

Alphabet Inc.
CONSOLIDATED BALANCE SHEETS
(in millions, except par value per share amounts)

	As of December 31,	
	2022	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 21,879	\$ 24,048
Marketable securities	91,883	86,868
Total cash, cash equivalents, and marketable securities	113,762	110,916
Accounts receivable, net	40,258	47,964
Other current assets	10,775	12,650
Total current assets	164,795	171,530
Non-marketable securities	30,492	31,008
Deferred income taxes	5,261	12,169
Property and equipment, net	112,668	134,345
Operating lease assets	14,381	14,091
Goodwill	28,960	29,198
Other non-current assets	8,707	10,051
Total assets	<u>\$ 365,264</u>	<u>\$ 402,392</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 5,128	\$ 7,493
Accrued compensation and benefits	14,028	15,140
Accrued expenses and other current liabilities	37,866	46,168
Accrued revenue share	8,370	8,876
Deferred revenue	3,908	4,137
Total current liabilities	69,300	81,814
Long-term debt	14,701	13,253
Deferred revenue, non-current	599	911
Income taxes payable, non-current	9,258	8,474
Deferred income taxes	514	485
Operating lease liabilities	12,501	12,460
Other long-term liabilities	2,247	1,616
Total liabilities	<u>109,120</u>	<u>119,013</u>
Commitments and Contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share, 100 shares authorized; no shares issued and outstanding	0	0
Class A, Class B, and Class C stock and additional paid-in capital, \$0.001 par value per share: 300,000 shares authorized (Class A 180,000, Class B 60,000, Class C 60,000); 12,849 (Class A 5,964, Class B 883, Class C 6,002) and 12,460 (Class A 5,899, Class B 870, Class C 5,691) shares issued and outstanding	68,184	76,534
Accumulated other comprehensive income (loss)	(7,603)	(4,402)
Retained earnings	195,563	211,247
Total stockholders' equity	<u>256,144</u>	<u>283,379</u>
Total liabilities and stockholders' equity	<u>\$ 365,264</u>	<u>\$ 402,392</u>

See accompanying notes.

Alphabet Inc.
CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share amounts)

	Year Ended December 31,		
	2021	2022	2023
Revenues	\$ 257,637	\$ 282,836	\$ 307,394
Costs and expenses:			
Cost of revenues	110,939	126,203	133,332
Research and development	31,562	39,500	45,427
Sales and marketing	22,912	26,567	27,917
General and administrative	13,510	15,724	16,425
Total costs and expenses	178,923	207,994	223,101
Income from operations	78,714	74,842	84,293
Other income (expense), net	12,020	(3,514)	1,424
Income before income taxes	90,734	71,328	85,717
Provision for income taxes	14,701	11,356	11,922
Net income	\$ 76,033	\$ 59,972	\$ 73,795
Basic net income per share of Class A, Class B, and Class C stock	\$ 5.69	\$ 4.59	\$ 5.84
Diluted net income per share of Class A, Class B, and Class C stock	\$ 5.61	\$ 4.56	\$ 5.80

See accompanying notes.

Alphabet Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	Year Ended December 31,		
	2021	2022	2023
Net income	\$ 76,033	\$ 59,972	\$ 73,795
Other comprehensive income (loss):			
Change in foreign currency translation adjustment	(1,442)	(1,836)	735
Available-for-sale investments:			
Change in net unrealized gains (losses)	(1,312)	(4,720)	1,344
Less: reclassification adjustment for net (gains) losses included in net income	(64)	1,007	1,168
Net change, net of income tax benefit (expense) of \$394, \$1,056, and \$(698)	(1,376)	(3,713)	2,512
Cash flow hedges:			
Change in net unrealized gains (losses)	716	1,275	168
Less: reclassification adjustment for net (gains) losses included in net income	(154)	(1,706)	(214)
Net change, net of income tax benefit (expense) of \$(122), \$110, and \$2	562	(431)	(46)
Other comprehensive income (loss)	(2,256)	(5,980)	3,201
Comprehensive income	\$ 73,777	\$ 53,992	\$ 76,996

See accompanying notes.

Alphabet Inc.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions)

	Class A, Class B, Class C Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount			
Balance as of December 31, 2020	13,504	\$ 58,510	\$ 633	\$ 163,401	\$ 222,544
Stock issued	145	12	0	0	12
Stock-based compensation expense	0	15,539	0	0	15,539
Tax withholding related to vesting of restricted stock units and other	0	(10,273)	0	0	(10,273)
Repurchases of stock	(407)	(2,324)	0	(47,950)	(50,274)
Sale of interest in consolidated entities	0	310	0	0	310
Net income	0	0	0	76,033	76,033
Other comprehensive income (loss)	0	0	(2,256)	0	(2,256)
Balance as of December 31, 2021	13,242	61,774	(1,623)	191,484	251,635
Stock issued	137	8	0	0	8
Stock-based compensation expense	0	19,525	0	0	19,525
Tax withholding related to vesting of restricted stock units and other	0	(9,754)	0	(1)	(9,755)
Repurchases of stock	(530)	(3,404)	0	(55,892)	(59,296)
Sale of interest in consolidated entities	0	35	0	0	35
Net income	0	0	0	59,972	59,972
Other comprehensive income (loss)	0	0	(5,980)	0	(5,980)
Balance as of December 31, 2022	12,849	68,184	(7,603)	195,563	256,144
Stock issued	139	0	0	0	0
Stock-based compensation expense	0	22,578	0	0	22,578
Tax withholding related to vesting of restricted stock units and other	0	(10,164)	0	9	(10,155)
Repurchases of stock	(528)	(4,064)	0	(58,120)	(62,184)
Net income	0	0	0	73,795	73,795
Other comprehensive income (loss)	0	0	3,201	0	3,201
Balance as of December 31, 2023	12,460	\$ 76,534	\$ (4,402)	\$ 211,247	\$ 283,379

See accompanying notes.

Alphabet Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Year Ended December 31,		
	2021	2022	2023
Operating activities			
Net income	\$ 76,033	\$ 59,972	\$ 73,795
Adjustments:			
Depreciation of property and equipment	10,273	13,475	11,946
Stock-based compensation expense	15,376	19,362	22,460
Deferred income taxes	1,808	(8,081)	(7,763)
(Gain) loss on debt and equity securities, net	(12,270)	5,519	823
Other	1,955	3,483	4,330
Changes in assets and liabilities, net of effects of acquisitions:			
Accounts receivable, net	(9,095)	(2,317)	(7,833)
Income taxes, net	(625)	584	523
Other assets	(1,846)	(5,046)	(2,143)
Accounts payable	283	707	664
Accrued expenses and other liabilities	7,304	3,915	3,937
Accrued revenue share	1,682	(445)	482
Deferred revenue	774	367	525
Net cash provided by operating activities	91,652	91,495	101,746
Investing activities			
Purchases of property and equipment	(24,640)	(31,485)	(32,251)
Purchases of marketable securities	(135,196)	(78,874)	(77,858)
Maturities and sales of marketable securities	128,294	97,822	86,672
Purchases of non-marketable securities	(2,838)	(2,531)	(3,027)
Maturities and sales of non-marketable securities	934	150	947
Acquisitions, net of cash acquired, and purchases of intangible assets	(2,618)	(6,969)	(495)
Other investing activities	541	1,589	(1,051)
Net cash used in investing activities	(35,523)	(20,298)	(27,063)
Financing activities			
Net payments related to stock-based award activities	(10,162)	(9,300)	(9,837)
Repurchases of stock	(50,274)	(59,296)	(61,504)
Proceeds from issuance of debt, net of costs	20,199	52,872	10,790
Repayments of debt	(21,435)	(54,068)	(11,550)
Proceeds from sale of interest in consolidated entities, net	310	35	8
Net cash used in financing activities	(61,362)	(69,757)	(72,093)
Effect of exchange rate changes on cash and cash equivalents	(287)	(506)	(421)
Net increase (decrease) in cash and cash equivalents	(5,520)	934	2,169
Cash and cash equivalents at beginning of period	26,465	20,945	21,879
Cash and cash equivalents at end of period	\$ 20,945	\$ 21,879	\$ 24,048
Supplemental disclosures of cash flow information			
Cash paid for income taxes, net of refunds	\$ 13,412	\$ 18,892	\$ 19,164

See accompanying notes.