

AKAMAI TECHNOLOGIES, INC.
SUPPLEMENTAL METRICS (UNAUDITED)
MARCH 31, 2024

	2024
	Q1
<i>(in thousands, except per share data)</i>	
Revenue	\$ 986,970
Non-GAAP cash cost of revenue	\$ 263,435
Depreciation and amortization – cost of revenue	\$ 118,601
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – cost of revenue	\$ 89
Stock-based compensation – cost of revenue	\$ 12,618
GAAP cost of revenue	\$ 394,743
Non-GAAP cash gross profit	\$ 723,535
Non-GAAP cash gross margin	73 %
GAAP gross profit	\$ 592,227
GAAP gross margin	60 %
Non-GAAP R&D	\$ 78,887
Stock-based compensation – R&D	\$ 38,045
GAAP R&D	\$ 116,932
Non-GAAP S&M	\$ 115,759
Stock-based compensation – S&M	\$ 18,811
GAAP S&M	\$ 134,570
Non-GAAP G&A	\$ 111,702
Stock-based compensation – G&A	\$ 23,786
Acquisition-related costs – G&A	\$ 172
Depreciation and amortization – G&A	\$ 16,559
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – G&A	\$ 211
GAAP G&A	\$ 152,430
Restructuring charge	\$ 544
Amortization of acquired intangible assets	\$ 21,023
Adjusted EBITDA	\$ 417,187
Adjusted EBITDA margin	42 %
GAAP OpEx (excluding cost of revenue)	\$ 425,499
GAAP income from operations	\$ 166,728
Interest and marketable securities income, net	\$ 27,841
Interest expense	\$ (6,818)
Other income, net	\$ 511
Income before provision for income taxes	\$ 188,262
Provision for income taxes	\$ (12,844)
Net income	\$ 175,418
Net income per share – basic	\$ 1.16
Net income per share – diluted	\$ 1.11
Shares used in per share calculation – basic	151,628
Shares used in per share calculation – diluted	157,466
GAAP income from operations	\$ 166,728
Amortization of acquired intangible assets	\$ 21,023
Stock-based compensation	\$ 93,260
Amortization of capitalized stock-based compensation and capitalized interest expense	\$ 10,123
Restructuring charge	\$ 544
Acquisition-related costs	\$ 172
Operating adjustments	\$ 125,122
Non-GAAP income from operations	\$ 291,850
Non-GAAP operating margin	30 %
GAAP net income	\$ 175,418
Operating adjustments (from above)	\$ 125,122
Amortization of debt issuance costs	\$ 1,682
Income tax-effect of above non-GAAP adjustments and certain discrete tax items	\$ (46,727)
Non-GAAP net income	\$ 255,495
Non-GAAP net income per share – diluted	\$ 1.64
Shares used in non-GAAP per share calculation – diluted	155,352

AKAMAI TECHNOLOGIES, INC.
SUPPLEMENTAL METRICS (UNAUDITED)
DECEMBER 31, 2023

	2023				
	Q1	Q2	Q3	Q4	2023 FY
<i>(in thousands, except per share data)</i>					
Revenue	\$ 915,698	\$ 935,721	\$ 965,484	\$ 995,017	\$3,811,920
Non-GAAP cash cost of revenue	\$ 247,597	\$ 254,279	\$ 256,918	\$ 266,699	\$1,025,493
Depreciation and amortization – cost of revenue	\$ 102,824	\$ 106,996	\$ 114,255	\$ 114,133	\$ 438,208
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – cost of revenue	\$ 105	\$ 89	\$ 88	\$ 89	\$ 371
Stock-based compensation – cost of revenue	\$ 9,329	\$ 11,339	\$ 11,236	\$ 11,898	\$ 43,802
Acquisition-related costs – cost of revenue	\$ 1,461	\$ 572	\$ 578	\$ 578	\$ 3,189
GAAP cost of revenue	\$ 361,316	\$ 373,275	\$ 383,075	\$ 393,397	\$1,511,063
Non-GAAP cash gross profit	\$ 668,101	\$ 681,442	\$ 708,566	\$ 728,318	\$2,786,427
Non-GAAP cash gross margin	73 %	73 %	73 %	73 %	73 %
GAAP gross profit	\$ 554,382	\$ 562,446	\$ 582,409	\$ 601,620	\$2,300,857
GAAP gross margin	61 %	60 %	60 %	60 %	60 %
Non-GAAP R&D	\$ 70,050	\$ 66,535	\$ 72,325	\$ 72,523	\$ 281,433
Stock-based compensation – R&D	\$ 21,844	\$ 32,258	\$ 33,366	\$ 36,428	\$ 123,896
Acquisition-related (benefit) costs – R&D	\$ (31)	\$ 248	\$ 251	\$ 251	\$ 719
GAAP R&D	\$ 91,863	\$ 99,041	\$ 105,942	\$ 109,202	\$ 406,048
Non-GAAP S&M	\$ 114,927	\$ 118,582	\$ 114,516	\$ 117,361	\$ 465,386
Stock-based compensation – S&M	\$ 13,545	\$ 17,723	\$ 17,290	\$ 17,895	\$ 66,453
Acquisition-related costs – S&M	\$ 635	\$ 249	\$ 503	\$ —	\$ 1,387
GAAP S&M	\$ 129,107	\$ 136,554	\$ 132,309	\$ 135,256	\$ 533,226
Non-GAAP G&A	\$ 107,400	\$ 108,076	\$ 104,125	\$ 112,447	\$ 432,048
Stock-based compensation – G&A	\$ 17,165	\$ 26,124	\$ 25,125	\$ 25,902	\$ 94,316
Acquisition-related costs – G&A	\$ 4,703	\$ 1,271	\$ 1,716	\$ 360	\$ 8,050
Depreciation and amortization – G&A	\$ 16,721	\$ 16,231	\$ 16,197	\$ 16,668	\$ 65,817
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – G&A	\$ 150	\$ 109	\$ 163	\$ 198	\$ 620
GAAP G&A	\$ 146,139	\$ 151,811	\$ 147,326	\$ 155,575	\$ 600,851
Restructuring charge (benefit)	\$ 44,723	\$ 9,357	\$ 2,595	\$ (32)	\$ 56,643
Amortization of acquired intangible assets	\$ 15,912	\$ 15,898	\$ 18,108	\$ 16,833	\$ 66,751
Adjusted EBITDA	\$ 375,724	\$ 388,249	\$ 417,600	\$ 425,987	\$1,607,560
Adjusted EBITDA margin	41 %	41 %	43 %	43 %	42 %
GAAP OpEx (excluding cost of revenue)	\$ 427,744	\$ 412,661	\$ 406,280	\$ 416,834	\$1,663,519
GAAP income from operations	\$ 126,638	\$ 149,785	\$ 176,129	\$ 184,786	\$ 637,338
Interest and marketable securities income, net	\$ 5,292	\$ 4,509	\$ 11,412	\$ 23,981	\$ 45,194
Interest expense	\$ (2,681)	\$ (3,157)	\$ (4,987)	\$ (6,884)	\$ (17,709)
Other expense, net	\$ (2,363)	\$ (1,130)	\$ (3,161)	\$ (5,642)	\$ (12,296)
Income before provision for income taxes	\$ 126,886	\$ 150,007	\$ 179,393	\$ 196,241	\$ 652,527
Provision for income taxes	\$ (29,780)	\$ (21,191)	\$ (20,326)	\$ (35,076)	\$ (106,373)
Gain from equity method investment	\$ —	\$ —	\$ 1,475	\$ —	\$ 1,475
Net income	\$ 97,106	\$ 128,816	\$ 160,542	\$ 161,165	\$ 547,629
Net income per share – basic	\$ 0.62	\$ 0.85	\$ 1.06	\$ 1.07	\$ 3.59
Net income per share – diluted	\$ 0.62	\$ 0.84	\$ 1.04	\$ 1.03	\$ 3.52
Shares used in per share calculation – basic	155,637	152,064	151,359	150,979	152,510
Shares used in per share calculation – diluted	156,135	153,454	154,976	157,024	155,397
GAAP income from operations	\$ 126,638	\$ 149,785	\$ 176,129	\$ 184,786	\$ 637,338
Amortization of acquired intangible assets	\$ 15,912	\$ 15,898	\$ 18,108	\$ 16,833	\$ 66,751
Stock-based compensation	\$ 61,883	\$ 87,444	\$ 87,017	\$ 92,123	\$ 328,467
Amortization of capitalized stock-based compensation and capitalized interest expense	\$ 7,913	\$ 8,217	\$ 9,077	\$ 7,774	\$ 32,981
Restructuring charge (benefit)	\$ 44,723	\$ 9,357	\$ 2,595	\$ (32)	\$ 56,643
Acquisition-related costs	\$ 6,768	\$ 2,340	\$ 3,048	\$ 1,189	\$ 13,345
Operating adjustments	\$ 137,199	\$ 123,256	\$ 119,845	\$ 117,887	\$ 498,187
Non-GAAP income from operations	\$ 263,837	\$ 273,041	\$ 295,974	\$ 302,673	\$1,135,525
Non-GAAP operating margin	29 %	29 %	31 %	30 %	30 %
GAAP net income	\$ 97,106	\$ 128,816	\$ 160,542	\$ 161,165	\$ 547,629
Operating adjustments (from above)	\$ 137,199	\$ 123,256	\$ 119,845	\$ 117,887	\$ 498,187
Amortization of debt issuance costs	\$ 1,098	\$ 1,098	\$ 1,404	\$ 1,741	\$ 5,341
Gain on investments	\$ (174)	\$ (27)	\$ (110)	\$ —	\$ (311)
Gain from equity method investment	\$ —	\$ —	\$ (1,475)	\$ —	\$ (1,475)
Income tax-effect of above non-GAAP adjustments and certain discrete tax items	\$ (16,915)	\$ (25,152)	\$ (29,135)	\$ (18,162)	\$ (89,364)
Non-GAAP net income	\$ 218,314	\$ 227,991	\$ 251,071	\$ 262,631	\$ 960,007
Non-GAAP net income per share – diluted	\$ 1.40	\$ 1.49	\$ 1.63	\$ 1.69	\$ 6.20
Shares used in non-GAAP per share calculation – diluted	156,135	153,454	154,432	155,269	154,823