

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

	Year Ended December 31,		
	2016	2017	2018
Revenues	\$ 90,272	\$ 110,855	\$ 136,819
Costs and expenses:			
Cost of revenues	35,138	45,583	59,549
Research and development	13,948	16,625	21,419
Sales and marketing	10,485	12,893	16,333
General and administrative	6,985	6,872	8,126
European Commission fines	0	2,736	5,071
Total costs and expenses	66,556	84,709	110,498
Income from operations	23,716	26,146	26,321
Other income (expense), net	434	1,047	8,592
Income before income taxes	24,150	27,193	34,913
Provision for income taxes	4,672	14,531	4,177
Net income	\$ 19,478	\$ 12,662	\$ 30,736
Basic net income per share of Class A and B common stock and Class C capital stock	\$ 28.32	\$ 18.27	\$ 44.22
Diluted net income per share of Class A and B common stock and Class C capital stock	\$ 27.85	\$ 18.00	\$ 43.70

See accompanying notes.