

- Revenue by geography (P.14)
- Equity Investments (P.17)
- During the six months ended June 30, 2021, we repurchased and subsequently retired 37 million shares of our Class A common stock for an aggregate amount of \$11.26 billion. As of June 30, 2021, \$22.34 billion remained available and authorized for repurchases.
- During the second quarter of 2021, worldwide ARPP was \$8.36, an increase of 37% from the second quarter of 2020.

RESULTS OF OPERATIONS

FACTOR	VARIATION YOY	DRIVER
Revenue	+ 56%	<ul style="list-style-type: none"> • Advertising +56% Other revenue +36% • The increases were mostly driven by an increase in advertising revenue as a result of increases in both the average price per ad and the number of ads delivered. • Avg price of ad +47% <ul style="list-style-type: none"> • The increase in average price per ad during the three and six months ended June 30, 2021 was mainly caused by a recovery from declines in advertising demand due to the onset of the COVID-19 pandemic in the first two quarters of 2020. • Additionally, overall advertising demand increased, as compared to the same periods in 2020, across our ad products and in all regions in part due to the continued shift of commerce from offline to online. # of ads increase 12% • # of ads delivered +6% <ul style="list-style-type: none"> • The increase in the ads delivered was driven by an increase in the number and frequency of ads displayed across our products, and an increase in users. • In the near-term, we anticipate that future advertising revenue growth will be determined primarily by price. • Other revenue +36% <ul style="list-style-type: none"> • These increases in other revenue were primarily due to increased sales in our consumer hardware products. • Weakening of US dollar had favorable impact on revenue.
Cost of Revenue	+41%	The increases were primarily due to an increase in operational expenses related to our data centers and technical infrastructure, an increase in cost of consumer hardware products sold and higher cost associated with partner arrangements, including traffic acquisition and payment processing costs.
R&D	+37%	Payroll +30% headcount
Marketing & Sales	+15%	Payroll +6% headcount
General & Admin	+23%	The increase in the three months ended June 30, 2021 was mostly due to increases in payroll and benefits expenses and legal-related costs. Payroll +18% headcount
Taxes	+122%	<ul style="list-style-type: none"> • increase in income from operations. • Our effective tax rate did not materially change • Effective tax rate was 17% vs 16% last year.

LIQUIDITY & CAPITAL RESOURCES

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 - net operating loss carryforward was \$10.60 billion
 - \$527 million of federal tax credit carryforward
 - We anticipate the utilization of a significant portion of these net operating losses and credits within the next three years.
 - As of June 30, 2021, \$8.52 billion of the \$64.08 billion in cash and cash equivalents and marketable securities was held by our foreign subsidiaries.