

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)

William H. Neukom
Vice President,
Law and Corporate Affairs
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
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.

PROSPECTUS

MICROSOFT CORPORATION
105,847 Shares of Common Stock
Par Value of \$.00005 Per Share

This Prospectus relates to up to 105,847 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 \$6,102.88

The Shares are registered as a result of a merger (the "Merger") of Microsoft Corporation, a Washington corporation ("Microsoft") and Altamira Software Corporation, a California corporation ("Altamira"). In an agreement related to the Merger, each Selling Shareholder entered into an investment agreement with Microsoft (the "Investment Agreement"). The Investment Agreement limits the amount of shares the Selling Shareholder may sell during the first two years of the agreement.

The Company has been advised by each Selling Shareholder that, subject to the terms of the Investment Agreement, he or she expects to offer his or her shares through brokers and dealers to be selected by him or her from time to time. The Shares may be offered for sale through the National Market System of the National Association of Securities Dealers, Inc. ("NASD"), 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 Investment Agreement, 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 Investment Agreement, 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 National Market System of the NASD. The average of the high and low prices of the Company's common stock as reported on the National Market System on October 17, 1994 was \$55.625 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 October 21, 1994.

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 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 the Company's Vice President, Law and Corporate Affairs, at the Company's principal executive office, One Microsoft Way, Redmond, Washington 98052-6399, telephone number (206) 882-8080.

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, 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, 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 105,847 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 an acquisition of Altamira. Alvy Ray Smith and Nicholas Clay are now each employees of the Company, but the Selling Shareholders do not have any other material relationship with the Company except as disclosed below.

Name of Selling Shareholders (1)	No. of Shares Owned Prior Offering (2)	Received from Company	Shares Offered
TVI-4 L.P.(3)	0	28,958	13,031
TVI Partners -4, L.P.(3)	0	3,384	1,523
TVI Affiliates -4, L.P.(3)	0	249	112
Alvy Ray Smith	0	28,199	12,689
Morton H. Meyerson	0	13,116	5,902
Pixar	0	10,310	9,279
Nicholas Clay	0	6,075	2,734
Steven Brooks	0	3,037	1,367
S. David Kalish	1,800	2,250	1,013
Lawrence Wilkinson	0	360	162
Garen K. Staglin	0	360	162
Steven G. Blank	0	1,574	709
C. Gordon Bell	0	1,574	709
Stanford University	7,600	900	405
David Boucher	0	720	324
Ed Catmull	0	225	101
Eric Lyons	0	4,556	2,050
Total	9,400	105,847	52,272

- (1) With the exception of C. Gordon Bell, who has served as a consultant to the Company, and on the Company's Technical Advisory Board, 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.
- (3) David F. Marquardt is a general partner of TVI Management -4, the general partner of TVI -4 L.P., TVI Partners -4 L.P. and TVI Affiliates -4 L.P. Mr. Marquardt is a member of Company's Board of Directors. In addition, a number of the limited partners of TVI Partners -4 L.P. have relationships with the Company. These include William H. Gates III, Jon A. Shirley, Paul Allen, all members of Company's Board of Directors, and Steven A. Ballmer, who is the Executive Vice President, Sales and Support of 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 Securities Act of 1933 (the "Act").

Insofar as indemnification for liabilities arising under the Act may be permitted to directors, officers, or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company 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 Company 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 Act and will be governed by the final adjudication of such issue.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 16. List of Exhibits.

Exhibit No.	Description
23.1	Consent of Deloitte & Touche LLP as Independent Accountants
24	Power of Attorney

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 Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Redmond, State of Washington on the 21st day of October, 1994.

MICROSOFT CORPORATION

By \s\ Michael W. Brown

Its: Vice President, Finance; Chief
Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

\s\ Michael W. Brown

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

Dated October 21, 1994

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

Dated October 21, 1994

Directors:)
)
)
)
)
)
)
)
)

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
-----	-----
23.1	Consent of Deloitte & Touche LLP as Independent Accountants
24	Power of Attorney

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 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

October 20, 1994

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Michael W. Brown and William R. Neukom, or either of them, his attorneys-in-fact, for him in any and all capacities, to sign any amendments to this Registration Statement, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorneys-in-fact, or their substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature -----	Title -----	Date -----
\s\ William H. Gates ----- William H. Gates	Chairman, Chief Executive Officer, Director (Principal Executive Officer)	October 13, 1994
\s\ Paul G. Allen ----- Paul G. Allen	Director	October 11, 1994
\s\ Richard A. Hackborn ----- Richard A. Hackborn	Director	October 7, 1994
\s\ David F. Marquardt ----- David F. Marquardt	Director	October 14, 1994
\s\ Robert D. O'Brien ----- Robert D. O'Brien	Director	October 4, 1994
\s\ William G. Reed, Jr. ----- William G. Reed, Jr	Director	October 4, 1994
\s\ John A. Shirley ----- John A. Shirley	Director	October 4, 1994