

Microsoft to raise \$3.75B in first debt offering

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(AP) -- Microsoft Corp. priced a \$3.75 billion debt offering on Monday, a first for the world's largest software maker.

Microsoft said in a [Securities and Exchange Commission](#) filing that it is offering five, 10 and 30-year senior unsecured notes. In a press release, the company said it will sell \$2 billion of 2.95 percent notes due June 1, 2014; \$1 billion of 4.20 percent notes due June 1, 2019 and \$750 million of 5.20 percent notes due June 1, 2039.

The [software maker](#) said it will use proceeds from the sale for general corporate purposes, including possible [acquisitions](#) and stock buybacks.

Last September, Microsoft's board authorized it to take on up to \$6 billion in debt. Standard & Poor's Rating Services gave Microsoft an "AAA" corporate credit rating.

The authorization came just before interest rates soared. Microsoft, which is sitting on more than \$25 billion in cash, could afford to wait until rates came down to make a move.

Corporate [debt](#) offerings dropped off last fall but picked up again in January. Microsoft's issue comes on the heels of offerings by Whirlpool Corp., Nokia Inc. and Starwood Hotels & Resorts Worldwide Inc.

J.P. Morgan Securities Inc. is the lead underwriter on the sale. The offering is expected to close May 18.

Shares of [Microsoft](#) slipped 10 cents to close earlier at \$19.32.

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