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## US\$800mIn wiped from Alphabet's market value as first-quarter results disappoint

Alphabet Inc (NASDAQ:GOOG) shares plunged in overnight trading in New York after the Google owner missed expectations with its first-quarter results.

The company, which also owns YouTube, reported sales of US\$36.6bn for the three months ended 31 March - almost US\$1bn below what Wall Street number crunchers had forecast.

**READ: Alphabet fined US\$1.7bn by EU regulators**  
Bosses blamed the shortfall on the strength of the US dollar, tough comparatives and fewer enhancements to its ad services.

Sales growth slowed to 17% in the period, below the rate of expansion in the previous quarter and down from a 26% increase in the same period last year.

The rate of growth in 'paid clicks' - Alphabet charges companies every time their ad is clicked on - also decelerated to 39% growth versus 59% at the beginning of 2018.

On top of that, earnings fell during the quarter, dropping by almost a third to US\$9.50 as Alphabet set aside US\$1.7bn to cover the cost of a fine from European competition regulators.

Excluding this one-time charge, earnings would have been US\$11.90, better than the US\$10.58 analysts had initially pencilled in.

Investors unsure

Analysts said the "lack of transparency" over the cause of the slowdown was frustrating for both them and investors.

"Overall, we expect GOOGL shares to be under pressure in the near-term given sub-20% revenue growth & downward earnings revisions," said JP Morgan in a note to clients.

"The exact drivers of GOOGL's slowing top-line are unclear, and we believe frustration around GOOGL's lack of transparency will only increase."

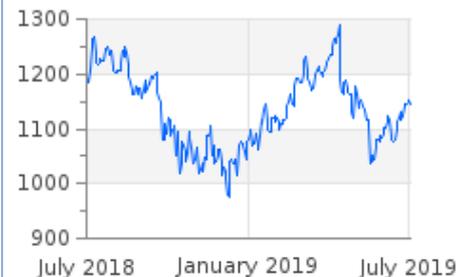
Shares are down 7.8% in pre-market trading to US\$1,195.20, wiping almost US\$800mIn from the company's market capitalisation.

-- Adds analyst comment --

**Price:** US\$1146.35

**Market Cap:** US\$795846.4M

### 1 Year Share Price Graph



### Share Information

**Code:** GOOG

**Listing:** NASDAQ

**52 week High Low**  
**\$1,289.25 \$970.11**

**Sector:** Internet

**Website:** abc.xyz

### Company Synopsis:

*Alphabet is mostly a collection of companies. The largest of which is Google. &nbsp;.*

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