

FACEBOOK, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF JUNE 30, 2014
(in millions)

	Historical		Pro Forma Adjustments	Pro Forma Combined
	Facebook, Inc.	WhatsApp Inc.		
Assets				
Current assets:				
Cash and cash equivalents	\$ 4,384	\$ 152	\$ (152) (a)	\$ 4,384
Marketable securities	9,572	—	(4,437) (a)	5,135
Accounts receivable, net	1,190	—	—	1,190
Prepaid expenses and other current assets	411	8	83 (a)	502
Total current assets	15,557	160	(4,506)	11,211
Property and equipment, net	3,334	16	6 (b)	3,356
Goodwill and intangible assets, net	1,672	—	18,097 (c)	19,769
Other assets	206	2	158 (a)	366
Total assets	\$ 20,769	\$ 178	\$ 13,755	\$ 34,702
Liabilities and stockholders' equity				
Current liabilities:				
Accounts payable	\$ 146	\$ 5	\$ —	\$ 151
Developer partners payable	176	—	—	176
Accrued expenses and other current liabilities	666	15	15 (d)	696
Deferred revenue and deposits	53	20	(9) (b)	64
Current portion of capital lease obligations	173	—	—	173
Total current liabilities	1,214	40	6	1,260
Capital lease obligations, less current portion	153	—	—	153
Deferred revenue, non-current portion	—	32	(16) (b)	16
Other liabilities	1,056	15	920 (b) (e)	1,991
Total liabilities	2,423	87	910	3,420
Stockholders' equity:				
Preferred stock	—	420	(420) (f)	—
Common stock	—	—	—	—
Additional paid-in capital	13,759	334	12,793 (g)	26,886
Accumulated other comprehensive loss	(5)	—	—	(5)
Retained earnings (accumulated deficit)	4,592	(663)	472 (g)	4,401
Total stockholders' equity	18,346	91	12,845	31,282
Total liabilities and stockholders' equity	\$ 20,769	\$ 178	\$ 13,755	\$ 34,702

See notes to unaudited pro forma condensed combined financial information

FACEBOOK, INC
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2014
(in millions, except per share data)

	Historical		Pro Forma Adjustments	Pro Forma Combined
	Facebook, Inc.	WhatsApp Inc.		
Revenue	\$ 5,412	\$ 15	\$ —	\$ 5,427
Costs and expenses				
Cost of revenue	936	44	11 (c) (h)	991
Research and development	947	68	483 (c) (h)	1,498
Marketing and sales	681	—	231 (c) (h)	912
General and administrative	384	135	(12) (h) (i)	507
Total costs and expenses	<u>2,948</u>	<u>247</u>	<u>713</u>	<u>3,908</u>
Income (loss) from operations	2,464	(232)	(713)	1,519
Interest and other income/(expense), net	(4)	(1)	—	(5)
Income (loss) before provision for income taxes	<u>2,460</u>	<u>(233)</u>	<u>(713)</u>	<u>1,514</u>
Provision for income taxes	1,027	—	(275) (j)	752
Net income (loss)	\$ 1,433	\$ (233)	\$ (438)	\$ 762
Less: Net income attributable to participating securities	6	—	(1) (k)	5
Net income (loss) attributable to Class A and Class B common stockholders	\$ 1,427	\$ (233)	\$ (437)	\$ 757
Earnings per share attributable to Class A and Class B common stockholders:				
Basic	<u>\$ 0.56</u>			<u>\$ 0.28</u>
Diluted	<u>\$ 0.55</u>			<u>\$ 0.27</u>
Weighted-average shares used to compute earnings per share attributable to Class A and Class B common stockholders:				
Basic	<u>2,552</u>		<u>172 (l)</u>	<u>2,724</u>
Diluted	<u>2,609</u>		<u>175 (l)</u>	<u>2,784</u>

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