

MICROSOFT CORP
Form FWP
December 03, 2013

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Registration Statement No. 333-184717**

Pricing Term Sheet

December 3, 2013

MICROSOFT CORPORATION

2.125% Notes due 2021

3.125% Notes due 2028

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| Issuer: | Microsoft Corporation |
| Title of Securities: | 2.125% Notes due 2021 (the 2021 Notes) 3.125% Notes due 2028 (the 2028 Notes) |
| Aggregate Principal Amount Offered: | 2021 Notes: 1,750,000,000 2028 Notes: 1,750,000,000 |
| Minimum Denominations: | 100,000 and integral multiples of 1,000 in excess thereof |
| Price to Public (Issue Price): | 2021 Notes: 99.629% of principal amount 2028 Notes: 99.223% of principal amount |
| Maturity Date: | 2021 Notes: December 6, 2021 2028 Notes: December 6, 2028 |
| Coupon (Interest Rate): | 2021 Notes: 2.125% per annum 2028 Notes: 3.125% per annum |
| Benchmark: | 2021 Notes: 2.250% Deutsche Bundesrepublik (DBR) due 2021 2028 Notes: 2.000% Deutsche Bundesrepublik (DBR) due 2023 |
| Benchmark Yield: | 2021 Notes: 1.298% 2028 Notes: 1.728% |
| Spread to Benchmark: | 2021 Notes: 0.878% 2028 Notes: 1.463% |
| Yield to Maturity: | 2021 Notes: 2.176% 2028 Notes: 3.191% |
| Mid-Swap Yield: | 2021 Notes: 1.676% 2028 Notes: 2.441% |

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Spread to Mid-Swap 2021 Notes: 0.500%

Yield: 2028 Notes: 0.750%

Interest Payment Dates: Annually on December 6, beginning on December 6, 2014

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| Interest Payment Record Dates: | December 5 of each year |
| Optional Redemption: | 2021 Notes: At any time prior to September 6, 2021 at B+15 basis points At any time on or after September 6, 2021, at a redemption price of 100% of the principal amount to be redeemed 2028 Notes: At any time prior to September 6, 2028 at B+20 basis points At any time on or after September 6, 2028, at a redemption price of 100% of the principal amount to be redeemed Microsoft may, at its option, redeem the 2021 Notes and/or the 2028 Notes upon the occurrence of certain events relating to U.S. taxation |
| Type of Offering: | SEC registered |
| Net Proceeds to Issuer (before underwriting discount): | 2021 Notes: 1,743,507,500 2028 Notes: 1,736,402,500 |
| Net Proceeds to Issuer (after underwriting discount): | 2021 Notes: 1,736,070,000 2028 Notes: 1,726,777,500 |
| Trade Date: | December 3, 2013 |
| Settlement Date (T+3): | December 6, 2013 |
| Book-Running Managers: | Barclays Bank PLC HSBC Bank plc J.P. Morgan Securities plc Wells Fargo Securities International Limited |
| Co-Managers: | CAVU Securities, LLC Lebenthal & Co., LLC Samuel A. Ramirez & Company, Inc. The Williams Capital Group, L.P. |
| Listing: | Global Exchange Market of the Irish Stock Exchange |
| Common Code/ISIN: | 2021 Notes: 100174910 / XS1001749107 2028 Notes: 100174928 / XS1001749289 |

Additional Information: Concurrently with this offering, the Issuer is offering U.S. dollar-denominated debt securities in one or more series in an aggregate principal amount to be determined

Long-Term Debt Moody's, Aaa (stable); S&P, AAA (stable)

Ratings:

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The Issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the Issuer has filed with the SEC for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the Issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Barclays toll free at 1-888-603-5847 or by emailing barclaysprospectus@broadridge.com; by calling HSBC Bank plc toll free at 1-866-811-8049; by calling J.P. Morgan Securities plc collect at +44-207-134-2468; or by calling Wells Fargo Securities International Limited toll free at 1-800-326-5897.