

Akamai Technologies, Inc.
Reconciliation of non-GAAP to GAAP financial measures
March 31, 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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Net income	\$ 37,081	\$ 40,533	\$ 36,911
Interest income, net	(4,030)	(4,862)	(7,331)
Provision for income taxes	1,806	1,204	1,227
Depreciation and amortization	23,131	22,583	18,196
Amortization of capitalized stock-based compensation	1,307	1,219	861
Amortization of other intangible assets	4,239	3,651	3,590
Stock-based compensation	15,067	15,529	11,251
Utilization of tax NOLs/credits	22,851	18,336	23,217
Restructuring charge	454	2,509	-
(Gain) loss on investments, net	(455)	430	(208)
Other income, net	(1,134)	(801)	(476)
Adjusted EBITDA	<u>\$ 100,317</u>	<u>\$ 100,331</u>	<u>\$ 87,238</u>

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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Revenues	\$ 210,368	\$ 212,554	\$ 187,019
Adjusted EBITDA	<u>100,317</u>	<u>100,331</u>	<u>87,238</u>
Adjusted EBITDA margin	<u>48%</u>	<u>47%</u>	<u>47%</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 valuation allowance

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Net income	\$ 37,081	\$ 40,533	\$ 36,911
Amortization of other intangible assets	4,239	3,651	3,590
Stock-based compensation	15,067	15,529	11,251
Amortization of capitalized stock-based compensation	1,307	1,219	861
Restructuring charge	454	2,509	-
Utilization of tax NOLs/credits	22,851	18,336	23,217
(Gain) loss on investments, net	(455)	430	(208)
Normalized net income	<u>\$ 80,544</u>	<u>\$ 82,207</u>	<u>\$ 75,622</u>

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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Normalized net income	\$ 80,544	\$ 82,207	\$ 75,622
Interest add-back for diluted share calculation	689	696	710
Normalized net income for diluted earnings per share	\$ 81,233	\$ 82,903	\$ 76,332
Normalized net income per share:			
Basic	\$ 0.47	\$ 0.49	\$ 0.46
Diluted	<u>\$ 0.43</u>	<u>\$ 0.44</u>	<u>\$ 0.41</u>
Shares used in normalized net income per share calculations:			
Basic	170,519	168,843	165,959
Diluted	188,183	186,489	186,826

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 FAS123R under the treasury stock method in normalized net income per share calculation

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Diluted common shares outstanding used in GAAP net income per share calculation	188,183	186,694	185,744
Excluding: the effect of FAS123R under the treasury stock method	-	(205)	1,082
Diluted common shares outstanding used in normalized net income per share calculation	<u>188,183</u>	<u>186,489</u>	<u>186,826</u>

Cash operating expenses – defined as GAAP operating expenses (consisting of Research and Development, Sales and Marketing, General and Administrative expenses, Amortization of other intangible assets and Restructuring charge (benefit)), excluding stock-based compensation, amortization of other intangible assets, depreciation and amortization and restructuring charges and benefits

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
GAAP operating expenses	\$ 93,887	\$ 97,026	\$ 82,104
Less: stock-based compensation	(14,506)	(14,893)	(10,685)
Less: amortization of other intangible assets	(4,239)	(3,651)	(3,590)
Less: depreciation and amortization	(3,717)	(3,639)	(2,797)
Less: restructuring charge	(454)	(2,509)	-
Cash operating expenses	<u>\$ 70,971</u>	<u>\$ 72,334</u>	<u>\$ 65,032</u>

Cash operating expenses margin – defined as cash operating expenses as a percentage of revenues

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Revenues	\$ 210,368	\$ 212,554	\$ 187,019
Cash operating expenses	70,971	72,334	65,032
Cash operating expenses margin	<u>34%</u>	<u>34%</u>	<u>35%</u>

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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Cost of revenues per GAAP	\$ 60,362	\$ 60,688	\$ 51,575
Less: stock-based compensation	(561)	(636)	(566)
Less: depreciation and amortization	(20,721)	(20,163)	(16,260)
Cost of revenues per Normalized	<u>\$ 39,080</u>	<u>\$ 39,889</u>	<u>\$ 34,749</u>

Cash gross profit – defined as revenues, less cost of revenues per normalized

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Revenues	\$ 210,368	\$ 212,554	\$ 187,019
Cost of revenues per Normalized	39,080	39,889	34,749
Cash gross profit	<u>\$ 171,288</u>	<u>\$ 172,665</u>	<u>\$ 152,270</u>

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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Revenues	\$ 210,368	\$ 212,554	\$ 187,019
Cash gross profit	171,288	172,665	152,270
Cash gross margin	<u>81%</u>	<u>81%</u>	<u>81%</u>

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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
Purchases of property and equipment and capitalization of internal-use software development costs	\$ 23,067	\$ 20,436	\$ 28,212
Capitalization of stock-based compensation	1,908	1,978	1,671
Capital Expenditures or Capex	<u>\$ 24,975</u>	<u>\$ 22,414</u>	<u>\$ 29,883</u>