and
Administration;
Chief Accounting Officer

Update #2 on Microsoft cloud services continuity

Posted on March 28, 2020

Microsoft Azure

Since last week's update, the global health pandemic continues to impact every organization—large or small—their employees, and the customers they serve. Everyone is working tirelessly to support all our customers, especially critical health and safety organizations across the globe, with the cloud services needed to sustain their operations during this unprecedented time. Equally, we are hard at work providing services to support hundreds of millions of people who rely on Microsoft to stay connected and to work and play remotely.

As Satya Nadella [shared](#), *"It's times like this that remind us that each of us has something to contribute and the importance of coming together as a community"*. In these times of great societal disruption, we are steadfast in our commitment to help everyone get through this.

For this week's update, we want to share common questions we're hearing from customers and partners along with insights to address these important inquiries. If you have any immediate needs, please refer to the following resources.

[Azure Service Health](#) – for tracking any issues impacting customer workloads and understanding Azure Service Health

[Microsoft 365 Service health and continuity](#) – for tracking and understanding M365 Service health

[Xbox Live](#) – for tracking game and service status

What have you observed over the last week?

In response to health authorities emphasizing the importance of social distancing, we've seen usage increases in services that support these scenarios—including Microsoft Teams, Windows Virtual Desktop, and Power BI.

- ~~We have seen a 775 percent increase of our cloud services in regions that have enforced social distancing or shelter in place orders.~~
- We have seen a 775 percent increase in Teams calling and meeting monthly users in a one month period in Italy, where social distancing or shelter in place orders have been enforced.

- We have seen a very significant spike in Teams usage, and now have more than 44 million daily users. Those users generated over 900 million meeting and calling minutes on Teams daily in a single week. [You can read more about Teams data here.](#)
- Windows Virtual Desktop usage has grown more than 3x.
- Government use of public Power BI to share COVID-19 dashboards with citizens has surged by 42 percent in a week.

Have you made any changes to the prioritization criteria you outlined last week?

No. Our top priority remains support for critical health and safety organizations and ensuring remote workers stay up and running with the core functionality of Teams.

Specifically, we are providing the highest level of monitoring during this time for the following:

- First Responders (fire, EMS, and police dispatch systems)
- Emergency routing and reporting applications
- Medical supply management and delivery systems
- Applications to alert emergency response teams for accidents, fires, and other issues
- Healthbots, health screening applications, and websites
- Health management applications and record systems

Given your prioritization criteria, how will this impact other Azure customers?

We're implementing a few temporary restrictions designed to balance the best possible experience for all of our customers. We have placed limits on free offers to prioritize capacity for existing customers. We also have limits on certain resources for new subscriptions. These are 'soft' quota limits, and customers can raise support requests to increase these limits. If requests cannot be met immediately, we recommend customers use alternative regions (of our 54 live regions) that may have less demand surge. To manage surges in demand, we will expedite the creation of new capacity in the appropriate region.

Have there been any service disruptions?

Despite the significant increase in demand, we have not had any significant service disruptions. As a result of the surge in use over the last week, we have experienced significant demand in some regions (Europe North, Europe West, UK South, France Central, Asia East, India South, Brazil South) and are observing deployments for some compute resource types in these regions drop below our typical 99.99 percent success rates.

Although the majority of deployments still succeed, (so we encourage any customers experiencing [allocation failures](#) to retry deployments), we have a process in place to ensure that customers that encounter repeated issues receive relevant mitigation options. We treat these short-term allocation shortfalls as a service incident and we send targeted updates and mitigation guidance to impacted customers via [Azure Service Health](#)—as per our standard process for any known platform issues.

When these service incidents happen, how do you communicate to customers and partners?

We have standard operating procedures for how we manage both mitigation and communication. Impacted customers and partners are notified through the Service Health experience in the Azure portal and/or in the Microsoft 365 admin center.

What actions are you taking to prevent capacity constraints?

We are expediting the addition of significant new capacity that will be available in the weeks ahead. Concurrently, we monitor support requests and, if needed, encourage customers to consider alternative regions or alternative resource types, depending on their timeline and requirements. If the implementation of these efforts to alleviate demand is not sufficient, customers may experience intermittent deployment related issues. When this does happen, impacted customers will be informed via [Azure Service Health](#).

Have you needed to make any changes to the Teams experience?

To best support our Teams customers worldwide and accommodate new growth and demand, we made a few temporary adjustments to select non-essential capabilities such as how often we check for user presence, the interval in which we show when the other party is typing, and video resolution. These adjustments do not have significant impact on our end users' daily experiences.

Is Xbox Live putting a strain on overall Azure capacity?

We're actively monitoring performance and usage trends to ensure we're optimizing services for gamers worldwide. At the same time, we're taking proactive steps to plan for high-usage periods, which includes taking prudent measures with our publishing partners to deliver higher-bandwidth activities like game updates during off-peak hours.

How does in-home broadband use impact service continuity and capacity? Any specific work being done with ISPs?

We've been in regular communication with ISPs across the globe and are actively working with them to augment capacity as needed. In particular, we've been in discussions with several ISPs that are taking measures to reduce bandwidth from video sources in order to enable their networks to be performant during the workday.

We'll continue to provide regular updates on the Microsoft Azure blog.

This post was updated on March 30, to clarify the first bullet.