

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

	2021
	Q1
<i>(in thousands, except per share data)</i>	
Revenue	\$ 842,708
Non-GAAP cash cost of revenue	\$ 200,456
Depreciation and amortization – cost of revenue	\$ 99,135
Stock-based compensation – cost of revenue	\$ 7,096
GAAP cost of revenue	\$ 306,687
Non-GAAP cash gross profit	\$ 642,252
Non-GAAP cash gross margin	76 %
GAAP gross profit	\$ 536,021
GAAP gross margin	64 %
Non-GAAP R&D	\$ 63,676
Stock-based compensation – R&D	\$ 18,369
GAAP R&D	\$ 82,045
Non-GAAP S&M	\$ 103,876
Stock-based compensation – S&M	\$ 12,478
GAAP S&M	\$ 116,354
Non-GAAP G&A	\$ 99,342
Stock-based compensation – G&A	\$ 16,362
Acquisition-related costs – G&A	\$ 64
Depreciation and amortization – G&A	\$ 20,909
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – G&A	\$ 38
GAAP G&A	\$ 136,715
Restructuring charge	\$ 7,116
Amortization of acquired intangible assets	\$ 11,427
Adjusted EBITDA	\$ 375,358
Adjusted EBITDA margin	45 %
GAAP OpEx (excluding cost of revenue)	\$ 353,657
GAAP income from operations	\$ 182,364
Interest income	\$ 4,578
Interest expense	\$ (17,834)
Other expense, net	\$ (817)
Income before provision for income taxes	\$ 168,291
Provision for income taxes	\$ (11,898)
Loss from equity method investment	\$ (698)
Net income	\$ 155,695
Net income per share – basic	\$ 0.95
Net income per share – diluted	\$ 0.94
Shares used in per share calculation – basic	163,061
Shares used in per share calculation – diluted	165,688
GAAP income from operations	\$ 182,364
Amortization of acquired intangible assets	\$ 11,427
Stock-based compensation	\$ 54,305
Amortization of capitalized stock-based compensation and capitalized interest expense	\$ 8,598
Restructuring charge	\$ 7,116
Acquisition-related costs	\$ 64
Operating adjustments	\$ 81,510
Non-GAAP income from operations	\$ 263,874
Non-GAAP operating margin	31 %
GAAP net income	\$ 155,695
Operating adjustments (from above)	\$ 81,510
Amortization of debt discount and issuance costs	\$ 16,257
Loss from equity method investment	\$ 698
Income tax-effect of above non-GAAP adjustments and certain discrete tax items	\$ (26,346)
Non-GAAP net income	\$ 227,814
Non-GAAP net income per share – diluted	\$ 1.38
Shares used in non-GAAP per share calculation – diluted	164,734

AKAMAI TECHNOLOGIES, INC.
SUPPLEMENTAL METRICS (UNAUDITED)
DECEMBER 31, 2020

	2020				2020 FY
	Q1	Q2	Q3	Q4	
<i>(in thousands, except per share data)</i>					
Revenue	\$ 764,302	\$ 794,715	\$ 792,845	\$846,287	\$3,198,149
Non-GAAP cash cost of revenue	\$ 177,537	\$ 186,005	\$ 189,056	\$201,767	\$754,365
Depreciation and amortization – cost of revenue	\$ 85,309	\$ 84,545	\$ 87,999	\$ 95,625	\$353,478
Stock-based compensation – cost of revenue	\$ 5,736	\$ 6,254	\$ 6,384	\$ 6,455	\$ 24,829
GAAP cost of revenue	\$ 268,582	\$ 276,804	\$ 283,439	\$303,847	\$1,132,672
Non-GAAP cash gross profit	\$ 586,765	\$ 608,710	\$ 603,789	\$644,520	\$2,443,784
Non-GAAP cash gross margin	77 %	77 %	76 %	76 %	76 %
GAAP gross profit	\$ 495,720	\$ 517,911	\$ 509,406	\$542,440	\$2,065,477
GAAP gross margin	65 %	65 %	64 %	64 %	65 %
Non-GAAP R&D	\$ 59,159	\$ 52,541	\$ 54,051	\$ 54,709	\$220,460
Stock-based compensation – R&D	\$ 12,065	\$ 11,549	\$ 12,722	\$ 12,519	\$ 48,855
GAAP R&D	\$ 71,224	\$ 64,090	\$ 66,773	\$ 67,228	\$269,315
Non-GAAP S&M	\$ 108,051	\$ 107,458	\$ 105,940	\$123,699	\$445,148
Stock-based compensation – S&M	\$ 15,735	\$ 16,011	\$ 16,809	\$ 16,702	\$ 65,257
GAAP S&M	\$ 123,786	\$ 123,469	\$ 122,749	\$140,401	\$510,405
Non-GAAP G&A	\$ 92,863	\$ 93,339	\$ 92,454	\$102,024	\$380,680
Stock-based compensation – G&A	\$ 13,957	\$ 15,377	\$ 14,302	\$ 14,834	\$ 58,470
Acquisition-related costs – G&A	\$ 76	\$ 62	\$ 1,051	\$ 4,390	\$ 5,579
Legal settlements – G&A	\$ —	\$ 275	\$ —	\$ —	\$ 275
Endowment of Akamai Foundation – G&A	\$ —	\$ —	\$ —	\$ 20,000	\$ 20,000
Depreciation and amortization – G&A	\$ 20,465	\$ 20,654	\$ 20,554	\$ 21,189	\$ 82,862
Amortization of capitalized stock-based compensation and interest expense not included in depreciation and amortization – G&A	\$ —	\$ 2	\$ 4	\$ 16	\$ 22
GAAP G&A	\$ 127,361	\$ 129,709	\$ 128,365	\$162,453	\$547,888
Restructuring charge (benefit)	\$ 10,585	\$ (167)	\$ 21	\$ 26,847	\$ 37,286
Amortization of acquired intangible assets	\$ 10,434	\$ 10,381	\$ 10,340	\$ 10,894	\$ 42,049
Adjusted EBITDA	\$ 326,692	\$ 355,372	\$ 351,344	\$364,088	\$1,397,496
Adjusted EBITDA margin	43 %	45 %	44 %	43 %	44 %
GAAP OpEx (excluding cost of revenue)	\$ 343,390	\$ 327,482	\$ 328,248	\$407,823	\$1,406,943
GAAP income from operations	\$ 152,330	\$ 190,429	\$ 181,158	\$134,617	\$658,534
Interest income	\$ 7,043	\$ 9,502	\$ 6,307	\$ 6,270	\$ 29,122
Interest expense	\$ (17,205)	\$ (17,249)	\$ (17,324)	\$ (17,342)	\$ (69,120)
Other (expense) income, net	\$ (4,108)	\$ (1,603)	\$ (2,158)	\$ 5,415	\$ (2,454)
Income before provision for income taxes	\$ 138,060	\$ 181,079	\$ 167,983	\$128,960	\$616,082
Provision for income taxes	\$ (14,292)	\$ (18,671)	\$ (8,801)	\$ (4,158)	\$ (45,922)
Loss from equity method investment	\$ (622)	\$ (493)	\$ (559)	\$ (11,432)	\$ (13,106)
Net income	\$ 123,146	\$ 161,915	\$ 158,623	\$113,370	\$557,054
Net income per share – basic	\$ 0.76	\$ 1.00	\$ 0.97	\$ 0.70	\$ 3.43
Net income per share – diluted	\$ 0.75	\$ 0.98	\$ 0.95	\$ 0.68	\$ 3.37
Shares used in per share calculation – basic	161,992	162,413	162,757	162,798	162,490
Shares used in per share calculation – diluted	163,684	164,768	166,519	165,879	165,213
GAAP income from operations	\$ 152,330	\$ 190,429	\$ 181,158	\$134,617	\$658,534
Amortization of acquired intangible assets	\$ 10,434	\$ 10,381	\$ 10,340	\$ 10,894	\$ 42,049
Stock-based compensation	\$ 47,493	\$ 49,191	\$ 50,217	\$ 50,510	\$197,411
Amortization of capitalized stock-based compensation and capitalized interest expense	\$ 8,589	\$ 8,038	\$ 7,913	\$ 8,662	\$ 33,202
Restructuring charge (benefit)	\$ 10,585	\$ (167)	\$ 21	\$ 26,847	\$ 37,286
Acquisition-related costs	\$ 76	\$ 62	\$ 1,051	\$ 4,390	\$ 5,579
Legal settlements	\$ —	\$ 275	\$ —	\$ —	\$ 275
Endowment of Akamai Foundation	\$ —	\$ —	\$ —	\$ 20,000	\$ 20,000
Operating adjustments	\$ 77,177	\$ 67,780	\$ 69,542	\$121,303	\$335,802
Non-GAAP income from operations	\$ 229,507	\$ 258,209	\$ 250,700	\$255,920	\$994,336
Non-GAAP operating margin	30 %	32 %	32 %	30 %	31 %
GAAP net income	\$ 123,146	\$ 161,915	\$ 158,623	\$113,370	\$557,054
Operating adjustments (from above)	\$ 77,177	\$ 67,780	\$ 69,542	\$121,303	\$335,802
Amortization of debt discount and issuance costs	\$ 15,633	\$ 15,677	\$ 15,747	\$ 15,766	\$ 62,823
Gain on investments	\$ —	\$ —	\$ —	\$ (7,228)	\$ (7,228)
Loss from equity method investment	\$ 622	\$ 493	\$ 559	\$ 11,432	\$ 13,106
Income tax-effect of above non-GAAP adjustments and certain discrete tax items	\$ (20,445)	\$ (19,347)	\$ (28,689)	\$ (34,799)	\$ (103,280)
Non-GAAP net income	\$ 196,133	\$ 226,518	\$ 215,782	\$219,844	\$858,277
Non-GAAP net income per share – diluted	\$ 1.20	\$ 1.38	\$ 1.31	\$ 1.33	\$ 5.22
Shares used in non-GAAP per share calculation – diluted	163,684	164,115	164,787	164,774	164,340