

Crombie Nicholas E  
Form 4  
May 25, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Crombie Nicholas E

(Last) (First) (Middle)

8000 BENT BRANCH DRIVE

(Street)

IRVING, TX 75063

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading  
Symbol

MICHAELS STORES INC [N/A]

3. Date of Earliest Transaction  
(Month/Day/Year)

05/23/2007

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title below) \_\_\_\_ Other (specify  
below)

EVP - Store Operations

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_X\_\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V                                                                          | Amount                                                                                                             | (D)                                                                  | Price                                                             |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**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 control  
number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
**(e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of<br>Derivative<br>Security | 2. Conversion<br>or Exercise | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any | 4. Transaction<br>Code | 5. Number of<br>Derivative<br>Securities | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) |
|---------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|------------------------|------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|
|---------------------------------------|------------------------------|-----------------------------------------|-----------------------------------------|------------------------|------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|

## Edgar Filing: Crombie Nicholas E - Form 4

| (Instr. 3)                           | Price of<br>Derivative<br>Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4, and<br>5) |         | Date<br>Exercisable | Expiration<br>Date | Title           | Amount or<br>Number of<br>Shares |
|--------------------------------------|------------------------------------|------------------|------------|---------------------------------------------------------------|---------|---------------------|--------------------|-----------------|----------------------------------|
|                                      |                                    |                  | Code       | V                                                             | (A)     | (D)                 |                    |                 |                                  |
| Stock<br>Option<br>(Right to<br>Buy) | \$ 15                              | 05/23/2007       | A          |                                                               | 113,549 | <u>(1)</u>          | 05/22/2015         | Common<br>Stock | 113,549                          |
| Stock<br>Option<br>(Right to<br>Buy) | \$ 22.5                            | 05/23/2007       | A          |                                                               | 113,549 | <u>(1)</u>          | 05/22/2015         | Common<br>Stock | 113,549                          |
| Stock<br>Option<br>(Right to<br>Buy) | \$ 30                              | 05/23/2007       | A          |                                                               | 28,387  | <u>(1)</u>          | 05/22/2015         | Common<br>Stock | 28,387                           |
| Stock<br>Option<br>(Right to<br>Buy) | \$ 37.5                            | 05/23/2007       | A          |                                                               | 28,387  | <u>(1)</u>          | 05/22/2015         | Common<br>Stock | 28,387                           |
| Stock<br>Option<br>(Right to<br>Buy) | \$ 45                              | 05/23/2007       | A          |                                                               | 28,387  | <u>(1)</u>          | 05/22/2015         | Common<br>Stock | 28,387                           |
| Stock<br>Option<br>(Right to<br>Buy) | \$ 52.5                            | 05/23/2007       | A          |                                                               | 28,387  | <u>(1)</u>          | 05/22/2015         | Common<br>Stock | 28,387                           |

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |                        |       |
|------------------------------------------------------------------|---------------|-----------|------------------------|-------|
|                                                                  | Director      | 10% Owner | Officer                | Other |
| Crombie Nicholas E<br>8000 BENT BRANCH DRIVE<br>IRVING, TX 75063 |               |           | EVP - Store Operations |       |

## Signatures

|                                                                                                                  |            |
|------------------------------------------------------------------------------------------------------------------|------------|
| /s/ Greg A. Burmeister, Attorney-in-Fact for Nicholas E. Crombie, Executive Vice President<br>- Store Operations | 05/25/2007 |
| <u>                    </u> Signature of Reporting Person                                                        | Date       |

## Explanation of Responses:

\* 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).

Grant of stock option to the reporting person on May 23, 2007 under the Michaels Stores, Inc. 2006 Equity Incentive Plan (exempt). The

- (1) stock option vests and becomes exercisable with respect to 20% of the shares of common stock subject to the option on each of the first, second, third, fourth and fifth anniversaries of the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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