

# Reconciliation of non-GAAP to GAAP financial measures

**Akamai Technologies Inc.**  
**March 31, 2005**

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). Recent 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, taxes, depreciation, amortization, equity-related compensation, restructuring charges and benefits, certain gains and losses on equity investments, foreign exchange gains and losses, gains on legal settlements and loss on early extinguishment of debt

Adjusted-EBITDA	Three months ended		
	March 31, 2005	December 31, 2004	March 31, 2004
Net income	\$ 14,079	\$ 13,391	\$ 2,921
Interest expense, net	1,013	1,319	3,158
Provision for income taxes	529	187	84
Depreciation and amortization	3,854	3,738	6,044
Amortization of intangible assets	12	12	12
Equity-related compensation	227	236	533
Loss on early extinguishment of debt	-	852	2,018
Loss (gain) on investments, net	-	1	(11)
Other expense (income), net	726	(1,183)	138
Adjusted-EBITDA	<u>\$ 20,440</u>	<u>\$ 18,553</u>	<u>\$ 14,897</u>

**Adjusted EBITDA margin** - defined as the percent of Adjusted EBITDA over revenue

	Three months ended		
	March 31, 2005	December 31, 2004	March 31, 2004
Revenue	\$ 60,096	\$ 57,576	\$ 48,367
Adjusted-EBITDA	20,440	18,553	14,897
Adjusted-EBITDA gross margin	<u>34%</u>	<u>32%</u>	<u>31%</u>

**Normalized net income** - defined as net income before amortization on intangible assets, equity-related compensation, restructuring charges, benefits and certain gains and losses on equity investments, and loss on early extinguishment of debt

Normalized net income	Three months ended		
	March 31, 2005	December 31, 2004	March 31, 2004
Net income	\$ 14,079	\$ 13,391	\$ 2,921
Amortization of intangible assets	12	12	12
Equity-related compensation	227	236	533
Loss on early extinguishment of debt	-	852	2,018
Loss (gain) on investments, net	-	1	(11)
Normalized net income	<u>\$ 14,318</u>	<u>\$ 14,492</u>	<u>\$ 5,473</u>

**Normalized net income per share** - defined as normalized net income divided by the basic weighted average or diluted common shares outstanding

**Normalized net income per share**

	<b>Three months ended</b>		
	<u>March 31, 2005</u>	<u>December 31, 2004</u>	<u>March 31, 2004</u>
Normalized net income	\$ 14,318	\$ 14,492	\$ 5,473
Normalized net income per share:			
Basic	\$ 0.11	\$ 0.11	\$ 0.04
Diluted	\$ 0.10	\$ 0.10	\$ 0.04
Shares used in per share calculations:			
Basic	127,051	126,261	122,104
Diluted	147,282	147,306	133,825

**Capex or Capital expenditures** - defined as purchases of property and equipment and capitalization of internal-use software development costs

**Capex or Capital Expenditures**

	<b>Three months ended</b>		
	<u>March 31, 2005</u>	<u>December 31, 2004</u>	<u>March 31, 2004</u>
Purchases of property and equipment and capitalization of internal-use software	<u>\$ 9,719</u>	<u>\$ 7,138</u>	<u>\$ 3,042</u>