

## Equity Investments

The carrying value of equity securities is measured as the total initial cost plus the cumulative net gain (loss). Our share of gains and losses, including impairments, are included as a component of other income (expense), net, in the Consolidated Statements of Income. See Note 6 for further details on other income (expense), net.

The carrying values for marketable and non-marketable equity securities are summarized below (in millions):

	As of December 31, 2022			As of March 31, 2023		
	Marketable Equity Securities	Non- Marketable Equity Securities	Total	Marketable Equity Securities	Non- Marketable Equity Securities	Total
Total initial cost	\$ 5,764	\$ 16,157	\$ 21,921	\$ 5,720	\$ 16,509	\$ 22,229
Cumulative net gain (loss) <sup>(1)</sup>	(608)	12,372	11,764	(578)	12,613	12,035
Carrying value	\$ 5,156	\$ 28,529	\$ 33,685	\$ 5,142	\$ 29,122	\$ 34,264

<sup>(1)</sup> Non-marketable equity securities cumulative net gain (loss) is comprised of \$16.8 billion gains and \$4.5 billion losses (including impairments) as of December 31, 2022 and \$17.8 billion gains and \$5.1 billion losses (including impairments) as of March 31, 2023.

## Gains and Losses on Marketable and Non-marketable Equity Securities

Gains and losses (including impairments), net, for marketable and non-marketable equity securities included in other income (expense), net are summarized below (in millions):

	Three Months Ended March 31,	
	2022	2023
Realized net gain (loss) on equity securities sold during the period	\$ (74)	\$ 105
Unrealized net gain (loss) on marketable equity securities	(1,456)	51
Unrealized net gain (loss) on non-marketable equity securities <sup>(1)</sup>	460	221
Total gain (loss) on equity securities in other income (expense), net	\$ (1,070)	\$ 377

<sup>(1)</sup> Unrealized gain (loss) on non-marketable equity securities accounted for under the measurement alternative is comprised of \$838 million and \$915 million of upward adjustments for three months ended March 31, 2022 and 2023, respectively, and \$378 million and \$694 million of downward adjustments (including impairments) for three months ended March 31, 2022 and 2023, respectively.

In the table above, realized net gain (loss) on equity securities sold during the period reflects the difference between the sale proceeds and the carrying value of the equity securities at the beginning of the period or the purchase date, if later.

Cumulative net gains (losses) on equity securities sold during the period, which is summarized in the following table (in millions), represents the total net gains (losses) recognized after the initial purchase date of the equity security sold during the period. While these net gains (losses) may have been reflected in periods prior to the period of sale, we believe they are important supplemental information as they reflect the economic net gains (losses) on the securities sold during the period. Cumulative net gains (losses) are calculated as the difference between the sale price and the initial purchase price for the equity security sold during the period.

	Equity Securities Sold Three Months Ended March 31,	
	2022	2023
Total sale price	\$ 364	\$ 312
Total initial cost	260	211
Cumulative net gain (loss)	\$ 104	\$ 101

## Equity Securities Accounted for Under the Equity Method

As of December 31, 2022 and March 31, 2023 equity securities accounted for under the equity method had a carrying value of approximately \$1.5 billion and \$1.6 billion, respectively. Our share of gains and losses, including impairments, are included as a component of other income (expense), net, in the Consolidated Statements of Income. See Note 6 for further details on other income (expense), net.