

**Report of Organizational Actions
Affecting Basis of Securities**

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name Microsoft Corporation		2 Issuer's employer identification number (EIN) 91-1144442	
3 Name of contact for additional information Mark LeRoy	4 Telephone No. of contact (425) 882-8080	5 Email address of contact mleRoy@microsoft.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact One Microsoft Way		7 City, town, or post office, state, and ZIP code of contact Redmond, Washington 98052	
8 Date of action October 25, 2018		9 Classification and description Common stock and cash issued in exchange for Microsoft stock	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol MSFT	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► On October 25, 2018 pursuant to the terms and conditions of the Agreement and Plan of Merger, dated as of June 4, 2018 (the "Agreement") among Microsoft Corporation (the "Parent"), Griffin Merger Sub, Inc. (the "Sub") and GitHub, Inc. (the "Company"), Sub merged with and into Company, with Company being the surviving entity (the "Merger").

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► The Merger qualifies as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Thus, the tax basis of the Parent common stock received by a Company shareholder in the Merger will be the same as the tax basis in the Company stock exchanged therefore, reduced by any cash consideration received in the Merger (excluding cash received in lieu of fractional shares) and increased by the gain recognized, if any (excluding gain with respect to cash received in lieu of fractional shares). The actual tax basis will differ with respect to each former Company shareholder and, therefore, each shareholder must determine the specific quantitative effect of the Merger on such shareholder's tax basis in the Parent common stock received in the Merger.

The holding period for any Parent common stock received in the Merger (including any fractional shares deemed received and exchanged for cash) will include the holding period of the Company stock surrendered in the Merger.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ►

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► The federal income tax consequences to Company shareholders are determined under Code Sections 354, 356, 358, 368 and 1001.

18 Can any resulting loss be recognized? ► Company shareholders who receive Parent common stock in the Merger generally cannot recognize a loss on the exchange of their Company common stock.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The Merger was effective October 25, 2018 and thus the federal income tax consequences are reportable in the taxable year that includes that date (the taxable year ending December 2018 for taxpayers on a calendar tax year).

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►



Date ► 11/13/2018

Print your name ► Keith R. Dolliver

Title ► Assistant Secretary

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054