

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

AMENDMENT NO. 1
TO

REGISTRATION STATEMENT
ON FORM S-3
Under
THE SECURITIES ACT OF 1933
COMMISSION FILE NO. 0-14278

MICROSOFT CORPORATION

(Exact name of registrant as specified in its charter)

WASHINGTON
(State or other jurisdiction
of incorporation or organization)

91-1144442
(IRS Employer
Identification No.)

ONE MICROSOFT WAY
REDMOND, WASHINGTON 98052-6399
(206) 882-8080

(Address, including zip code, and telephone
number including area code, of registrant's principal
executive office)

Robert A. Eshelman, Esq.
Microsoft Corporation
One Microsoft Way
Redmond, Washington 98052-6399
(206) 882-8080

(Name, address, including zip code, and telephone number,
including area code, of agent for service)

Copies of all communications to:
Richard B. Dodd
Mark R. Beatty
Preston Gates & Ellis
5000 Columbia Center
701 Fifth Avenue
Seattle, Washington 98104-7078

Approximate date of commencement of proposed sale to the public: At
such time or times after the effective date of this Registration Statement as
the Selling Shareholder shall determine.

If the only securities being registered on this form are being offered
pursuant to dividend or interest reinvestment plans, please check the following
box: []

If any of the securities being registered on this Form are to be
offered on a delayed or continuous basis pursuant to Rule 415 under the
Securities Act of 1933, other than securities offered only in connection with
dividend or interest reinvestment plans, please check the following box: [X]

The registrant hereby amends this registration statement on such date
or dates as may be necessary to delay its effective date until the registrant
shall file a further amendment which specifically states that this registration
statement shall thereafter become effective in accordance with section 89(a) of
the Securities Act of 1933 or until the registration statement shall become
effective on such date as the Commission, acting pursuant to said section 8(a),
may determine.

The Index to Exhibits is located at Page II-4.

CROSS REFERENCE SHEET

MICROSOFT CORPORATION

Item No. -----	Item ----	Location in Prospectus -----
1	Forepart of the Registration Statement and Outside Front Cover Page of Prospectus	Facing page; cross-reference sheet; cover page of Prospectus
2	Inside Front and Outside Back Cover Pages of Prospectus	Available Information; Incorporation of Certain Documents by Reference
3	Summary Information, Risk Factors and Ratio of Earnings to Fixed Charges	Cover Page of Prospectus
4	Use of Proceeds	Not Applicable
5	Determination of Offering Price	Not Applicable
6	Dilution	Not Applicable
7	Selling Security Holders	Selling Shareholders
8	Plan of Distribution	Selling Shareholders
9	Description of Securities to be Registered	Incorporation of Certain Documents by Reference
10	Interest of Named Experts and Counsel	Experts
11	Material Changes	Not Applicable
12	Incorporation of Certain Documents by Reference	Incorporation of Certain Documents by Reference
13	Disclosure of Commission Position on Indemnification for Securities Act Liabilities	Disclosure Of Commission Position On Indemnification For Securities Act Liabilities
	Exhibit Index	Page II-4

TABLE OF CONTENTS

	PAGE
AVAILABLE INFORMATION	2
INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE	2
THE COMPANY	3
SELLING SHAREHOLDERS	3
EXPERTS	4
DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES	4
PART II	
INFORMATION NOT REQUIRED IN PROSPECTUS	II-1
SIGNATURES	II-3
INDEX TO EXHIBITS	II-4

PROSPECTUS

MICROSOFT CORPORATION
 57,120 Shares of Common Stock
 Par Value of \$.00005 Per Share

This Prospectus relates to up to 57,120 shares of common stock (the "Shares") of Microsoft Corporation (the "Company") which may be offered from time to time by the selling shareholders named herein (the "Selling Shareholders"). The Company will not receive any of the proceeds from the sale of the Shares. The Company will bear the costs relating to the registration of the Shares estimated to be approximately \$6,000.

The Shares are registered as a result of a merger (the "Merger") of Microsoft Corporation, a Washington corporation ("Microsoft") and One Tree Software, Inc., a North Carolina corporation ("One Tree"). In an agreement related to the Merger, each Selling Shareholder entered into an escrow agreement and an investment agreement with Microsoft (the collectively "Agreements"). The Agreements limit the amount of shares the Selling Shareholder may sell during the first two years after the Merger is consummated.

The Company has been advised by each Selling Shareholder that, subject to the terms of the Agreements, he expects to offer his shares through brokers and dealers to be selected by him from time to time. The Shares may be offered for sale through the Nasdaq Stock Market, in the over-the-counter market, in one or more private transactions, or a combination of such methods of sale, at prices and on terms then prevailing, at prices related to such prices, or at negotiated prices. Subject to the terms of the Agreements, each Selling Shareholder may pledge all or a portion of the Shares owned by him or her as collateral in loan transactions. Upon default by such a Selling Shareholder the pledgee in such loan transaction would have the same rights of sale as the Selling Shareholder under this Prospectus. Subject to the terms of the Agreements, each Selling Shareholder may also transfer Shares owned by him by gift and upon any such transfer the donee would have the same rights of sale as such Selling Shareholder under this Prospectus. Each Selling Shareholder and any brokers and dealers through whom sales of the Shares are made may be deemed to be "underwriters" within the meaning of the Securities Act of 1933, as amended, and the commissions or discounts and other compensation paid to such persons may be regarded as underwriters' compensation.

The Shares are traded on the Nasdaq Stock Market. The average of the high and low prices of the Shares as reported on the Nasdaq Stock Market on February 15, 1995 was \$60.50 per share.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is February 17, 1995.

All of the securities to be registered hereby are to be offered for the account of security holders.

AVAILABLE INFORMATION

The Company is subject to the reporting requirements of the Securities Exchange Act of 1934 and files reports and other information with the Securities and Exchange Commission in accordance therewith. Such reports, proxy statements, and other information filed by the Company are available for inspection and copying at the public reference facilities of the Commission at Room 1024, 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549, and at the Commission's Regional Offices located at Room 1028, Jacob K. Javits Federal Building, 26 Federal Plaza, New York, New York 10278 and Room 3190, Kluczynski Federal Building, 230 South Dearborn Street, Chicago, Illinois 60604. Copies of such material may be obtained by mail from the Public Reference Section of the Commission at 450 Fifth St., N.W., Judiciary Plaza, Washington, D.C. 20549, at prescribed rates.

 INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed by the Company with the Commission are incorporated by reference in this Prospectus:

1. The Company's Annual Report on Form 10-K for the year ended June 30, 1994.
2. The Company's Proxy Statement dated September 27, 1994.
3. The Company's Quarterly Report on Form 10-Q and 10-Q/A for the quarter ended September 30, 1994.
4. The Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 1994.

5. The description of the Common Stock of the Company which is contained in the Form 8-A registration statement of the Company filed pursuant to the Securities Exchange Act of 1934 under Commission file number 0-14278, including any amendment or reports filed for the purpose of updating such description.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Shares offered hereby shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof.

The Company hereby undertakes to provide without charge to each person to whom this Prospectus has been delivered, upon the written or oral request of any such person, a copy of any and all of the foregoing documents incorporated herein by reference (other than exhibits to such documents which are not specifically incorporated by reference into the information that this Prospectus incorporates). Written or telephone requests should be directed to Microsoft Corporation, One Microsoft Way, Redmond, Washington 98052-6399, telephone number (206) 882-8080, Attention: David Corning.

No dealer, salesman, or any other person has been authorized to give any information or to make any representation not contained in this Prospectus, and, if given or made, such information and representation must not be relied upon as having been authorized by the Company. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in any state to any person to whom it is unlawful to make such offer in such state. Neither the delivery of this Prospectus nor any sales made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof.

This Prospectus constitutes a part of a Registration Statement which the Company has filed with the Commission under the Securities Act of 1933, as amended (the "1933 Act"), with respect to the Shares. This Prospectus omits certain of the information contained in the Registration Statement, and reference is hereby made to the Registration Statement and related Exhibits thereto for further information with respect to the Company and the securities offered hereby. Such additional information can be obtained from the Commission's office in

Washington, D.C. Any statements contained herein concerning the provisions of any documents are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the Commission. Each such statement is qualified in its entirety by such reference.

THE COMPANY

Microsoft Corporation, a Washington corporation, has its principal executive offices at One Microsoft Way, Redmond, Washington 98052-6399, telephone number (206) 882-8080. Microsoft was founded as a partnership in 1975 and was incorporated in 1981. The Company designs, develops, markets, and supports a product line of systems and applications microcomputer software for business and professional use. The Company offers several operating systems products, computer language products in a number of computer languages, multimedia software, and business applications software products in several categories, including word processing, spreadsheet, file management, graphics, and project management. The Company's products are available for 16-bit and 32-bit microcomputers, including IBM, Tandy, Apple, COMPAQ, Olivetti, AT&T, Zenith, Wang, Hewlett-Packard, DEC, Siemens, Mitsubishi, and NEC. Microsoft develops most of its software products internally using proprietary development tools and methodology. The Company markets and distributes its products domestically and internationally through the original equipment manufacturer ("OEM") channel and through the retail channel primarily by means of independent distributors and dealers and by direct marketing to corporate, governmental, and educational customers.

SELLING SHAREHOLDERS

The 57,120 Common Shares of the Company described in this Prospectus are owned by the individuals listed below. All of the shares offered hereby were acquired by the listed individuals in connection with the acquisition of One Tree. Brian D. Harry and Kenneth M. Felder are each employees of the Company, but the Selling Shareholders do not have any other material relationship with the Company. The shares may be sold pursuant to this offering or pursuant to an exemption from registration under Rule 144 as promulgated by the Commission, assuming all conditions of such rule are satisfied.

Name of Selling Shareholders (1)	No. of Shares Owned Prior to Offering (2)	Received from Company	Shares Offered
-----	-----	-----	-----
Kenneth M. Felder	0	23,800	23,800
Larry A. Iversen	6,188	9,520	9,520
Brian D. Harry	0	23,800	23,800
	-----	-----	-----
Total	6,188	57,120	57,120

- (1) None of the Selling Shareholders held any office with the Company during the last three years.
- (2) All amounts are less than 1% of the issued and outstanding shares of common stock of the Company.

EXPERTS

The consolidated financial statements of the Company as of June 30, 1994, and 1993 and for each of the three years in the period ended June 30, 1994, incorporated by reference in this Prospectus from the Company's Annual Report on Form 10-K, have been audited by Deloitte & Touche LLP, independent public accountants, as stated in their report which is incorporated herein by reference, and has been so incorporated in reliance upon such opinion given upon the authority of said firm as experts in accounting and auditing.

DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION
FOR SECURITIES ACT LIABILITIES

Article XII of the Company's Restated Articles of Incorporation authorizes the Company to indemnify any present or former director, officer, employee, or agent of the Company, or a person serving in a similar post in another organization at the request of the Company, against expenses, judgments, fines, and amounts paid in settlement incurred by him in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, to the fullest extent not prohibited by the Washington Business Corporation Act, public policy or other applicable law. Chapter 23B.08.510 and .570 of the Washington Business Corporation Act authorizes a corporation to indemnify its directors, officers, employees, or agents in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including provisions permitting advances for expenses incurred) arising under the 1933 Act.

Insofar as indemnification for liabilities arising under the 1933 Act may be permitted to directors, officers, or persons controlling the registrant pursuant to the foregoing provisions, the Registrant has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the 1933 Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the 1933 Act and will be governed by the final adjudication of such issue.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The expenses relating to the registration of Shares will be borne by the registrant. Such expenses are estimated to be as follows:

Registration Fee--	\$1,189.18
Securities and Exchange Commission	
Accountant's Fees	1,000.00
Legal Fees	3,000.00
Miscellaneous	100.00

Total	\$5,289.00
	=====

Item 15. Indemnification of Directors and Officers.

Article XII of the Restated Articles of Incorporation of the Company authorizes the Company to indemnify any present or former director or officer to the fullest extent not prohibited by the Washington Business Corporation Act, public policy or other applicable law. Chapter 23B.8.510 and .570 of the Washington Business Corporation Act authorizes a corporation to indemnify its directors, officers, employees, or agents in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including provisions permitting advances for expenses incurred) arising under the 1933 Act.

The directors and officers of the Company are entitled to indemnification by the Selling Shareholder against any cause of action, loss, claim, damage, or liability to the extent it arises out of or is based upon the failure of the Selling Shareholder (or his donees, legatees, or pledgees) and each underwriter to comply with the Prospectus delivery requirements under the federal securities laws or any applicable state securities laws or upon any untrue statement or alleged untrue statement or omission or alleged omission made in this Registration Statement and the Prospectus contained herein, as the same shall be amended or supplemented, made in reliance upon or in conformity with written information furnished to the Company by such Selling Shareholder (or his donees, legatees, and pledgees) or such underwriter.

Item 16. List of Exhibits.

The Exhibits to this registration statement are listed in the Index to Exhibits on page II-4.

Item 17. Undertakings.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) For purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Pre-Effective Amendment No. 1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Redmond, State of Washington on the 16th day of February, 1995.

MICROSOFT CORPORATION

By /s/ WILLIAM H. GATES

 William H. Gates
 Chairman and CEO

Pursuant to the requirements of the Securities Act of 1933, this Pre-Effective Amendment No. 1 has been signed by the following persons in the capacities and on the dates indicated.

/s/ WILLIAM H. GATES

Dated February 16, 1995

 William H. Gates
 Chairman and CEO, and Director
 (Principal Executive Officer)

/s/ MICHAEL W. BROWN

Dated February 16, 1995

 Michael W. Brown
 Vice President, Finance; Chief Financial Officer
 (Principal Financial and Accounting Offer)

Directors:)
)
)
 Paul G. Allen)
 Richard A. Hackborn)
 David F. Marquardt)
 Robert D. O'Brien)
 William G. Reed, Jr.)
 Jon A. Shirley)

By /s/ Michael W. Brown

 Michael W. Brown
 Vice President, Finance; Chief Financial
 Officer
 Pursuant to Power of
 Attorney dated October 4
 through 14, 1994

INDEX TO EXHIBITS

Exhibit No. - - - - -	Description - - - - -	Page or Footnote - - - - -
3.1	Restated Articles of Incorporation	(1)
3.2	Bylaws	(1)
5	Opinion of Counsel re: legality	(3)
13	1994 Annual report to Shareholders	(1)
23.1	Consent of Deloitte & Touche as Independent Accountants	
23.2	Consent of Preston Gates & Ellis	(2)
24	Power of Attorney	(3)

(1) Incorporated by reference to Microsoft's Form 10-K for the fiscal year ended June 30, 1994.

(2) Contained within Exhibit 5.

(3) Incorporated by reference to Microsoft's Form S-3 filed on January 13, 1995 (Registration No. 33-57277)

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Microsoft Corporation on Form S-3 of the reports of Deloitte & Touche LLP dated July 20, 1994, incorporated by reference in the Annual Report on Form 10-K of Microsoft Corporation for the year ended June 30, 1994, and to the reference to Deloitte & Touche LLP under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

Deloitte & Touche LLP
Seattle, Washington

February 16, 1995