

**Alphabet Inc.**  
**CONSOLIDATED BALANCE SHEETS**

(In millions, except share amounts which are reflected in thousands, and par value per share amounts)

	As of December 31,	
	2020	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 26,465	\$ 20,945
Marketable securities	110,229	118,704
Total cash, cash equivalents, and marketable securities	136,694	139,649
Accounts receivable, net	30,930	39,304
Income taxes receivable, net	454	966
Inventory	728	1,170
Other current assets	5,490	7,054
Total current assets	174,296	188,143
Non-marketable securities	20,703	29,549
Deferred income taxes	1,084	1,284
Property and equipment, net	84,749	97,599
Operating lease assets	12,211	12,959
Intangible assets, net	1,445	1,417
Goodwill	21,175	22,956
Other non-current assets	3,953	5,361
Total assets	<u>\$ 319,616</u>	<u>\$ 359,268</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 5,589	\$ 6,037
Accrued compensation and benefits	11,086	13,889
Accrued expenses and other current liabilities	28,631	31,236
Accrued revenue share	7,500	8,996
Deferred revenue	2,543	3,288
Income taxes payable, net	1,485	808
Total current liabilities	56,834	64,254
Long-term debt	13,932	14,817
Deferred revenue, non-current	481	535
Income taxes payable, non-current	8,849	9,176
Deferred income taxes	3,561	5,257
Operating lease liabilities	11,146	11,389
Other long-term liabilities	2,269	2,205
Total liabilities	97,072	107,633
Contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share, 100,000 shares authorized; no shares issued and outstanding	0	0
Class A and Class B common stock, and Class C capital stock and additional paid-in capital, \$0.001 par value per share: 15,000,000 shares authorized (Class A 9,000,000, Class B 3,000,000, Class C 3,000,000); 675,222 (Class A 300,730, Class B 45,843, Class C 328,649) and 662,121 (Class A 300,737, Class B 44,665, Class C 316,719) shares issued and outstanding	58,510	61,774
Accumulated other comprehensive income (loss)	633	(1,623)
Retained earnings	163,401	191,484
Total stockholders' equity	222,544	251,635
Total liabilities and stockholders' equity	<u>\$ 319,616</u>	<u>\$ 359,268</u>

See accompanying notes.

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

	Year Ended December 31,		
	2019	2020	2021
Revenues	\$ 161,857	\$ 182,527	\$ 257,637
Costs and expenses:			
Cost of revenues	71,896	84,732	110,939
Research and development	26,018	27,573	31,562
Sales and marketing	18,464	17,946	22,912
General and administrative	9,551	11,052	13,510
European Commission fines	1,697	0	0
Total costs and expenses	127,626	141,303	178,923
Income from operations	34,231	41,224	78,714
Other income (expense), net	5,394	6,858	12,020
Income before income taxes	39,625	48,082	90,734
Provision for income taxes	5,282	7,813	14,701
Net income	\$ 34,343	\$ 40,269	\$ 76,033
Basic net income per share of Class A and B common stock and Class C capital stock	\$ 49.59	\$ 59.15	\$ 113.88
Diluted net income per share of Class A and B common stock and Class C capital stock	\$ 49.16	\$ 58.61	\$ 112.20

See accompanying notes.

**Alphabet Inc.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In millions)

	Year Ended December 31,		
	2019	2020	2021
Net income	\$ 34,343	\$ 40,269	\$ 76,033
Other comprehensive income (loss):			
Change in foreign currency translation adjustment	(119)	1,139	(1,442)
Available-for-sale investments:			
Change in net unrealized gains (losses)	1,611	1,313	(1,312)
Less: reclassification adjustment for net (gains) losses included in net income	(111)	(513)	(64)
Net change, net of income tax benefit (expense) of \$(221), \$(230), and \$394	1,500	800	(1,376)
Cash flow hedges:			
Change in net unrealized gains (losses)	22	42	716
Less: reclassification adjustment for net (gains) losses included in net income	(299)	(116)	(154)
Net change, net of income tax benefit (expense) of \$42, \$11, and \$(122)	(277)	(74)	562
Other comprehensive income (loss)	1,104	1,865	(2,256)
Comprehensive income	\$ 35,447	\$ 42,134	\$ 73,777

See accompanying notes.

**Alphabet Inc.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In millions, except share amounts which are reflected in thousands)

	Class A and Class B Common Stock, Class C Capital Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount			
Balance as of December 31, 2018	695,556	\$ 45,049	\$ (2,306)	\$ 134,885	\$ 177,628
Cumulative effect of accounting change	0	0	(30)	(4)	(34)
Common and capital stock issued	8,120	202	0	0	202
Stock-based compensation expense	0	10,890	0	0	10,890
Income tax withholding related to vesting of restricted stock units and other	0	(4,455)	0	0	(4,455)
Repurchases of capital stock	(15,341)	(1,294)	0	(17,102)	(18,396)
Sale of interest in consolidated entities	0	160	0	0	160
Net income	0	0	0	34,343	34,343
Other comprehensive income (loss)	0	0	1,104	0	1,104
Balance as of December 31, 2019	688,335	50,552	(1,232)	152,122	201,442
Common and capital stock issued	8,398	168	0	0	168
Stock-based compensation expense	0	13,123	0	0	13,123
Income tax withholding related to vesting of restricted stock units and other	0	(5,969)	0	0	(5,969)
Repurchases of capital stock	(21,511)	(2,159)	0	(28,990)	(31,149)
Sale of interest in consolidated entities	0	2,795	0	0	2,795
Net income	0	0	0	40,269	40,269
Other comprehensive income (loss)	0	0	1,865	0	1,865
Balance as of December 31, 2020	675,222	58,510	633	163,401	222,544
Common and capital stock issued	7,225	12	0	0	12
Stock-based compensation expense	0	15,539	0	0	15,539
Income tax withholding related to vesting of restricted stock units and other	0	(10,273)	0	0	(10,273)
Repurchases of common and capital stock	(20,326)	(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	662,121	\$ 61,774	\$ (1,623)	\$ 191,484	\$ 251,635

See accompanying notes.

**Alphabet Inc.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In millions)

	Year Ended December 31,		
	2019	2020	2021
<b>Operating activities</b>			
Net income	\$ 34,343	\$ 40,269	\$ 76,033
Adjustments:			
Depreciation and impairment of property and equipment	10,856	12,905	11,555
Amortization and impairment of intangible assets	925	792	886
Stock-based compensation expense	10,794	12,991	15,376
Deferred income taxes	173	1,390	1,808
Gain on debt and equity securities, net	(2,798)	(6,317)	(12,270)
Other	(592)	1,267	(213)
Changes in assets and liabilities, net of effects of acquisitions:			
Accounts receivable	(4,340)	(6,524)	(9,095)
Income taxes, net	(3,128)	1,209	(625)
Other assets	(621)	(1,330)	(1,846)
Accounts payable	428	694	283
Accrued expenses and other liabilities	7,170	5,504	7,304
Accrued revenue share	1,273	1,639	1,682
Deferred revenue	37	635	774
Net cash provided by operating activities	54,520	65,124	91,652
<b>Investing activities</b>			
Purchases of property and equipment	(23,548)	(22,281)	(24,640)
Purchases of marketable securities	(100,315)	(136,576)	(135,196)
Maturities and sales of marketable securities	97,825	132,906	128,294
Purchases of non-marketable securities	(1,932)	(7,175)	(2,838)
Maturities and sales of non-marketable securities	405	1,023	934
Acquisitions, net of cash acquired, and purchases of intangible assets	(2,515)	(738)	(2,618)
Other investing activities	589	68	541
Net cash used in investing activities	(29,491)	(32,773)	(35,523)
<b>Financing activities</b>			
Net payments related to stock-based award activities	(4,765)	(5,720)	(10,162)
Repurchases of common and capital stock	(18,396)	(31,149)	(50,274)
Proceeds from issuance of debt, net of costs	317	11,761	20,199
Repayments of debt	(585)	(2,100)	(21,435)
Proceeds from sale of interest in consolidated entities, net	220	2,800	310
Net cash used in financing activities	(23,209)	(24,408)	(61,362)
Effect of exchange rate changes on cash and cash equivalents	(23)	24	(287)
<b>Net increase (decrease) in cash and cash equivalents</b>	1,797	7,967	(5,520)
Cash and cash equivalents at beginning of period	16,701	18,498	26,465
<b>Cash and cash equivalents at end of period</b>	<u>\$ 18,498</u>	<u>\$ 26,465</u>	<u>\$ 20,945</u>
<b>Supplemental disclosures of cash flow information</b>			
Cash paid for income taxes, net of refunds	\$ 8,203	\$ 4,990	\$ 13,412

See accompanying notes.