MICROSOFT CORP
Form 8-K
June 29, 2005

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) June 20, 2005

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	**98052-6399**

(Address of Principal Executive Offices) **(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))

Item 1.01. Entry into a Material Definitive Agreement.

(c) On June 20, 2005, Microsoft Corporation (Microsoft) increased the compensation of Kevin R. Johnson, Group Vice President, World Wide Sales, Marketing and Services.

Mr. Johnson s employment is at-will. As a result of the increase, he will receive a salary of $570,000 per year and is eligible for an annual bonus ranging from 0% to 100% of eligible salary. In addition, Mr. Johnson participates in Microsoft s Shared Performance Stock Award (SPSA) Program, with a target SPSA award of 696,296 shares of Microsoft common stock.

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: June 29, 2005

/s/ Bradford L. Smith

Bradford L. Smith

Senior Vice President, General Counsel and Secretary