

**Akamai Technologies Inc.**  
**Reconciliation of non-GAAP to GAAP financial measures**  
**March 31, 2008**

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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Net income	\$ 36,911	\$ 35,878	\$ 19,179
Interest income, net	(7,331)	(6,841)	(4,732)
Provision for income taxes	1,227	1,164	798
Depreciation and amortization	18,196	16,688	11,849
Amortization of capitalized stock-related compensation	861	703	188
Amortization of other intangible assets	3,590	2,835	2,812
Stock-related compensation	11,251	15,608	16,830
Utilization of tax NOLs/credits	23,217	20,898	11,701
Loss on early extinguishment of debt	-	-	1
Gain on investments, net	(208)	(23)	-
Other (income) expense, net	(476)	(30)	204
Adjusted EBITDA	<u>\$ 87,238</u>	<u>\$ 86,880</u>	<u>\$ 58,830</u>

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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Revenues	\$ 187,019	\$ 183,238	\$ 139,274
Adjusted EBITDA	<u>87,238</u>	<u>86,880</u>	<u>58,830</u>
Adjusted EBITDA margin	<u>47%</u>	<u>47%</u>	<u>42%</u>

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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Net income	\$ 36,911	\$ 35,878	\$ 19,179
Amortization of other intangible assets	3,590	2,835	2,812
Stock-related compensation	11,251	15,608	16,830
Loss on early extinguishment of debt	-	-	1
Amortization of capitalized stock-related compensation	861	703	188
Utilization of tax NOLs/credits	23,217	20,898	11,701
Gain on investments, net	(208)	(23)	-
Normalized net income	<u>\$ 75,622</u>	<u>\$ 75,899</u>	<u>\$ 50,711</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 per share calculations

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Normalized net income	\$ 75,622	\$ 75,899	\$ 50,711
Interest add-back for diluted share calculation	710	710	710
Normalized net income for diluted earnings per share	\$ 76,332	\$ 76,609	\$ 51,421
Normalized net income per share:			
Basic	<u>\$ 0.46</u>	<u>\$ 0.46</u>	<u>\$ 0.31</u>
Diluted	<u>\$ 0.41</u>	<u>\$ 0.41</u>	<u>\$ 0.28</u>
Shares used in normalized net income per share calculations:			
Basic	165,959	164,768	161,569
Diluted	186,826	186,674	185,179

**Diluted shares 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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Diluted common shares outstanding used in GAAP net income per share calculation	185,744	185,294	183,157
Excluding: the effect of FAS123R under the treasury stock method	<u>1,082</u>	<u>1,380</u>	<u>2,022</u>
Diluted common shares outstanding used in normalized net income per share calculation	<u>186,826</u>	<u>186,674</u>	<u>185,179</u>

**Cash operating expenses** – defined as GAAP operating expenses (consisting of Research and Development, Sales and Marketing, General and Administrative expenses and Amortization of other intangible assets), excluding stock-related compensation, amortization of other intangible assets and depreciation and amortization

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
GAAP operating expenses	\$ 82,104	\$ 82,798	\$ 77,643
Less: stock-related compensation	(10,685)	(14,741)	(16,091)
Less: amortization of other intangible assets	(3,590)	(2,835)	(2,812)
Less: depreciation and amortization	(2,797)	(2,439)	(1,671)
Cash operating expenses	<u>\$ 65,032</u>	<u>\$ 62,783</u>	<u>\$ 57,069</u>

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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Revenues	\$ 187,019	\$ 183,238	\$ 139,274
Cash operating expenses	65,032	62,783	57,069
Cash operating expenses margin	<u>35%</u>	<u>34%</u>	<u>41%</u>

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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Cost of revenues per GAAP	\$ 51,575	\$ 49,394	\$ 34,480
Less: stock-related compensation	(566)	(867)	(739)
Less: depreciation and amortization	(16,260)	(14,952)	(10,366)
Cost of revenues per Normalized	<u>\$ 34,749</u>	<u>\$ 33,575</u>	<u>\$ 23,375</u>

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

	<b>Three months ended</b>		
	March 31, 2008	December 31, 2007	March 31, 2007
Revenues	\$ 187,019	\$ 183,238	\$ 139,274
Cost of revenues per Normalized	34,749	33,575	23,375
Cash gross profit	<u>\$ 152,270</u>	<u>\$ 149,663</u>	<u>\$ 115,899</u>

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

	<b>Three months ended</b>		
	<b>March 31, 2008</b>	<b>December 31, 2007</b>	<b>March 31, 2007</b>
Revenues	<u>\$ 187,019</u>	<u>\$ 183,238</u>	<u>\$ 139,274</u>
Cash gross profit	<u>152,270</u>	<u>149,663</u>	<u>115,899</u>
Cash gross margin	<u>81%</u>	<u>82%</u>	<u>83%</u>

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

	<b>Three months ended</b>		
	<b>March 31, 2008</b>	<b>December 31, 2007</b>	<b>March 31, 2007</b>
Purchases of property and equipment and capitalization of internal-use software development costs	<u>\$ 28,212</u>	<u>\$ 15,916</u>	<u>\$ 31,543</u>
Capitalization of stock-related compensation	<u>1,671</u>	<u>1,991</u>	<u>1,384</u>
Capital Expenditures or Capex	<u>\$ 29,883</u>	<u>\$ 17,907</u>	<u>\$ 32,927</u>