

Google Inc.
Form S-3ASR
April 20, 2007
Table of Contents

As filed with the Securities and Exchange Commission on April 20, 2007

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT

Under

The Securities Act of 1933

GOOGLE INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

7375
(Primary Standard Industrial
Classification Code Number)
1600 Amphitheatre Parkway

77-0493581
(I.R.S. Employer
Identification Number)

Mountain View, CA 94043

(650) 253-0000

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Edgar Filing: Google Inc. - Form S-3ASR

Eric E. Schmidt

Chief Executive Officer

Google Inc.

1600 Amphitheatre Parkway

Mountain View, CA 94043

(650) 253-0000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Larry W. Sonsini	David C. Drummond	John M. Brandow
David J. Segre	David Sobota	Bruce K. Dallas
Jon C. Avina	Donald Harrison	Jean M. McLoughlin
Wilson Sonsini Goodrich & Rosati	Google Inc.	Davis Polk & Wardwell
Professional Corporation	1600 Amphitheatre Parkway	450 Lexington Avenue
650 Page Mill Road	Mountain View, CA 94043	New York, NY 10017
Palo Alto, CA 94304	(650) 253-0000	(212) 450-4000
(650) 493-9300		

Approximate date of commencement of proposed sale to the public: **From time to time after the effective date of this registration statement.**

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered (1)	Amount to be Registered (2)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Class A common stock, par value \$0.001 per share, currently subject to options outstanding under the 2004 Stock Plan, including upon exercise of such options or short sales by participating financial institutions (3)	7,921,231	\$ 474.00(4)	\$ 3,754,663,494	\$ 115,269(4)
Nonstatutory stock options under the 2004 Stock Plan, currently available for grant	}			
Class A common stock, par value \$0.001 per share, currently available for issuance under the 2004 Stock Plan, including upon exercise or issuance of stock-based awards under the 2004 Stock Plan or short sales by participating financial institutions (3)	6,106,284	\$ 474.00(5)	\$ 2,894,378,616	\$ 88,858(5)
TOTAL:	14,027,515		\$ 6,649,042,110	\$ 204,127(6)
Nonstatutory stock options under the 2004 Stock Plan, made available in the future for grant	}			
Class A common stock, par value \$0.001 per share, made available in the future for issuance under the 2004 Stock Plan, including upon exercise or issuance of stock-based awards under the 2004 Stock Plan or short sales by participating financial institutions (3)	(7)	(7)	(7)	(7)

- (1) Stock-based awards under the 2004 Stock Plan include incentive stock options, nonstatutory stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares and other stock-based awards for eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google under the 2004 Stock Plan.
- (2) Pursuant to Rule 416(a), this Registration Statement shall also cover any additional shares of Google's Class A common stock that become issuable under the 2004 Stock Plan by reason of any stock dividend, stock split, recapitalization, or other similar transaction effected without receipt of consideration that increases the number of Google's outstanding shares of Class A common stock.
- (3) Includes shares of Class A common stock to be offered and sold by participating financial institutions in connection with short sales of Class A common stock. Shares of Class A common stock subject to stock options that are eligible for the Transferable Stock Option (TSO) program may either (1) be exercised by the optionee or (2) sold under the TSO program, but not both. Accordingly, the registrant is paying one registration fee based on the total number of shares available for issuance under the 2004 Stock Plan.
- (4) Estimated solely for the purpose of computing the amount of the registration fee. The estimate is made pursuant to Rule 457(c) based on \$474.00, which represents the average of the high and low sales prices of the Class A common stock as reported by The Nasdaq Stock Market on April 17, 2007.
- (5) Estimated solely for the purpose of computing the amount of the registration fee. The estimate is made pursuant to Rule 457(h)(3) based on the price of the Class A common stock as set forth in note (4) above. Pursuant to Rule 457(h)(3), no additional fee is being paid with respect to Class A common stock issuable upon exercise of stock-based awards under the 2004 Stock Plan or short sales by participating financial institutions.
- (6) Google previously paid aggregate registration fees of \$423,383 relating to 14,027,515 shares of Class A common stock under the 2004 Stock Plan as follows: (i) \$180,774 in connection with 4,500,000 shares of Class A common stock on Form S-8 (File No. 333-136469) filed August 10, 2006, (ii) \$241,460 in connection with 7,000,000 shares of Class A common stock on Form S-8 (File No. 333-127451) filed August 11, 2005 and (iii) \$1,149 in connection with 2,527,515 shares of Class A common stock for issuance pursuant to Google's 2004 Stock Plan on Form S-8 (File No. 333-117715) filed July 28, 2004. Contemporaneous with the filing of this Registration Statement, Google is filing post-effective amendments to the previously filed registration statements listed above to deregister 14,027,515 shares of Class A common stock that will not be sold under those registration statements. Pursuant to Rule 457(p), \$423,383, representing the previously paid registration fees relating to the 14,027,515 shares that have not been sold pursuant to the previously filed registration statements listed above, is being offset against the \$204,127 registration fee currently due. Therefore, no registration fee is required to be paid herewith.
- (7) An indeterminate amount of additional securities to be offered at indeterminate prices is being registered pursuant to this registration statement. The registrant is deferring payment of the registration fee pursuant to Rule 456(b) and is omitting this information in reliance on Rule 456(b) and Rule 457(r). Pursuant to Rule 457(h)(3) once a registration fee is paid for the stock-based awards, no additional fee will

Edgar Filing: Google Inc. - Form S-3ASR

be paid with respect to Class A common stock issuable upon exercise of stock-based awards under the 2004 Stock Plan.

Table of Contents

EXPLANATORY NOTE

This Registration Statement registers:

the offer and sale by us of Class A common stock upon exercise, other than by participating financial institutions, of (1) options currently outstanding and (2) options to be granted under our 2004 Stock Plan to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google;

the grant by us of nonstatutory stock options to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google under our 2004 Stock Plan;

the offer and sale by us of Class A common stock in connection with the grant or exercise of incentive stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares and other stock-based awards to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google under our 2004 Stock Plan; and

the offer and sale by participating financial institutions in connection with short sales of Class A common stock to hedge options they purchase under the Transferable Stock Option program.

This Registration Statement contains two forms of prospectus to be used in connection with these offers and sales. The first form of prospectus is to be used by us in connection with the offer and sale by us of Class A common stock upon exercise, other than by participating financial institutions, of options under our 2004 Stock Plan and in connection with grants of future stock-based awards under our 2004 Stock Plan. The second form of prospectus is to be used by participating financial institutions in connection with their short sales of Class A common stock. Separate cover pages for the second form of prospectus will be filed pursuant to Rule 424(b) with respect to each additional participating financial institution that is subsequently selected to participate.

Table of Contents

Prospectus for Participants in the 2004 Stock Plan

April 20, 2007

Shares of Class A Common Stock

and

Stock-based Awards

under Google's 2004 Stock Plan

This prospectus covers (1) the offer and sale by us of shares of our Class A common stock upon exercise, other than by participating financial institutions, of options currently outstanding under our 2004 Stock Plan to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google, (2) the grant by us of nonstatutory stock options to eligible employees, consultants, and directors of Google or any parent or subsidiary of Google, and (3) the offer and sale by us of shares of our Class A common stock in connection with the grant or exercise of incentive stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares and other stock-based awards to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google under our 2004 Stock Plan. See Appendix A Frequently Asked Questions about the 2004 Stock Plan. This prospectus also covers such additional stock-based awards and shares of Class A common stock that may become available from time to time under our 2004 Stock Plan. We will receive the exercise or purchase price of certain stock-based awards under the 2004 Stock Plan if and when such awards are exercised or purchased. We will not receive any proceeds if the stock-based awards are exercised on a cashless basis.

We have two classes of authorized common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except with respect to voting and conversion. Each share of Class A common stock is entitled to one vote per share. Each share of Class B common stock is entitled to 10 votes per share and is convertible at any time into one share of Class A common stock.

Our Class A common stock is listed on the Nasdaq Global Select Market under the symbol GOOG. The closing price of our Class A common stock on April 19, 2007 was \$471.65 per share.

Investing in our Class A common stock involves risks. See Risk Factors beginning on page 3 and in the documents we incorporate by reference in this prospectus.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Table of Contents

TABLE OF CONTENTS

	Page
<u>Prospectus Summary</u>	1
<u>Risk Factors</u>	3
<u>Forward-Looking Statements</u>	6
<u>Use of Proceeds</u>	6
<u>Plan of Distribution</u>	6
<u>Description of Capital Stock</u>	7
<u>Legal Matters</u>	7
<u>Experts</u>	7
<u>Information Incorporated by Reference</u>	7
<u>Where You Can Find Additional Information</u>	8
<u>Appendix A: Frequently Asked Questions about the 2004 Stock Plan</u>	A-i

Table of Contents

PROSPECTUS SUMMARY

Google Inc.

Google is a global technology leader focused on improving the ways people connect with information. Our innovations in web search and advertising have made our web site a top internet destination and our brand one of the most recognized in the world. We maintain the largest, most comprehensive index of web sites and other content, and we make this information freely available to anyone with an internet connection. Our automated search technology helps people obtain nearly instant access to relevant information from our vast online index.

We generate revenue primarily by delivering relevant, cost-effective online advertising. Businesses use our AdWords program to promote their products and services with targeted advertising. In addition, the thousands of third-party web sites that comprise the Google Network use our AdSense program to deliver relevant ads that generate revenue and enhance the user experience.

Our mission is to organize the world's information and make it universally accessible and useful. We believe that the most effective, and ultimately the most profitable, way to accomplish our mission is to put the needs of our users first. We have found that offering a high-quality user experience leads to increased traffic and strong word-of-mouth promotion. Our dedication to putting users first is reflected in three key commitments:

We will do our best to provide the most relevant and useful search results possible, independent of financial incentives. Our search results will be objective and we will not accept payment for inclusion or ranking in them.

We will do our best to provide the most relevant and useful advertising. Advertisements should not be an annoying interruption. If any element on a search result page is influenced by payment to us, we will make it clear to our users.

We will never stop working to improve our user experience, our search technology and other important areas of information organization.

We believe that our user focus is the foundation of our success to date. We also believe that this focus is critical for the creation of long-term value. We do not intend to compromise our user focus for short-term economic gain.

Corporate Information

We were incorporated in California in September 1998, and in August 2003, we reincorporated in Delaware. Our principal executive offices are located at 1600 Amphitheatre Parkway, Mountain View, California 94043, and our telephone number is (650) 253-0000. We maintain a number of web sites including www.google.com. The information on our web sites is not part of this prospectus.

Google® is a registered trademark in the United States and several other countries. All other trademarks, trade names and service marks appearing in this prospectus are the property of their respective holders.

Table of Contents

The Offering

This prospectus covers (1) the offer and sale by us of shares of our Class A common stock upon exercise, other than by participating financial institutions, of options currently outstanding under our 2004 Stock Plan to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google, (2) the grant by us of nonstatutory stock options to eligible employees, consultants and directors of Google or any parent or subsidiary of Google, and (3) the offer and sale by us of shares of Class A common stock in connection with the grant or exercise of incentive stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares and other stock-based awards to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google under our 2004 Stock Plan. See Appendix A Frequently Asked Questions about the 2004 Stock Plan. This prospectus also covers such additional stock-based awards and shares of Class A common stock that may become available from time to time under our 2004 Stock Plan.

2004 Stock Plan Prospectus 2

Table of Contents

RISK FACTORS

Please carefully consider the risk factors described in our periodic reports filed with the Securities and Exchange Commission, which are incorporated by reference in this prospectus, as well as other information we include or incorporate by reference in this prospectus or include in any applicable prospectus supplement. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations.

Risks Related to the Transferable Stock Option Program

The price you receive for selling your option in the TSO program may not reflect the value of your option.

If you choose to sell your option in the Transferable Stock Option, or TSO, program, there can be no assurance that the price you receive from the participating financial institution reflects the value of your option. Options have both theoretical value, or time value, and intrinsic value, which is the difference between the exercise price and current market price for the Class A common stock. The price offered by participating financial institutions in the TSO program for options is expected to be based on the exercise price of the option, the current market price of our Class A common stock, the volatility of our Class A common stock, current interest rates, the term of the option, the cost of the hedging activities by the participating financial institutions and current market conditions. Several factors affect the difference between the price you receive in the TSO program and the value of your option, including:

the amendments to the eligible options to include certain automatic adjustment provisions will result in a loss of the time value of your option;

choosing to sell your option in the TSO program as opposed to exercising and selling the underlying shares at a later date may result in a loss of intrinsic value of your option if the market price of our common stock increases over time; and

due to the limited number of participating financial institutions in the TSO program, and the limitations on resale and transaction costs of the participating financial institutions, the TSO program may not be as efficient as a public market.

You may realize less value from selling your options under the TSO program than the theoretical value, or time value, of your option.

If an option is exercised prior to its expiration date, the option holder gives up theoretical value, or time value, inherent in an option. In connection with the TSO program, we expect to unilaterally amend outstanding eligible options to include certain automatic adjustment provisions that will become effective only upon transfer of the option under the TSO program. In particular, for options with a remaining term greater than two years, the remaining term of the option will be automatically reduced to two years. If the remaining term of the option is less than two years, the remaining term of the option will be further reduced in six-month increments until the remaining transferable option term is six months. For example, an option with a 23-month term will be reduced to a term of 18 months. If the remaining term of an option is less than six months, the option is not eligible to be sold in the TSO program. These automatic adjustments result in the loss of time value, although in an amount less than would be lost if you exercise the options (except in the case of options with a remaining term of two years or less, which will be adjusted as described above). The time value of an option decreases as its term decreases, and the amount a participating institution will be willing to pay under the TSO program will reflect the effect of the automatic reduction in the remaining term of the option.

Table of Contents

You may realize less value from selling your options under the TSO program than if you choose to exercise your options and sell the shares at a later date, and you may realize less value from exercising your options and immediately selling the shares than from selling your options under the TSO program.

For any eligible option, you may choose to (i) hold the option, (ii) exercise the option (in whole or in part as it vests) and either hold or sell the stock or (iii) sell the option (in whole or in part as it vests) to a participating financial institution through the TSO program. A participating financial institution bidding on your option may be willing to pay a premium above the intrinsic value of your option, which is the difference between the exercise price and current market price for our Class A common stock. In this case, you would realize less value from exercising your options and immediately selling the shares than you would from selling your options under the TSO program. However, if you choose to exercise your option and then sell the shares at a later date, you would benefit from any increase in the market price of our Class A common stock that occurs after the exercise date, which may be greater than the premium the financial institution is willing to pay for purchasing your options in the TSO program, but you would also be at risk of a decrease in the market price of our Class A common stock. Furthermore, if you exercise your option and you sell your shares after satisfying the one-year holding period required for long-term capital gains treatment, your tax on such additional appreciation (along with the tax you pay at exercise) may be less than the ordinary income taxation applicable to sales of options in the TSO program. Thus, in such circumstances, you may realize more value than if you had previously chosen to sell your options in the TSO program. The tax consequences of the TSO program, which are described below in this prospectus for U.S. taxpayers only, should be considered when making your decision to participate in the TSO program.

The difference between the market price and exercise price of your option will affect the amount the participating financial institutions are willing to pay for your option.

As options become more in- or out-of-the-money—that is, as the market price of Google common stock gets further from the exercise price of the option—the time value of the option decreases. For in-the-money options, this means that the excess over the intrinsic value of the option that participating institutions are willing to pay will decrease. For out-of-the-money options, this means that the amount participating institutions are willing to pay will decrease.

You should not rely on the value of publicly-traded options to value your option under the TSO program.

We caution you not to place undue reliance on the value of publicly-traded options when attempting to determine the value of your options under the TSO program. The TSO program is not expected to be as efficient as the public market because of the limited number of participating financial institutions in the TSO program, the limitations on their ability to sell options they purchase under the TSO program and the shares they receive upon exercise of the options, the higher transaction costs they may incur in connection with their hedging transactions and the different terms governing the options in the TSO program as compared to publicly-traded options. In addition, the market price for options is highly volatile and may fluctuate dramatically, particularly when the option exercise price is at or near the market price for our Class A common stock. We make no representations as to what the fair value of your options under the TSO program should be.

The current highest bid price quoted for your option may not be the actual price you receive upon sale.

The price offered by participating financial institutions in the TSO program for options is expected to be based on the exercise price of the option, the current market price of our Class A common stock, the volatility of our Class A common stock, current interest rates, the term of the option, the cost of the hedging activities by the participating financial institutions and current market conditions. Options with the same exercise price will not necessarily receive bids for the same price on a particular trading day. In addition, a participating financial institution may place a limit on the number of shares underlying options it will purchase at the price offered. If you choose to participate in the TSO program, you will use a secure internal online tool to see the current highest bid price offered by the participating financial institutions for your options and to place sell orders. However, the current bid may change during the time that it takes for your sell order to be transmitted, or because the highest bid price was not available for the full size of your order.

Table of Contents

The TSO program may not be available when you want to sell your options.

The TSO program will be available during regular trading hours for the Nasdaq Stock Market only when our trading window is open. Generally, the trading window is open for approximately four to six weeks each quarter. However, on the last day of each of our trading windows, the TSO program will close one hour prior to the close of regular trading hours for the Nasdaq Stock Market. We will suspend the TSO program from time to time for a variety of reasons, including for maintenance and other technical reasons, and for periods when we believe we are in possession of material, non-public information until the information is no longer material or the second business day after the information has been made public. You will likely not be given advance notice of any suspension of the TSO program, and you will be unable to sell options under the TSO program, even under a Rule 10b5-1 trading plan, when the TSO program has been suspended or is not otherwise available.

The TSO program may, but should not be, be affected by section 409A of the Internal Revenue Code and the resulting additional taxes under section 409A.

Section 409A of the Internal Revenue Code generally subjects certain options to early income tax recognition (at the time of vesting) and the imposition of additional taxes and interest penalties, regardless of whether the option has been exercised or sold. Normal federal and state income taxes, an additional 20% federal penalty tax and additional state penalty tax (currently an additional 20% California tax would apply to California residents) and other interest penalties can apply. Section 409A generally applies only to discounted options (those issued with an exercise price below that equal to the fair market value of our stock on the date of grant) or any non-discounted stock option that is modified in a manner deemed impermissible pursuant to section 409A. We do not believe the TSO program will be affected by section 409A. With respect to options that we grant after the TSO program begins, there will be no section 409A tax so long as we grant the options at fair market value (which is what we currently do) and such options are not modified in the future in a manner deemed impermissible under section 409A. The same requirements exist with respect to options already outstanding at the time the TSO program begins. Additionally, in order for outstanding options not to be affected by section 409A, the addition to the outstanding options of the transferability feature required for the TSO program must not be an impermissible modification under section 409A. The final regulations under section 409A specifically permits certain changes to be made to options without the options being deemed regrants for tax purposes. More specifically, the final regulations allow the addition of a transferability feature under certain circumstances where the discretion to add such transferability feature had been reserved. We believe that the outstanding options reserve discretion to add a transferability feature, since they incorporate the terms of the 2004 Stock Plan that specifically reserves such discretion. As a result, we believe that the outstanding options should not be deemed impermissibly modified pursuant to section 409A when the transferability feature is added for the TSO program.

The market activities of participating financial institutions with respect to our Class A common stock may affect the market price and volatility of our Class A common stock.

The financial institutions participating in the TSO program will enter into transactions to hedge their economic risk to changes in the price of our Class A common stock issuable under options purchased from Google employees in connection with the TSO program. These market transactions will include short sales of our Class A common stock equal to the aggregate number of shares underlying options purchased by a participating financial institution in the TSO program on a particular day. These market transactions may also include subsequent sales and purchases of our Class A common stock after the establishment of the initial hedge position by the participating financial institutions in amounts deemed by a participating financial institution to appropriately hedge its portfolio of options purchased under the TSO program and that will vary depending, among other things, upon the prevailing price of our Class A common stock. These sales could have the effect of decreasing the market price of our Class A common stock and the value of options purchased in the TSO program. Purchases to cover a short position may have the effect of preventing or slowing a decline in the market price of the Class A common stock, and may stabilize, maintain or otherwise affect the market price of the Class A common stock. These purchases could have the effect of increasing the market price of our Class A common stock above the price that otherwise might exist. Such sales and purchases, if commenced, could be discontinued at any time. Both sales and purchases may affect the volatility of our Class A common stock.

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus, including the documents incorporated into this prospectus by reference, includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include all statements other than statements of historical facts and current status contained or incorporated by reference in this prospectus, including statements regarding our future financial position, our business strategy, and the plans and objectives of management for future operations. The words believe, may, will, estimate, continue, anticipate, intend, expect and similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements involve risks, uncertainties and assumptions related to: significant competition from Microsoft and Yahoo; competition from other Internet companies, including web search providers, internet access providers, internet advertising companies and destination web sites that may also bundle their services with internet access; competition from traditional media companies, and our inclusion in the advertising budgets of large advertisers; expectations of our revenue growth rate to decline and anticipated downward pressure on our operating margin; fluctuations in our operating results; failure to innovate and provide products and services that are useful to users; and other risks, uncertainties and assumptions included in our periodic reports and in other documents that we file with the SEC.

In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. These statements are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements.

Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law, you are advised to consult any additional disclosures we make in our quarterly reports on Form 10-Q, annual report on Form 10-K and current reports on Form 8-K filed with the SEC. See [Where You Can Find Additional Information](#). We provide a cautionary discussion of selected risks and uncertainties regarding an investment in our Class A common stock in our periodic reports and in other documents that we subsequently file with the SEC, and that we will describe in supplements to this prospectus.

USE OF PROCEEDS

We will receive the exercise or purchase price of certain stock-based awards under the 2004 Stock Plan if and when such awards are exercised or purchased. We will not receive any proceeds if the stock-based awards are exercised on a cashless basis. We currently have no specific plans for the use of the net proceeds received upon exercise or purchase of such awards. We anticipate that we will use the net proceeds received by us for general corporate purposes, including working capital.

PLAN OF DISTRIBUTION

The 2004 Stock Plan permits us to issue shares of our Class A common stock, or the cash equivalent thereof in the case of performance units and certain other stock-based awards, to eligible employees, consultants, and directors of Google or of any parent or subsidiary of Google. Shares are issuable by means of incentive stock options, nonstatutory stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares and other stock-based awards. See [Appendix A Frequently Asked Questions about the 2004 Stock Plan](#).

Table of Contents

DESCRIPTION OF CAPITAL STOCK

For a description of our Class A common stock, see the description contained in our Registration Statement on Form 10, as amended, which is incorporated herein by reference. For a description of the stock-based awards that will be issued pursuant to our 2004 Stock Plan, see Appendix A Frequently Asked Questions about the 2004 Stock Plan.

LEGAL MATTERS

The validity of the nonstatutory stock options to be granted under our 2004 Stock Plan and the shares of Class A common stock issuable upon exercise of stock options or issuable pursuant to other stock-based awards granted under the 2004 Stock Plan will be passed upon for us by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Palo Alto, California.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements and schedule included in our Annual Report on Form 10-K for the year ended December 31, 2006, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2006, as set forth in their reports, which are incorporated by reference in this prospectus and elsewhere in the registration statement. Our consolidated financial statements and schedule are incorporated by reference in reliance on Ernst & Young LLP's reports, given on their authority as experts in accounting and auditing.

INFORMATION INCORPORATED BY REFERENCE

The following documents previously filed with the SEC are hereby incorporated by reference in this Prospectus (other than filings or portions of filings that are furnished under applicable SEC rules rather than filed):

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, filed with the SEC on March 1, 2007;

Our Current Report on Form 8-K filed with the SEC on February 2, 2007;

Our Current Report on Form 8-K filed with the SEC on March 5, 2007;

Our Current Report on Form 8-K filed with the SEC on March 16, 2007;

Our Current Report on Form 8-K filed with the SEC on March 28, 2007;

Our Current Report on Form 8-K filed with the SEC on April 19, 2007 (relating to the announcement of the proposed DoubleClick acquisition);

Item 8.01 of our Current Report on Form 8-K filed with the SEC on April 19, 2007; and

Table of Contents

The description of our Class A common stock contained in Google's Registration Statement on Form 10 as filed with the SEC on April 29, 2004, as amended.

All reports and other documents subsequently filed by us pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act after the date of this Prospectus and prior to the termination of this offering shall be deemed to be incorporated by reference in this Prospectus and to be part hereof from the date of filing of such reports and other documents.

Google hereby undertakes to provide without charge to each person, including any beneficial owner, to whom a copy of this Prospectus is delivered, upon written or oral request of any such person, a copy of any and all of the information that has been or may be incorporated by reference in this Prospectus, other than exhibits to such documents. Requests for such copies should be directed to our Investor Relations department, at the following address:

Google Inc.

1600 Amphitheatre Parkway

Mountain View, CA 94043

(650) 253-0000

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We file annual, quarterly and special reports and other information with the SEC. You may read and copy documents we file at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. The SEC also maintains an internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the site is www.sec.gov.

Our internet address is www.google.com and the investor relations section of our website is located at <http://investor.google.com>. We make available free of charge, on or through the investor relations section of our website, annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

You should rely only on the information contained or incorporated by reference in this prospectus and in any accompanying prospectus supplement. We have not authorized anyone to provide you with information different from that contained in this prospectus. The shares of Class A common stock offered under this prospectus are offered only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the Class A common stock.

This prospectus constitutes a part of a Registration Statement we filed with the SEC under the Securities Act. This prospectus does not contain all of the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. For further information with respect to Google and the shares of Class A common stock, reference is hereby made to the Registration Statement. The

Table of Contents

Registration Statement may be inspected at the public reference facilities maintained by the SEC at the addresses set forth in the preceding paragraph. Statements contained herein concerning any document filed as an exhibit are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement. Each such statement is qualified in its entirety by such reference.

* * * * *

2004 Stock Plan Prospectus 9

Table of Contents

APPENDIX A

Google Inc.

Frequently Asked Questions about the 2004 Stock Plan

April 20, 2007

2004 Stock Plan Prospectus Appendix A i

Table of Contents**TABLE OF CONTENTS**

	Page
<u>INTRODUCTION</u>	1
1. <u>What is the Plan?</u>	1
2. <u>What is the purpose of the Plan?</u>	1
3. <u>How many Shares are available under the Plan?</u>	1
4. <u>What should I know about this prospectus?</u>	2
5. <u>When will the Plan terminate?</u>	2
<u>ADMINISTRATION AND ELIGIBILITY</u>	2
6. <u>Who administers the Plan?</u>	2
7. <u>Can the Plan be amended?</u>	2
8. <u>Who is eligible to participate in the Plan?</u>	2
9. <u>Does participation in the Plan affect my service with Google or with any parent or subsidiary of Google?</u>	3
<u>STOCK OPTIONS GENERAL</u>	3
10. <u>What is an option and how do I benefit from it?</u>	3
11. <u>Are there different types of options?</u>	3
12. <u>What special rules apply to incentive stock options?</u>	3
13. <u>What is the exercise price of my option?</u>	4
<u>STOCK OPTIONS TRADITIONAL EXERCISE METHODS</u>	4
14. <u>When can I exercise my option?</u>	4
15. <u>How can I exercise my option?</u>	4
16. <u>How do I pay the exercise price?</u>	4
17. <u>Will I have rights as a stockholder?</u>	5
18. <u>When does my option expire?</u>	5
19. <u>Is there a limit on how many shares I can purchase through an option?</u>	5
20. <u>What happens if I am terminated?</u>	5
<u>STOCK OPTIONS THE TSO PROGRAM</u>	5
21. <u>What are transferable stock options?</u>	5
22. <u>How do TSOs compare to traditional stock options?</u>	5
23. <u>Which options are eligible?</u>	5
24. <u>Who can participate in the TSO program?</u>	6
25. <u>Can I sell some options and exercise others?</u>	6
26. <u>Are there periods when I cannot sell options in the TSO program?</u>	6
27. <u>Does the TSO program affect my ability to exercise options and sell shares in the traditional way?</u>	6
28. <u>What happens if I am terminated?</u>	6
29. <u>How does the TSO program work?</u>	6
30. <u>How can I cancel an order?</u>	7
31. <u>Do I have to open an additional brokerage account to participate in the TSO program?</u>	7
32. <u>What is the role of the auction manager?</u>	7
33. <u>Can I specify in advance the price at which I want to sell my options?</u>	7
34. <u>How are bid prices for options determined?</u>	8
35. <u>Can I sell vested underwater stock options in the TSO program?</u>	8
36. <u>Do the TSOs have any changes in their terms?</u>	8
37. <u>What happens if I try to sell my option through the TSO program and separately try to exercise the option and sell the underlying shares?</u>	8
38. <u>What will Google account for options in the TSO program?</u>	8
<u>RESTRICTED STOCK</u>	9

Table of Contents

39. <u>What is restricted stock?</u>	9
40. <u>How does restricted stock work?</u>	9
41. <u>Is there a limit on how many shares of restricted stock I may receive?</u>	9
42. <u>Can I transfer or sell my restricted stock?</u>	9
43. <u>Do I have rights as a stockholder with respect to my restricted stock?</u>	9
STOCK APPRECIATION RIGHTS	10
44. <u>What is a stock appreciation right and how do I benefit from it?</u>	10
45. <u>What are the terms of each stock appreciation right?</u>	10
46. <u>Is there a limit on how many stock appreciation rights I may receive?</u>	10
47. <u>When do my stock appreciation rights expire?</u>	10
PERFORMANCE UNITS AND PERFORMANCE SHARES	10
48. <u>What are performance units and performance shares and how do I benefit from them?</u>	10
49. <u>How do performance units and performance shares work?</u>	11
50. <u>How are my earnings under a performance unit or performance share determined?</u>	11
51. <u>How will I receive my earnings under a performance unit or performance share?</u>	11
52. <u>Is there a limit on how many performance units or performance shares I may receive?</u>	11
RESTRICTED STOCK UNITS	11
53. <u>What are restricted stock units?</u>	11
54. <u>Is there a limit on how many restricted stock units I may receive?</u>	11
OTHER STOCK AWARDS	12
55. <u>What are other stock-based awards?</u>	12
PROVISIONS APPLYING TO AWARDS	12
56. <u>How do I satisfy any tax withholding that may apply to my Award?</u>	12
57. <u>What happens to my Award if I go on a leave of absence?</u>	12
58. <u>Can I transfer my Award?</u>	12
59. <u>What happens if Google is acquired?</u>	12
60. <u>What happens if Google is dissolved or liquidated?</u>	13
TAX AND ERISA INFORMATION	13
61. <u>What are the tax effects of nonstatutory stock options and stock appreciation rights?</u>	13
62. <u>What are the tax effects of incentive stock options?</u>	14
63. <u>What about incentive stock options and the alternative minimum tax?</u>	14
64. <u>What if I sell my options under the TSO program?</u>	14
65. <u>What are the tax effects of restricted stock?</u>	15
66. <u>What are the tax effects of a performance share or performance unit?</u>	15
67. <u>What are the tax effects of a restricted stock unit?</u>	15
68. <u>What are the tax effects for Google?</u>	15
69. <u>Is the Plan subject to ERISA?</u>	15
ADDITIONAL INFORMATION ABOUT THE PLAN AND PROSPECTUS	16
70. <u>Does the Plan limit a participant's ability to resell Shares acquired under the Plan?</u>	16
71. <u>What other conditions are associated with the exercise, issuance and delivery of my Shares?</u>	16
72. <u>What if I need more information?</u>	16
73. <u>What else should I know about this prospectus?</u>	17

Table of Contents

INTRODUCTION

The following questions and answers give a summary of the main features of the Google Inc. 2004 Stock Plan, referred to as the **Plan**. Please read this prospectus carefully. Google Inc. is referred to in this prospectus as **Google, we, us** and **our**.

1.