

**Akamai Technologies, Inc.****Reconciliation of GAAP to non-GAAP financial measures****Analyst Day - December 7, 2009**

The Company has historically provided financial metrics, some of which are based on GAAP and others that are not prepared in accordance with GAAP (non-GAAP). Legislative and regulatory changes encourage the use of GAAP financial metrics and require companies to explain why non-GAAP financial metrics are relevant to management and investors.

**Adjusted EBITDA** – defined as net income before interest, income taxes, depreciation and amortization of tangible and intangible assets, stock-based compensation expense, amortization of capitalized stock-based compensation, restructuring charges and benefits, certain gains and losses on investments, foreign exchange gains and losses, loss on early extinguishment of debt, gains on legal settlements, utilization of tax NOLs/credits and release of the deferred tax asset valuation allowance

	<u>Nine months ended</u>	<u>Year ended</u>	
	<u>September 30, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>
Net income	\$ 105,833	\$ 145,138	\$ 100,967
Interest income, net	(10,291)	(21,967)	(22,729)
Provision for income taxes	5,180	4,675	3,369
Depreciation and amortization	72,778	79,964	58,651
Amortization of capitalized stock-based compensation	4,562	4,212	1,829
Amortization of other intangible assets	12,580	13,905	11,414
Stock-based compensation	41,999	57,899	66,555
Loss on early extinguishment of debt	-	-	3
Utilization of tax NOLs/credits	61,650	84,722	63,869
Restructuring charge (benefit)	454	2,509	(178)
(Gain) loss on investments, net	(455)	157	(24)
Other income, net	(659)	(461)	(527)
Adjusted EBITDA	<u>\$ 293,631</u>	<u>\$ 370,753</u>	<u>\$ 283,199</u>

**Adjusted EBITDA margin** – defined as Adjusted EBITDA as a percentage of revenues

	<u>Nine months ended</u>	<u>Year ended</u>	
	<u>September 30, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>
Revenues	\$ 621,468	\$ 790,924	\$ 636,406
Adjusted EBITDA	<u>293,631</u>	<u>370,753</u>	<u>283,199</u>
Adjusted EBITDA margin	<u>47%</u>	<u>47%</u>	<u>44%</u>

**Normalized net income** – defined as net income before amortization of other intangible assets, stock-based compensation expense, amortization of capitalized stock-based compensation, restructuring charges and benefits, certain gains and losses on investments, loss on early extinguishment of debt, utilization of tax NOLs/credits, and release of the deferred tax asset

	Nine months ended	Year ended	
	September 30, 2009	December 31, 2008	December 31, 2007
Net income	\$ 105,833	\$ 145,138	\$ 100,967
Amortization of other intangible assets	12,580	13,905	11,414
Stock-based compensation	41,999	57,899	66,555
Loss on early extinguishment of debt	-	-	3
Amortization of capitalized stock-based compensation	4,562	4,212	1,829
Restructuring charge (benefit)	454	2,509	(178)
Utilization of tax NOLs/credits	61,650	84,722	63,869
(Gain) loss on investments, net	(455)	157	(24)
Normalized net income	<u>\$ 226,623</u>	<u>\$ 308,542</u>	<u>\$ 244,435</u>

**Normalized net income per share** – defined as normalized net income, plus interest add-back for diluted share calculation, divided by the diluted common shares outstanding used in normalized net income per share calculations

	Nine months ended	Year ended	
	September 30, 2009	December 31, 2008	December 31, 2007
Normalized net income	\$ 226,623	\$ 308,542	\$ 244,435
Interest add-back for diluted share calculation	2,066	2,782	2,840
Normalized net income for diluted earnings per share	<u>\$ 228,689</u>	<u>\$ 311,324</u>	<u>\$ 247,275</u>
Diluted normalized net income per share	<u>\$ 1.21</u>	<u>\$ 1.66</u>	<u>\$ 1.32</u>
Diluted shares used in normalized net income per share calculation	188,671	187,382	186,709

**Diluted common shares outstanding used in normalized net income per share calculation** – defined as diluted common shares outstanding used in GAAP net income per share calculation, excluding the effect of stock-based compensation under the treasury stock method in normalized net income per share calculation

	Nine months ended	Year ended	
	September 30, 2009	December 31, 2008	December 31, 2007
Diluted common shares outstanding used in GAAP net income per share calculation	188,671	186,685	185,094
Excluding: the effect of stock-based compensation under the treasury stock method	<u>-</u>	<u>697</u>	<u>1,615</u>
Diluted common shares outstanding used in normalized net income per share calculation	<u>188,671</u>	<u>187,382</u>	<u>186,709</u>

**Pre-tax normalized net income** – defined as net income before taxes, amortization of other intangible assets, stock-based compensation expense, amortization of capitalized stock-based compensation, restructuring charges and benefits, certain gains and losses on investments and loss on early extinguishment of debt

	<u>Nine months ended</u>	<u>Year ended</u>	
	September 30, 2009	December 31, 2008	December 31, 2007
Net income	\$ 105,833	\$ 145,138	\$ 100,967
Add-back: provision for taxes	66,830	89,397	67,238
Net income before taxes	172,663	234,535	168,205
Amortization of other intangible assets	12,580	13,905	11,414
Stock-based compensation	41,999	57,899	66,555
Loss on early extinguishment of debt	-	-	3
Amortization of capitalized stock-based compensation	4,562	4,212	1,829
Restructuring charge (benefit)	454	2,509	(178)
(Gain) loss on investments, net	(455)	157	(24)
Pre-tax normalized net income	<u>\$ 231,803</u>	<u>\$ 313,217</u>	<u>\$ 247,804</u>

**Pre-tax normalized margin** – defined as pre-tax normalized net income as a percentage of revenues

	<u>Nine months ended</u>	<u>Year ended</u>	
	September 30, 2009	December 31, 2008	December 31, 2007
Revenues	\$ 621,468	\$ 790,924	\$ 636,406
Pre-tax normalized net income	231,803	313,217	247,804
Pre-tax normalized margin	<u>37%</u>	<u>40%</u>	<u>39%</u>

**Fully-taxed normalized net income** – defined as pre-tax normalized net income after taxes

	<u>Nine months ended</u>	<u>Year ended</u>	
	September 30, 2009	December 31, 2008	December 31, 2007
Pre-tax normalized net income	\$ 231,803	\$ 313,217	\$ 247,804
GAAP effective tax rate	39%	38%	40%
Fully-taxed normalized net income	<u>\$ 142,083</u>	<u>\$ 193,829</u>	<u>\$ 148,747</u>

**Fully-taxed normalized net income per share** – defined as fully-taxed normalized net income, plus interest add-back for diluted share calculation, divided by the diluted common shares outstanding used in normalized net income per share calculations

	<u>Nine months ended</u>	<u>Year ended</u>	
	September 30, 2009	December 31, 2008	December 31, 2007
Fully-taxed normalized net income	\$ 142,083	\$ 193,829	\$ 148,747
Interest add-back for diluted share calculation	1,306	1,757	1,705
Fully-taxed normalized net income for diluted earnings per share	\$ 143,389	\$ 195,586	\$ 150,452
Diluted fully-taxed normalized net income per share	<u>\$ 0.76</u>	<u>\$ 1.04</u>	<u>\$ 0.81</u>
Diluted shares used in normalized net income per share calculation	188,671	187,382	186,709

**Capex** – defined as purchases of property and equipment and capitalization of internal-use software development costs, less capitalization of stock-based compensation

	<b>Nine months ended</b>		<b>Year ended</b>	
	September 30, 2009	December 31, 2008	December 31, 2007	
Capital Expenditures per GAAP	\$ 83,428	\$ 122,822	\$ 106,830	
Less: Capitalization of stock-based compensation	(4,525)	(7,436)	(6,353)	
Capex	<u>\$ 78,903</u>	<u>\$ 115,386</u>	<u>\$ 100,477</u>	

**Capex gross margin** – defined as capex as a percentage of revenues

	<b>Nine months ended</b>		<b>Year ended</b>	
	September 30, 2009	December 31, 2008	December 31, 2007	
Revenues	\$ 621,468	\$ 790,924	\$ 636,406	
Capex	78,903	115,386	100,477	
Capex gross margin	<u>13%</u>	<u>15%</u>	<u>16%</u>	

**GAAP gross margin** – defined as gaap gross profit as a percentage of revenues

	<b>Nine months ended</b>		<b>Year ended</b>	
	September 30, 2009	December 31, 2008	December 31, 2007	
Revenues	\$ 621,468	\$ 790,924	\$ 636,406	
GAAP gross profit	439,110	568,314	468,962	
GAAP gross margin	<u>71%</u>	<u>72%</u>	<u>74%</u>	

**Normalized cost of revenues** – defined as GAAP cost of revenues, excluding stock-based compensation and depreciation and amortization

	<b>Three months ended</b>							
	Sept. 30, 2009	June 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Sept. 30, 2008	June 30, 2008	Mar. 31, 2008	Dec. 31, 2007
Cost of revenues per GAAP	\$ 61,987	\$ 60,009	\$ 60,362	\$ 60,688	\$ 56,659	\$ 53,688	\$ 51,575	\$ 49,394
Less: stock-based compensation	(532)	(489)	(561)	(636)	(614)	(599)	(566)	(867)
Less: depreciation and amortization	(23,527)	(21,604)	(20,721)	(20,163)	(18,483)	(17,733)	(16,260)	(14,952)
Normalized cost of revenues	<u>\$ 37,928</u>	<u>\$ 37,916</u>	<u>\$ 39,080</u>	<u>\$ 39,889</u>	<u>\$ 37,562</u>	<u>\$ 35,356</u>	<u>\$ 34,749</u>	<u>\$ 33,575</u>

  

	<b>Nine months ended</b>		<b>Year ended</b>	
	September 30, 2009	December 31, 2008	December 31, 2007	
Cost of revenues per GAAP	\$ 182,358	\$ 222,610	\$ 167,444	
Less: stock-based compensation	(1,582)	(2,415)	(3,349)	
Less: depreciation and amortization	(65,852)	(72,639)	(52,124)	
Normalized cost of revenues	<u>\$ 114,924</u>	<u>\$ 147,556</u>	<u>\$ 111,971</u>	

**Cash gross profit** – defined as revenues, less Normalized cost of revenues

	<b>Three months ended</b>							
	Sept. 30, 2009	June 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Sept. 30, 2008	June 30, 2008	Mar. 31, 2008	Dec. 31, 2007
Revenues	\$ 206,500	\$ 204,600	\$ 210,368	\$ 212,554	\$ 197,347	\$ 194,004	\$ 187,019	\$ 183,238
Less: Normalized cost of revenues	(37,928)	(37,916)	(39,080)	(39,889)	(37,562)	(35,356)	(34,749)	(33,575)
Cash gross profit	<u>\$ 168,572</u>	<u>\$ 166,684</u>	<u>\$ 171,288</u>	<u>\$ 172,665</u>	<u>\$ 159,785</u>	<u>\$ 158,648</u>	<u>\$ 152,270</u>	<u>\$ 149,663</u>
	<b>Nine months ended</b>		<b>Year ended</b>					
	September 30, 2009	December 31, 2008	December 31, 2007					
Revenues	\$ 621,468	\$ 790,924	\$ 636,406					
Less: Normalized cost of revenues	(114,924)	(147,556)	(111,971)					
Cash gross profit	<u>\$ 506,544</u>	<u>\$ 643,368</u>	<u>\$ 524,435</u>					

**Cash gross margin** – defined as cash gross profit as a percentage of revenues

	<b>Three months ended</b>							
	Sept. 30, 2009	June 30, 2009	Mar. 31, 2009	Dec. 31, 2008	Sept. 30, 2008	June 30, 2008	Mar. 31, 2008	Dec. 31, 2007
Revenues	\$ 206,500	\$ 204,600	\$ 210,368	\$ 212,554	\$ 197,347	\$ 194,004	\$ 187,019	\$ 183,238
Cash gross profit	168,572	166,684	171,288	172,665	159,785	158,648	152,270	149,663
Cash gross margin	<u>81.6%</u>	<u>81.5%</u>	<u>81.4%</u>	<u>81.2%</u>	<u>81.0%</u>	<u>81.8%</u>	<u>81.4%</u>	<u>81.7%</u>
	<b>Nine months ended</b>		<b>Year ended</b>					
	September 30, 2009	December 31, 2008	December 31, 2007					
Revenues	\$ 621,468	\$ 790,924	\$ 636,406					
Cash gross profit	506,544	643,368	524,435					
Cash gross margin	<u>82%</u>	<u>81%</u>	<u>82%</u>					