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Sundar Pichai, CEO, Alphabet and Google: Hello, everyone. Thank you for joining us. It's been a terrific start to the year for Alphabet, and there's huge energy at the company.

AI is the most profound platform shift of our lifetimes. It's lighting up every part of our business, driving an expansionary moment in Search, turbocharging Cloud, and much more.

At the same time, we are experiencing strong demand for our AI solutions and services from enterprises and consumers, at levels that are meaningfully exceeding our available supply. This is a clear indicator of Alphabet's unique opportunity. By scaling our investments, we intend to secure the foundational infrastructure necessary for the significant growth opportunity ahead.

We're innovating at scale with incredible velocity. Since launching Gemini 3 last November, our momentum has accelerated.

We've rolled out increasingly capable generative media models; shipped features across Chrome and the Gemini app, launched Antigravity and our first model in our Gemini 3.5 series.

Recently at our I/O annual developer conference, we showcased new advances across models, coding, and agents. This progress reflects our deep focus on delivering tangible value to people in the products they use every day.

Supporting all of this at scale for our users, while also serving enterprises and developers around the world, requires massive compute investments.

In 2022, we spent approximately \$31 billion in CapEx. This year, we expect that number to be 6 times larger than 2022 and double last year's at \$180-190 billion. And next year, we expect it to significantly increase compared to 2026.

The overwhelming majority of this spend will be in technical infrastructure.

We plan to fund our investments in a balanced way, including: strong operating cash flow, debt issuances, and today's equity offering.

Maintaining a strong balance sheet while accelerating our investments is a strategic advantage, and helps us meet surging demand for our AI products and services.

I want to highlight six key areas where our innovation and leadership are positioning us well to capture the opportunity ahead and drive shareholder value:

- First, our accelerating business momentum.
- Second, our differentiated full stack approach to AI.
- Third, our unmatched global product footprint.
- Fourth, Google Cloud leadership.
- Fifth, our visionary long-term Bets; and
- Sixth, strong financial discipline.

Let's go deeper on each.

First, accelerating business momentum.

We are reaching significant milestones across every area of the business. From 2020 to 2025, our annual revenue more than doubled to over \$400 billion. Over the last 12 months alone, we added \$63 billion dollars to our top line.

This growth continued in Q1 of this year – revenue climbed 22% year-over-year to \$110 billion. Finally, our operating income grew 30% year-over-year to \$40 billion.

This momentum spans our entire portfolio. I'll call out five areas in particular:

- In Search, revenue grew 19% year-over-year last quarter. AI Overviews and AI Mode are driving user engagement and AI-powered ad tools are driving better ROI for advertisers.
- In Cloud, Q1 year-over-year revenue growth was 63% and backlog nearly doubled quarter-over-quarter to more than \$460 billion.
- YouTube's total annual revenue for 2025 surpassed \$60 billion across ads and subscriptions.
- And Waymo has entered a new growth era, valued at \$126 billion in February, with plans to expand to 20 additional cities this year.
- Subscriptions recently reached 350 million, driven by YouTube and Google One. Our AI plans are performing exceptionally well. Users are realizing the value of our most capable AI models, expanded storage, and productivity tools. We had the strongest quarter ever for our consumer AI plans.

We believe we are well positioned to drive profitable revenue growth. We're reaching new AI-driven market opportunities, spanning ads and subscriptions, model development, cloud, infrastructure, and services in the physical world.

This momentum is a direct result of our decade-long full-stack approach to AI, our unique differentiator. The foundational layer of the stack is our unrivaled AI infrastructure.

This includes 10 million kilometers of terrestrial and subsea fiber connecting over 30 data centers and over 40 Cloud regions around the world. Our recent acquisition of Intersect will help us come to market even faster.

We pride ourselves on building efficiently and sustainably, and supporting local communities through job creation and workforce development programs.

We offer a wide variety of compute options – from our own TPUs and Axion CPUs to the latest NVIDIA GPUs, which are a core part of our AI accelerator portfolio.

Let me go a bit deeper on TPUs. It's been ten years since we introduced our first commercial TPU. Today, they power Gemini model training and serving at scale across our APIs and biggest products like Search.

Our eighth-generation TPUs, 8i and 8t, offer a new dual-chip design specifically for the massive training and inference needs of the agentic era.

We continue to drive tremendous efficiency gains - for example in 2025, we reduced Gemini serving costs by 78%.

Security is the critical second layer of our full stack, built directly into our foundational code. With the rapid adoption of AI, protecting data and privacy grows more complex every day.

Our secure-by-default architecture automatically blocks 10 million spam emails every minute, and protects billions of users and customers across our broad portfolio. We are proud to keep more people safe online than anyone else in the world.

For our enterprise customers, we launched Google AI Threat defense. This is a new security platform that combines the strengths of Gemini and other frontier models, along with Wiz, CodeMender, and Mandiant, to stop AI-powered threats before they impact our customers.

The next layer is our world-class research teams, led by Google DeepMind. These teams are the engine of our entire AI stack, from inventing the Transformer architecture to developing our highly capable Gemini models.

Research teams are also pioneering advances in science, medicine, and climate. That includes WeatherNext and AlphaFold, which was awarded the Nobel Prize in Chemistry.

That brings us to our fourth layer: models and tooling.

We offer the most extensive model portfolio in the world, and we continue to stay on the cutting edge in reasoning, multimodality, and cost.

We recently introduced Gemini 3.5 with improvements focused on agentic coding, long-horizon tasks, and real-world capabilities. Gemini 3.5 Flash is now available, and we expect Gemini 3.5 Pro will be coming in June.

Beyond the Gemini series, our generative media models are incredibly popular. This includes Nano Banana, which people have used to generate more than 50B images to date. And we were excited to unveil our latest Omni model at I/O.

One way to measure growth is tokens, the fundamental units of data our models process. Two years ago, we were processing 9.7 trillion tokens a month. Today, that number has jumped to 3.2 quadrillion, a more than 300 times increase across our surfaces.

The speed of adoption from enterprises and developers is incredible:

- More than 8.5 million developers are now building new apps and experiences.
- Our model APIs are now processing approximately 19 billion tokens per minute.
- And over the past 12 months, over 375 Cloud customers have each processed more than one trillion tokens.

Tooling is another important part of this layer. Antigravity, our agentic development platform, launched six months ago and we have millions of developers building with it.

We recently expanded Antigravity to a unified platform for builders to work with agents. This includes a standalone desktop app that delivers the first major step towards our vision of an independent, agent-focused surface. And for the first time, we are bringing the Antigravity ecosystem to Google Cloud customers.

The Antigravity coding harness has accelerated how we build internally.

Every few weeks, we're doubling the number of tokens we're processing across our developer tooling. Recently, we reached more than three trillion tokens a day. This scale creates a powerful feedback loop to improve our current and future models.

Finally, the fifth layer of our stack is our unmatched portfolio of Products and Platforms used by billions of people every day.

Gemini is now powering all of our 13 products that have over a billion users, including five that surpass 3 billion users.

It all begins with our founding product, Search.

AI Overviews now have over 2.5 billion users each month. This means Google Search is delivering AI to more people than any other product in the world.

And AI Mode has revolutionized Search. Launched just a year ago, it's already surpassed 1 billion monthly users.

Just as the shift to mobile drove growth in Search, we see the same expansion happening with AI. When people use AI-powered features, they use Search more – in fact, queries reached an all-time high last quarter.

The Gemini app is also seeing incredible adoption. It's one of our fastest growing products, with over 900 million monthly users, more than doubling in a year.

Across Search and the Gemini app, we have started to roll out Personal Intelligence, which connects you to your Google apps to provide personalized suggestions. It's now available in more than 190 countries.

Both Search and the Gemini app are entering a new era of agents.

At I/O this year, we announced Gemini Spark, a personal agent that works 24/7 in the background right in the Gemini app. To get things done, it now connects with Google tools, and soon with 3rd parties through the model context protocol.

AI agents are transforming Search into a proactive partner. Our agent-first approach means Search can deliver unprecedented value for users, moving beyond answers to actions and creating new opportunities for Google.

Turning to YouTube, which has led streaming watch time in the U.S. for three years running, with over 200 million hours of watch time in the living room every day.

At I/O, we announced an entirely reimagined conversational search experience powered by Gemini, called Ask YouTube.

Google Ads is a growth engine for millions of businesses worldwide. Gemini is enabling them to reach more customers with greater speed and precision.

Through AI Max and Performance Max, advertisers can use genAI to automatically customize text, synthesize creative assets, and dynamically bid across all Google channels.

Retail is another big part of our business, and agentic commerce is a huge opportunity: At I/O, we introduced the Universal Cart, an intelligent shopping cart that allows you to add things to your cart from Search, Gemini, YouTube, or even in Gmail.

This is powered by the Universal Commerce Protocol, an open-source standard we co-developed with retailers for shopping agents and systems to work together.

Now let's move to Google Cloud.

Google Cloud is a world-class enterprise business, and we are the only provider to offer first party solutions across the entire enterprise AI stack, including: infrastructure, the Google Cloud Platform, Workspace and security.

These pillars are underpinning progress:

- 75% of our Cloud customers are using our AI products.
- We saw incredible deal velocity in Q1 — doubling our acquisition of new customers and signing twice as many deals in the \$100 million to \$1 billion range compared to last year.
- Our Enterprise AI solutions have become Cloud's primary growth driver for the first time.

With unprecedented demand for AI compute, we are expanding beyond our hosted cloud infrastructure to deliver TPUs directly to select enterprise customers in their own data centers. This unlocks a significant, previously untapped addressable market, and enables the world's most advanced labs to run their heaviest workloads on the same hardware that powers Gemini.

The opportunity for Cloud has never been clearer: our backlog nearly doubled quarter-on-quarter to over \$460 billion, and we expect to recognize just over 50% of the backlog as revenue over the next 24 months.

That means our customers aren't just buying services; they are committing to a long-term AI roadmap with us because of the unique value of our integrated stack.

We are also extending our AI leadership into two frontiers through our long-term Bets: bringing unique services to the physical world and the life sciences.

First, the physical world. Waymo is on an extraordinary commercial trajectory. Already this year, we've launched six new markets. That brings our network to 11 major U.S. cities, and we're getting ready to expand internationally soon. We are surpassing 500,000 fully autonomous rides per week.

Wing has incredible potential to transform the speed and cost of last-mile delivery. We have already safely completed more than one million home deliveries, in partnership with major brands, including Walmart and DoorDash.

Intrinsic is using our foundation models to develop solutions for industrial robotics.

In life sciences, Isomorphic Labs is using our latest models to accelerate drug discovery, identifying novel compounds for previously untreatable diseases in a fraction of the time. Calico is applying deep computer science and foundational research to the biology of aging so people can live longer, healthier lives.

Beyond AI, we are excited about our leadership in Quantum computing. We are actively moving this out of the lab and into the real world through our Willow Early Access Program.

This is a unique moment in our history. Between our rapid pace of innovation and the massive surge in AI demand, the opportunity ahead has never been clearer. Our performance today gives us deep confidence in the investments we're making for tomorrow.

I'll now turn it over to Anat to go through our 6th area: strong financial discipline.

Anat Ashkenazi, SVP and CFO, Alphabet and Google: Thank you, Sundar. And hello everyone.

As you've seen in our results over the past several quarters and as you heard from Sundar, we are driving strong business performance. Let me dive a bit deeper into the drivers of this performance, how our capital investments are informed by our view of ROIC, and share our balance sheet strategy and rationale for today's capital raise.

The impact of our AI investments is evident in the momentum and scale of our business.

As Sundar mentioned, in 2025, we achieved a significant milestone, surpassing \$400B in revenue.

In the first quarter of 2026, our momentum has continued as revenue reached nearly \$110B, up 22% year-over-year. This marks our eleventh consecutive quarter of double-digit revenue growth.

Importantly, we are driving this top-line expansion while maintaining rigorous operational discipline. Over the last five years, our operating income tripled and our operating margin expanded to 33% on a TTM basis.

Our AI investments and full stack approach are being monetized and are delivering tangible value across our business as evidenced in our Q1 results.

Beginning with Google Services:

- Revenue grew 16% year over year and operating margin expanded to 45%, from 42% a year ago.
- In Search, we are seeing an expansionary moment, powered by AI Overviews and AI Mode, as well as our AI tools for advertisers. In particular, Gemini's understanding of intent has significantly expanded our ability to deliver ads on longer, more complex searches.
- At the same time, since launching Gemini 3, our hardware and engineering breakthroughs have reduced the cost of core AI responses by more than 30%.

Next, in Subscriptions, Google One is our fastest-growing product, and our AI plans are a significant driver of revenue growth.

Finally, in YouTube, AI is helping power our recommendation systems, which are improving the user experience.

Looking at Google Cloud:

- Cloud delivered a record \$20B in revenue in the first quarter while expanding margins to 33% and more than tripling operating income to \$7B from a year ago.
- AI Solutions is now the largest contributor to Cloud growth, led by demand for our leading AI Models.
- And Cloud's backlog nearly doubled sequentially, reaching \$462B at the end of the first quarter, driven by strong demand for our Enterprise AI offerings.

These results are proof points of our relentless focus on ROIC including our efficiency efforts, a robust resource allocation framework, and a strategic commitment to balancing near-term returns with investments in future innovation.

As Sundar mentioned, we are investing to meet the unprecedented demand we are seeing from enterprises and consumers. For the full-year 2026, we expect our CapEx to be in the range of \$180B to \$190B. And looking further ahead to 2027, we expect a significant increase in our CapEx compared to 2026.

Turning to our balance sheet strategy. Our financial foundation is exceptionally strong.

Over the last twelve months, we generated operating cash flow of \$174B. We ended the first quarter of 2026 with \$127B in cash and marketable securities and \$81B in debt. Since the end of the first quarter, we have issued approximately an additional \$20B of debt, bringing our pro-forma debt balance to just over \$100B across six major currencies and markets.

We aim to maintain one of the strongest balance sheets in the world, supported by robust liquidity, access to different funding sources, and prudent leverage.

We view this global funding access and deep financial flexibility as a strategic component of our long-term strategy, particularly given the scale and capital intensity of the current opportunity.

We continue to execute against our disciplined capital allocation framework which prioritizes investments in organic growth, while balancing strategic M&A, investments, and capital return to shareholders.

Our strong financial results, and record customer demand, reinforce our conviction to invest the capital required to continue capturing the AI opportunity in front of us.

We intend to fund these investments through a balanced approach, combining our strong operating cash flow with debt and today's equity raise.

The transaction we are announcing today represents a strategic proactive move to optimize our financial flexibility and maximize long-term shareholder value creation.

Thank you for your time and your interest in Alphabet.