

AKAMAI TECHNOLOGIES, INC.
SUPPLEMENTAL METRICS (UNAUDITED)
SEPTEMBER 30, 2022

	2022		
	Q1	Q2	Q3
<i>(in thousands, except per share data)</i>			
Revenue	\$ 903,647	\$ 903,332	\$ 881,896
Non-GAAP cash cost of revenue	\$ 216,963	\$ 222,614	\$ 222,571
Depreciation and amortization – cost of revenue	\$ 109,274	\$ 115,209	\$ 114,929
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – cost of revenue	\$ 107	\$ 103	\$ 105
Stock-based compensation – cost of revenue	\$ 6,233	\$ 7,134	\$ 7,237
Acquisition-related costs – cost of revenue	\$ 175	\$ 1,589	\$ 1,608
GAAP cost of revenue	\$ 332,752	\$ 346,649	\$ 346,450
Non-GAAP cash gross profit	\$ 686,684	\$ 680,718	\$ 659,325
Non-GAAP cash gross margin	76 %	75 %	75 %
GAAP gross profit	\$ 570,895	\$ 556,683	\$ 535,446
GAAP gross margin	63 %	62 %	61 %
Non-GAAP R&D	\$ 79,627	\$ 73,970	\$ 74,650
Stock-based compensation – R&D	\$ 20,232	\$ 17,408	\$ 18,698
Acquisition-related costs – R&D	\$ 76	\$ 692	\$ 699
GAAP R&D	\$ 99,935	\$ 92,070	\$ 94,047
Non-GAAP S&M	\$ 110,317	\$ 114,521	\$ 111,861
Stock-based compensation – S&M	\$ 12,326	\$ 11,452	\$ 11,375
Acquisition-related costs – S&M	\$ 76	\$ 692	\$ 699
GAAP S&M	\$ 122,719	\$ 126,665	\$ 123,935
Non-GAAP G&A	\$ 105,456	\$ 103,962	\$ 104,359
Stock-based compensation – G&A	\$ 17,436	\$ 15,888	\$ 13,392
Acquisition-related costs – G&A	\$ 10,616	\$ 2,798	\$ 2,890
Depreciation and amortization – G&A	\$ 19,677	\$ 18,423	\$ 18,682
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – G&A	\$ 77	\$ 148	\$ 102
GAAP G&A	\$ 153,262	\$ 141,219	\$ 139,425
Restructuring charge	\$ 8,016	\$ 4,715	\$ 227
Amortization of acquired intangible assets	\$ 13,644	\$ 16,972	\$ 17,374
Adjusted EBITDA	\$ 391,284	\$ 388,265	\$ 368,455
Adjusted EBITDA margin	43 %	43 %	42 %
GAAP OpEx (excluding cost of revenue)	\$ 397,576	\$ 381,641	\$ 375,008
GAAP income from operations	\$ 173,319	\$ 175,042	\$ 160,438
Interest and marketable securities (loss) income, net	\$ (211)	\$ (2,331)	\$ 782
Interest expense	\$ (2,695)	\$ (2,932)	\$ (2,785)
Other (expense) income, net	\$ (9,565)	\$ 816	\$ (275)
Income before provision for income taxes	\$ 160,848	\$ 170,595	\$ 158,160
Provision for income taxes	\$ (34,050)	\$ (51,058)	\$ (50,006)
Loss from equity method investment	\$ (7,635)	\$ —	\$ —
Net income	\$ 119,163	\$ 119,537	\$ 108,154
Net income per share – basic	\$ 0.74	\$ 0.75	\$ 0.68
Net income per share – diluted	\$ 0.73	\$ 0.74	\$ 0.68
Shares used in per share calculation – basic	160,494	160,038	158,715
Shares used in per share calculation – diluted	163,637	161,710	159,068
GAAP income from operations	\$ 173,319	\$ 175,042	\$ 160,438
Amortization of acquired intangible assets	\$ 13,644	\$ 16,972	\$ 17,374
Stock-based compensation	\$ 56,227	\$ 51,882	\$ 50,702
Amortization of capitalized stock-based compensation and capitalized interest expense	\$ 7,947	\$ 8,068	\$ 7,967
Restructuring charge	\$ 8,016	\$ 4,715	\$ 227
Acquisition-related costs	\$ 10,943	\$ 5,771	\$ 5,896
Operating adjustments	\$ 96,777	\$ 87,408	\$ 82,166
Non-GAAP income from operations	\$ 270,096	\$ 262,450	\$ 242,604
Non-GAAP operating margin	30 %	29 %	28 %
GAAP net income	\$ 119,163	\$ 119,537	\$ 108,154
Operating adjustments (from above)	\$ 96,777	\$ 87,408	\$ 82,166
Amortization of debt issuance costs	\$ 1,119	\$ 1,091	\$ 1,086
Loss (gain) on investments	\$ 8,901	\$ (641)	\$ —
Loss from equity method investment	\$ 7,635	\$ —	\$ —
Income tax-effect of above non-GAAP adjustments and certain discrete tax items	\$ (8,800)	\$ 9,049	\$ 8,618
Non-GAAP net income	\$ 224,795	\$ 216,444	\$ 200,024
Non-GAAP net income per share – diluted	\$ 1.39	\$ 1.35	\$ 1.26
Shares used in non-GAAP per share calculation – diluted	161,815	160,653	159,068

AKAMAI TECHNOLOGIES, INC.
SUPPLEMENTAL METRICS (UNAUDITED)
DECEMBER 31, 2021

	2021				
	Q1	Q2	Q3	Q4	2021 FY
<i>(in thousands, except per share data)</i>					
Revenue	\$ 842,708	\$ 852,824	\$ 860,333	\$ 905,358	\$ 3,461,223
Non-GAAP cash cost of revenue	\$ 200,456	\$ 207,960	\$ 202,859	\$ 209,740	\$ 821,015
Depreciation and amortization – cost of revenue	\$ 99,135	\$ 105,166	\$ 107,239	\$ 109,139	\$ 420,679
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – cost of revenue	\$ —	\$ —	\$ 30	\$ 89	\$ 119
Stock-based compensation – cost of revenue	\$ 7,096	\$ 6,874	\$ 6,738	\$ 6,435	\$ 27,143
GAAP cost of revenue	\$ 306,687	\$ 320,000	\$ 316,866	\$ 325,403	\$ 1,268,956
Non-GAAP cash gross profit	\$ 642,252	\$ 644,864	\$ 657,474	\$ 695,618	\$ 2,640,208
Non-GAAP cash gross margin	76 %	76 %	76 %	77 %	76 %
GAAP gross profit	\$ 536,021	\$ 532,824	\$ 543,467	\$ 579,955	\$ 2,192,267
GAAP gross margin	64 %	62 %	63 %	64 %	63 %
Non-GAAP R&D	\$ 63,676	\$ 61,318	\$ 66,570	\$ 77,858	\$ 269,422
Stock-based compensation – R&D	\$ 18,369	\$ 15,937	\$ 16,329	\$ 15,315	\$ 65,950
GAAP R&D	\$ 82,045	\$ 77,255	\$ 82,899	\$ 93,173	\$ 335,372
Non-GAAP S&M	\$ 103,876	\$ 100,347	\$ 97,541	\$ 113,861	\$ 415,625
Stock-based compensation – S&M	\$ 12,478	\$ 11,547	\$ 10,973	\$ 11,344	\$ 46,342
GAAP S&M	\$ 116,354	\$ 111,894	\$ 108,514	\$ 125,205	\$ 461,967
Non-GAAP G&A	\$ 99,342	\$ 97,498	\$ 97,370	\$ 100,029	\$ 394,239
Stock-based compensation – G&A	\$ 16,362	\$ 16,123	\$ 14,978	\$ 15,861	\$ 63,324
Acquisition-related costs – G&A	\$ 64	\$ 140	\$ 1,316	\$ 11,797	\$ 13,317
Depreciation and amortization – G&A	\$ 20,909	\$ 20,489	\$ 20,549	\$ 19,987	\$ 81,934
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – G&A	\$ 38	\$ 45	\$ 52	\$ 75	\$ 210
GAAP G&A	\$ 136,715	\$ 134,295	\$ 134,265	\$ 147,749	\$ 553,024
Restructuring charge (benefit)	\$ 7,116	\$ (2,114)	\$ 565	\$ 5,170	\$ 10,737
Amortization of acquired intangible assets	\$ 11,427	\$ 12,060	\$ 11,959	\$ 12,573	\$ 48,019
Adjusted EBITDA	\$ 375,358	\$ 385,701	\$ 395,993	\$ 403,870	\$ 1,560,922
Adjusted EBITDA margin	45 %	45 %	46 %	45 %	45 %
GAAP OpEx (excluding cost of revenue)	\$ 353,657	\$ 333,390	\$ 338,202	\$ 383,870	\$ 1,409,119
GAAP income from operations	\$ 182,364	\$ 199,434	\$ 205,265	\$ 196,085	\$ 783,148
Interest and marketable securities income	\$ 4,578	\$ 4,736	\$ 2,872	\$ 3,434	\$ 15,620
Interest expense	\$ (17,834)	\$ (18,037)	\$ (18,144)	\$ (18,317)	\$ (72,332)
Other (expense) income, net	\$ (817)	\$ (811)	\$ 3,635	\$ (222)	\$ 1,785
Income before provision for income taxes	\$ 168,291	\$ 185,322	\$ 193,628	\$ 180,980	\$ 728,221
Provision for income taxes	\$ (11,898)	\$ (18,009)	\$ (13,648)	\$ (19,016)	\$ (62,571)
Loss from equity method investment	\$ (698)	\$ (10,816)	\$ (1,064)	\$ (1,430)	\$ (14,008)
Net income	\$ 155,695	\$ 156,497	\$ 178,916	\$ 160,534	\$ 651,642
Net income per share – basic	\$ 0.95	\$ 0.96	\$ 1.10	\$ 0.99	\$ 4.01
Net income per share – diluted	\$ 0.94	\$ 0.94	\$ 1.08	\$ 0.97	\$ 3.93
Shares used in per share calculation – basic	163,061	163,074	162,767	161,757	162,665
Shares used in per share calculation – diluted	165,688	166,263	166,318	164,947	165,804
GAAP income from operations	\$ 182,364	\$ 199,434	\$ 205,265	\$ 196,085	\$ 783,148
Amortization of acquired intangible assets	\$ 11,427	\$ 12,060	\$ 11,959	\$ 12,573	\$ 48,019
Stock-based compensation	\$ 54,305	\$ 50,481	\$ 49,018	\$ 48,955	\$ 202,759
Amortization of capitalized stock-based compensation and capitalized interest expense	\$ 8,598	\$ 9,840	\$ 8,815	\$ 8,641	\$ 35,894
Restructuring charge (benefit)	\$ 7,116	\$ (2,114)	\$ 565	\$ 5,170	\$ 10,737
Acquisition-related costs	\$ 64	\$ 140	\$ 1,316	\$ 11,797	\$ 13,317
Operating adjustments	\$ 81,510	\$ 70,407	\$ 71,673	\$ 87,136	\$ 310,726
Non-GAAP income from operations	\$ 263,874	\$ 269,841	\$ 276,938	\$ 283,221	\$ 1,093,874
Non-GAAP operating margin	31 %	32 %	32 %	31 %	32 %
GAAP net income	\$ 155,695	\$ 156,497	\$ 178,916	\$ 160,534	\$ 651,642
Operating adjustments (from above)	\$ 81,510	\$ 70,407	\$ 71,673	\$ 87,136	\$ 310,726
Amortization of debt discount and issuance costs	\$ 16,257	\$ 16,460	\$ 16,567	\$ 16,741	\$ 66,025
Gain on investments	\$ —	\$ —	\$ (3,680)	\$ —	\$ (3,680)
Loss from equity method investment	\$ 698	\$ 10,816	\$ 1,064	\$ 1,430	\$ 14,008
Income tax-effect of above non-GAAP adjustments and certain discrete tax items	\$ (26,346)	\$ (21,428)	\$ (25,600)	\$ (22,790)	\$ (96,164)
Non-GAAP net income	\$ 227,814	\$ 232,752	\$ 238,940	\$ 243,051	\$ 942,557
Non-GAAP net income per share – diluted	\$ 1.38	\$ 1.42	\$ 1.45	\$ 1.49	\$ 5.74
Shares used in non-GAAP per share calculation – diluted	164,734	164,481	164,290	163,311	164,204