

Liquidity and Material Cash Requirements

We expect existing cash, cash equivalents, short-term marketable securities, and cash flows from operations and financing activities to continue to be sufficient to fund our operating activities and cash commitments for investing and financing activities for at least the next 12 months, and thereafter for the foreseeable future.

Capital Expenditures and Leases

We make investments in land, buildings, and servers and network equipment through purchases of property and equipment and lease arrangements to provide capacity for the growth of our services and products.

Capital Expenditures

Our capital investments in property and equipment consist primarily of the following major categories:

- technical infrastructure, which consists of our investments in servers and network equipment for computing, storage, and networking requirements for ongoing business activities, including AI, and data center land and building construction; and
- office facilities, ground-up development projects, and building improvements (also referred to as "fit-outs").

Assets not yet in service are those that are not ready for our intended use, including assets in the process of construction or assembly, and consists primarily of technical infrastructure. The time frame from date of purchase to placement in service of these assets may extend from months to years. For example, our data center construction projects are generally multi-year projects with multiple phases, where we acquire land and buildings, construct buildings, and secure and install servers and network equipment.

During the years ended December 31, 2023 and 2024, we spent \$32.3 billion and \$52.5 billion on capital expenditures, respectively. We expect to increase, relative to 2024, our investment in our technical infrastructure, including servers, network equipment, and data centers, to support the growth of our business and our long-term initiatives, in particular in support of AI products and services. Depreciation of our property and equipment commences when the deployment of such assets are completed and are ready for our intended use. For the years ended December 31, 2023 and 2024, our depreciation on property and equipment was \$11.9 billion and \$15.3 billion, respectively.

Leases

For the years ended December 31, 2023 and 2024, we recognized additional operating lease assets of \$2.9 billion and \$2.5 billion, and additional finance lease assets of \$564 million and \$313 million, respectively. As of December 31, 2024, the amount of total future lease payments under operating leases, which had a weighted average remaining lease term of 7.8 years, was \$17.0 billion, of which \$3.2 billion is short-term, and total future lease payments under finance leases, which had a weighted average remaining lease term of 10.4 years, was \$1.9 billion, of which \$257 million is short-term. As of December 31, 2024, we have entered into leases that have not yet commenced with future short-term and long-term lease payments of \$773 million and \$6.5 billion, respectively, that are not yet recorded on our Consolidated Balance Sheets. These leases will commence between 2025 and 2028 with non-cancelable lease terms of one to 25 years.

For the years ended December 31, 2023 and 2024, our operating lease expenses (including variable lease costs) were \$4.5 billion and \$4.7 billion, respectively. Finance lease costs were \$504 million and \$444 million for the years ended December 31, 2023 and 2024, respectively. For additional information, see Note 4 of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.

Financing

We have a short-term debt financing program of up to \$10.0 billion through the issuance of commercial paper. Net proceeds from this program are used for general corporate purposes. As of December 31, 2024, we had \$2.3 billion of short-term commercial paper outstanding.

As of December 31, 2024, we had senior unsecured notes outstanding with a total carrying value of \$11.9 billion with short-term and long-term future interest payments of \$197 million and \$3.4 billion, respectively.

As of December 31, 2024, we had \$10.0 billion of revolving credit facilities, \$4.0 billion expiring in April 2025 and \$6.0 billion expiring in April 2028. The interest rates for all credit facilities are determined based on a formula using certain market rates, as well as our progress toward the achievement of certain sustainability goals. No amounts have been borrowed under the credit facilities. For additional information, see Note 6 of the Notes to Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K.