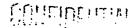MICROSOFT BACKGROUND STATEMENT/PRESS RELEASE

As part of the "Open Computing Architecture" initiative, jointly announced
with Compaq, DEC, MIPS, SCO today, Microsoft stated that it would provide its
portable operating systems technology for MIPS RPSS compliant systems, as
well as on systems based on the Intel x86 architecture. Microsoft refers to
this technology under the product name, "OS/2 3.0".

Microsoft will use this technology to meet several important goals:

(i)   To provide a migration path for users of both current Windows and
        current OS/2 systems. Using modern operating systems techniques, the
        new system will be able to support Windows and OS/2 programs with
        maximum efficiency, as well as be extensible to support other types
        of programs, such as POSIX programs.

(ii)   The system is portable - it will be able to run on the important
        industry h/w platforms.

(iii)   The system has the function needed to support both the client and the
        server environments, offering high-levels of security and support for
        both uni- and multi-processor environments.

Thus by preserving compatibility with existing DOS/Windows based systems, it is
Microsoft's strategy to use this technology as a complement to future
DOS/Windows based systems. This will allow Microsoft to offer to its
customers an family of related operating systems that:

(i)   Have the advantage of enormous based of applications software, and a
        common, familiar user interface.

(ii)   Maintain compatibility for the end-user and the software developer,
        while spanning the entire spectrum of generally available hardware -
        from notebook computers to multi-processor servers.

CONFIDENTIAL   X0195114

(iii)   Span the range of functionality, performance, and resource
requirements - from that appropriate to a notebook computer to that
appropriate to a secure, high-performance, multi-processor server.

By committing to support MIPS RPSS compliant systems, Microsoft is not in any
way diminishing its commitment to computer systems based on
the Intel x86 architecture. Microsoft expects both the Intel and the MIPS
product line to continue to offer exciting levels of performance, and the
100% backward compatibility offered by Intel will continue to remain a dominant
factor. Rather by supporting this initiative, it is Microsoft's intention to
ensure that customers investing in DOS/Windows, OS/2, and the Intel product
line today, are offered maximum flexibility in the future without having to
compromise their current investment.

Microsoft is not announcing general availability dates for any product, or
products, based on its portable operating systems technology. However, it is
Microsoft's expectation that it will start offering developer's releases
in 1991, and that these releases will be made available on selected Intel
x86-based systems and MIPS RPSS systems.

X0195115