- In February 2018, the FASB issued Accounting Standards Update No. 2018-02, Income Statement—Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (ASU 2018-02), which allows companies to reclassify stranded tax effects resulting from the 2017 Tax Cuts and Jobs Act (the Tax Act), from accumulated other comprehensive income to retained earnings. The new standard is effective for us beginning January 1, 2019, with early adoption permitted. We are currently evaluating the effects that the adoption of this guidance will have on our consolidated financial statements and the related disclosures.
- Revenue recognition:
    - On January 1, 2018, we adopted Topic 606, using the modified retrospective transition method applied to those contracts which were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts have not been adjusted and continue to be reported in accordance with our historic accounting under Topic 605. The impact to revenue and to cost of revenue for the three months ended March 31, 2018 compared to the same period in 2017 was an increase of approximately $130 million due to a change from net to gross presentation for advertising revenue from Instant Articles. There was no adjustment to beginning retained earnings on January 1, 2018.
- Distribution of revenue per geography is more detailed. (P. 12)
- Operating lease information (P. 18)
- During the three months ended March 31, 2018 , we repurchased and subsequently retired approximately 11 million shares of our Class A common stock for an aggregate amount of approximately $1.91 billion . As of March 31, 2018, approximately $2.0 billion remained available under this authorization. In April 2018, this authorization for the repurchase of our Class A common stock was increased by an additional $9.0 billion .
- Stock Options information (P. 20)
- During the first quarter of 2018 , worldwide ARPU was $5.53 , an increase of 31% from the first quarter of 2017 .

RESULTS OF OPERATIONS

FACTOR	VARIATION YOY	DRIVER

Revenue	+ 49%	• Advertising +50% | Payments -2%
		• Increase in revenue from ads in mobile (91% of total ad revenue from mobile)
		• Factors that influenced in increase of ads:
		  • Increase in avg price per ad
		  • Increase in users and their engagement
		  • Increase in # and frequency of ads (still expect this to be a less predominant factor).
		• Avg price of ad increase 39% | # of ads increase 8%
		  • Increase in demand for ad inventory increased price.
		  • Increase in number of ads due to more users and engagement.
		• Weakening of US dollar had a positive impact on international revenue.

Cost of Revenue	+66%	Increase in operational expenses from datacenter and technical infrastructure. Higher costs associated with partnership agreements (traffic acquisition & content acquisition) Ad payment processing
R&D	+22%	Payroll | +50% headcount
Marketing & Sales	+51%	$345 million increases in our marketing as well as other professional services expenses in the first quarter of 2018 Payroll | +36% headcount
General & Admin	+16%	Payroll | +61% headcount
Taxes	+81%	• new minimum tax on certain foreign earnings, partially offset by a decrease in the U.S. statutory tax rate from 35% to 21%, both of which were changes resulting from the enactment of the 2017 Tax Cuts and Jobs Act (the Tax Act).

LIQUIDITY & CAPITAL RESOURCES

- Trapped Cash (P.34): As of March 31, 2018 , $20.14 billion of the $43.96 billion in cash and cash equivalents and marketable securities was held by our foreign subsidiaries.

RISK FACTORS

- Are now including a risk associated with the new investments they are making towards the efforts they are making towards assuring more security for the community after the misuse of the Russians of their platforms in order to manipulate the US elections.
- Also added a risk of uncertainty of interpretation of the New tax rules.