

**Akamai Technologies Inc.**
**Reconciliation of non-GAAP to GAAP financial measures**
**June 30, 2007**

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 and amortization of tangible and intangible assets, capitalized stock-related compensation amortization, stock-related compensation expense, certain gains and losses on equity investments, loss on early extinguishment of debt, release of the deferred tax asset valuation allowance, utilization of tax NOLs/credits, foreign exchange gains and losses, restructuring charges and benefits, and gains on legal settlements

|  | Three months ended |                   |                  |                   | Six months ended  |                  |
|--|--------------------|-------------------|------------------|-------------------|-------------------|------------------|
|  | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007  | June 30,<br>2006 |
| Net income   | \$ 21,646          | \$ 19,179         | \$ 11,264        | \$ 11,495         | \$ 40,825         | \$ 22,759        |
| Interest income, net                                   | (5,243)            | (4,732)           | (3,336)          | (2,658)           | (9,975)           | (5,994)          |
| Provision for income taxes                             | 548                | 798               | 664              | 491               | 1,346             | 1,155            |
| Depreciation and amortization                          | 14,244             | 11,849            | 7,342            | 6,391             | 26,093            | 13,733           |
| Amortization of capitalized stock-related compensation | 401                | 188               | 27               | 6                 | 589               | 33               |
| Amortization of intangible assets                      | 2,932              | 2,812             | 2,198            | 2,296             | 5,744             | 4,494            |
| Stock-related compensation                             | 17,208             | 16,830            | 13,175           | 7,087             | 34,038            | 20,262           |
| Utilization of tax NOLs/credits                        | 13,437             | 11,701            | 9,178            | 8,764             | 25,138            | 17,942           |
| Loss on early extinguishment of debt                   | -                  | 1                 | -                | -                 | 1                 | -                |
| Restructuring benefits                                 | (178)              | -                 | -                | -                 | (178)             | -                |
| Gain on investments, net                               | -                  | -                 | (2)              | (257)             | -                 | (259)            |
| Other expense (income), net                            | 572                | 204               | (475)            | (186)             | 776               | (661)            |
| Adjusted EBITDA  | <u>\$ 65,567</u>   | <u>\$ 58,830</u>  | <u>\$ 40,035</u> | <u>\$ 33,429</u>  | <u>\$ 124,397</u> | <u>\$ 73,464</u> |

**Adjusted EBITDA margin** – defined as the percent of Adjusted EBITDA over revenues

|                              | Three months ended |                   |                  |                   | Six months ended |                  |
|------------------------------|--------------------|-------------------|------------------|-------------------|------------------|------------------|
|                              | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007 | June 30,<br>2006 |
| Revenues                     | \$ 152,654         | \$ 139,274        | \$ 100,649       | \$ 90,825         | \$ 291,928       | \$ 191,474       |
| Adjusted EBITDA              | 65,567             | 58,830            | 40,035           | 33,429            | 124,397          | 73,464           |
| Adjusted EBITDA gross margin | <u>43%</u>         | <u>42%</u>        | <u>40%</u>       | <u>37%</u>        | <u>43%</u>       | <u>38%</u>       |

**Normalized net income** – defined as net income before amortization of intangible assets, stock-related compensation amortization, stock-related compensation expense, certain gains and losses on equity investments, loss on early extinguishment of debt, restructuring charges and benefits, utilization of tax NOLs/credits and release of the deferred tax asset valuation allowance

|  | Three months ended |                   |                  |                   | Six months ended  |                  |
|--|--------------------|-------------------|------------------|-------------------|-------------------|------------------|
|  | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007  | June 30,<br>2006 |
| Net income   | \$ 21,646          | \$ 19,179         | \$ 11,264        | \$ 11,495         | \$ 40,825         | \$ 22,759        |
| Amortization of intangible assets                      | 2,932              | 2,812             | 2,198            | 2,296             | 5,744             | 4,494            |
| Stock-related compensation                             | 17,208             | 16,830            | 13,175           | 7,087             | 34,038            | 20,262           |
| Loss on early extinguishment of debt                   | -                  | 1                 | -                | -                 | 1                 | -                |
| Amortization of capitalized stock-related compensation | 401                | 188               | 27               | 6                 | 589               | 33               |
| Restructuring benefits                                 | (178)              | -                 | -                | -                 | (178)             | -                |
| Utilization of tax NOLs/credits                        | 13,437             | 11,701            | 9,178            | 8,764             | 25,138            | 17,942           |
| Gain on investments, net                               | -                  | -                 | (2)              | (257)             | -                 | (259)            |
| Normalized net income                                  | <u>\$ 55,446</u>   | <u>\$ 50,711</u>  | <u>\$ 35,840</u> | <u>\$ 29,391</u>  | <u>\$ 106,157</u> | <u>\$ 65,231</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 per share calculations

|  | Three months ended |                   |                  |                   | Six months ended |                  |
|--|--------------------|-------------------|------------------|-------------------|------------------|------------------|
|  | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007 | June 30,<br>2006 |
| Normalized net income                                | \$ 55,446          | \$ 50,711         | \$ 35,840        | \$ 29,391         | \$ 106,157       | \$ 65,231        |
| Interest add-back for diluted share calculation      | 710                | 710               | 710              | 710               | 1,420            | 1,420            |
| Normalized net income for diluted earnings per share | \$ 56,156          | \$ 51,421         | \$ 36,550        | \$ 30,101         | \$ 107,577       | \$ 66,651        |
| Normalized net income per share:                     |                    |                   |                  |                   |                  |                  |
| Basic  | \$ 0.34            | \$ 0.31           | \$ 0.23          | \$ 0.19           | \$ 0.65          | \$ 0.42          |
| Diluted  | \$ 0.30            | \$ 0.28           | \$ 0.20          | \$ 0.17           | \$ 0.58          | \$ 0.37          |
| Shares used in normalized per share calculations:    |                    |                   |                  |                   |                  |                  |
| Basic  | 164,798            | 161,569           | 154,702          | 153,819           | 163,184          | 154,260          |
| Diluted  | 187,432            | 185,179           | 178,358          | 176,644           | 186,320          | 177,817          |

**Diluted shares used in normalized 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 |                   |                  |                   | Six months ended |                  |
|---|--------------------|-------------------|------------------|-------------------|------------------|------------------|
|   | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007 | June 30,<br>2006 |
| Diluted common shares outstanding used in GAAP net income per share calculation       | 185,601            | 183,157           | 175,612          | 173,811           | 184,648          | 175,001          |
| Excluding: the effect of FAS123R under the treasury stock method                      | 1,831              | 2,022             | 2,746            | 2,833             | 1,672            | 2,816            |
| Diluted common shares outstanding used in normalized net income per share calculation | <u>187,432</u>     | <u>185,179</u>    | <u>178,358</u>   | <u>176,644</u>    | <u>186,320</u>   | <u>177,817</u>   |

**Cash operating expenses** - defined as the sum of Research and Development, Sales and Marketing, General and Administrative expenses and restructuring benefit, excluding depreciation, amortization of intangibles and stock-related compensation

|                                     | Three months ended |                   |                  |                   | Six months ended  |                  |
|-------------------------------------|--------------------|-------------------|------------------|-------------------|-------------------|------------------|
|                                     | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007  | June 30,<br>2006 |
| GAAP operating expenses             | \$ 81,935          | \$ 77,643         | \$ 62,161        | \$ 53,860         | \$ 159,578        | \$ 116,021       |
| Less: stock-related compensation    | (16,361)           | (16,091)          | (12,642)         | (6,814)           | (32,452)          | (19,456)         |
| Less: amortization of intangibles   | (2,932)            | (2,812)           | (2,198)          | (2,296)           | (5,744)           | (4,494)          |
| Less: depreciation and amortization | (1,967)            | (1,671)           | (1,164)          | (1,035)           | (3,638)           | (2,199)          |
| Cash operating expenses             | <u>\$ 60,675</u>   | <u>\$ 57,069</u>  | <u>\$ 46,157</u> | <u>\$ 43,715</u>  | <u>\$ 117,744</u> | <u>\$ 89,872</u> |

**Cash operating expenses margin** - defined as a percent of cash operating expenses over revenues

|                                | Three months ended |                   |                  |                   | Six months ended |                  |
|--------------------------------|--------------------|-------------------|------------------|-------------------|------------------|------------------|
|                                | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007 | June 30,<br>2006 |
| Revenues                       | \$ 152,654         | \$ 139,274        | \$ 100,649       | \$ 90,825         | \$ 291,928       | \$ 191,474       |
| Cash operating expenses        | 60,675             | 57,069            | 46,157           | 43,715            | 117,744          | 89,872           |
| Cash operating expenses margin | 40%                | 41%               | 46%              | 48%               | 40%              | 47%              |

**Cash gross margin** – defined as the percent of cost of revenues over revenues, excluding stock-related compensation and depreciation and amortization

|                                     | Three months ended |                   |                  |                   | Six months ended |                  |
|-------------------------------------|--------------------|-------------------|------------------|-------------------|------------------|------------------|
|                                     | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007 | June 30,<br>2006 |
| Revenues                            | \$ 152,654         | \$ 139,274        | \$ 100,649       | \$ 90,825         | \$ 291,928       | \$ 191,474       |
| Cost of revenues per GAAP           | 39,759             | 34,480            | 21,195           | 19,316            | 74,239           | 40,511           |
| Less: stock-related compensation    | (847)              | (739)             | (533)            | (273)             | (1,586)          | (806)            |
| Less: depreciation and amortization | (12,678)           | (10,366)          | (6,205)          | (5,362)           | (23,044)         | (11,567)         |
| Cost of revenues per Normalized     | \$ 26,234          | \$ 23,375         | \$ 14,457        | \$ 13,681         | \$ 49,609        | \$ 28,138        |
| Cash gross margin                   | 83%                | 83%               | 86%              | 85%               | 83%              | 85%              |

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

|   | Three months ended |                   |                  |                   | Six months ended |                  |
|---|--------------------|-------------------|------------------|-------------------|------------------|------------------|
|   | June 30,<br>2007   | March 31,<br>2007 | June 30,<br>2006 | March 31,<br>2006 | June 30,<br>2007 | June 30,<br>2006 |
| Purchases of property and equipment and capitalization of internal-use software costs | \$ 29,692          | \$ 31,543         | \$ 14,227        | \$ 16,174         | \$ 61,235        | \$ 30,401        |
| Capitalization of stock-related compensation  | 1,427              | 1,384             | 1,242            | 522               | 2,811            | 1,764            |
| Capital Expenditures or Capex   | \$ 31,119          | \$ 32,927         | \$ 15,469        | \$ 16,696         | \$ 64,046        | \$ 32,165        |