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Five Tech Giants Are Using Enron’s Accounting Strategy to Conceal \$1.65 Trillion in AI Debt

Alphabet, Microsoft, Amazon, Meta, and Oracle hold \$1.65T in AI infrastructure obligations that bypass standard balance-sheet reporting

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KEY TAKEAWAYS

- Big Tech hides \$1.65 trillion in AI obligations off balance sheets, exceeding reported formal debt.
- Meta’s off-balance-sheet commitments reach \$420 billion, nearly three times its reported debt.
- If AI demand underperforms, hidden lease obligations will trigger simultaneous balance sheet spikes and write-downs.

in read

in Hidden Balance Sheet Crisis

Estimated* (on-balance-sheet) debt



These figures show a significant gap. Total Hidden and Total Reported sum to \$3.0 Trillion. *Amazon, Microsoft, and Alphabet hidden figures are estimates based on total confirmed debt analysis.

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[Five companies](#) owe more money than their balance sheets admit. A [Nikkei analysis](#) of financial footnotes at Alphabet, Microsoft, Amazon, Meta, and Oracle found **\$1.65 trillion** in off-balance-sheet obligations tied to [AI infrastructure](#) — binding, must-pay commitments parked in the fine print.

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The Footnote Is Where the Story Lives



 A Nikkei investigation found that Alphabet, Microsoft, Amazon, Meta, and Oracle have \$1.65 trillion in debt that doesn't appear on their balance sheets, more than the \$1.35 trillion they officially report. These are GPU contracts, data center leases, and joint ventures that [Show more](#)

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- Moody's estimates **\$662 billion** of total commitments are data-center leases not yet commenced – still off the books
- In 2025, the five companies issued approximately **\$121 billion** in new bonds, up from roughly \$40 billion in 2020

The Enron comparison is inevitable, but the distinction matters. "Enron's crime wasn't having special purpose vehicles. Enron's crime was hiding them," [Gil Luria noted](#), according to Bloomberg Law coverage. Today's structures comply with GAAP and IFRS. The obligations are disclosed – think terms-and-conditions that nobody

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reads but everyone technically agrees to. Oracle is already feeling real consequences: [S&P downgraded](#) its credit rating, explicitly citing stretched leverage from AI commitments including roughly **\$260 billion** in future lease obligations.

What Happens If AI Demand Doesn't Show Up

The moment data centers go live, the hidden debt becomes very visible, very fast.

As facilities become operational, leases roll onto balance sheets simultaneously — recorded debt and lease liabilities spike together overnight. If AI monetization underperforms, those assets face write-

downs with losses flowing directly to the lenders, insurers, and bondholders. Industry estimates put total [AI infrastructure spending](#) at **\$3 trillion**, much of it financed by [banks like Citigroup, JPMorgan Chase, and Bank of America](#). [Stanley and Moody's](#) warn that a prolonged dry spell could turn this into a risk worth watching.

Companies are expected to treat large operating leases as debt, triggering covenants obligating payment if the facility isn't actually used — as happened with [Google's data center in Ireland](#). The “fortress balance sheet” that once protected different once \$1.65 trillion in debt. When the ambition, this was a bold bet. If it doesn't, the industry could be left with a document nobody read.

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