

Akamai Technologies, Inc.
Reconciliation of non-GAAP to GAAP financial measures
March 31, 2010

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 and gains on legal settlements

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Net income	\$ 40,878	\$ 40,080	\$ 37,081
Interest income, net	(2,662)	(2,841)	(4,030)
Provision for income taxes	27,759	24,489	24,657
Depreciation and amortization	26,977	26,580	23,131
Amortization of capitalized stock-based compensation	1,875	1,851	1,307
Amortization of other intangible assets	4,108	4,142	4,239
Stock-based compensation	19,108	16,798	15,067
Restructuring charge	-	-	454
Gain on investments, net	-	(2)	(455)
Other loss (income), net	75	496	(1,134)
Adjusted EBITDA	<u>\$ 118,118</u>	<u>\$ 111,593</u>	<u>\$ 100,317</u>

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

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Revenues	\$ 240,029	\$ 238,305	\$ 210,368
Adjusted EBITDA	118,118	111,593	100,317
Adjusted EBITDA margin	<u>49%</u>	<u>47%</u>	<u>48%</u>

Fully taxed 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 and loss on early extinguishment of debt

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Net income	\$ 40,878	\$ 40,080	\$ 37,081
Amortization of other intangible assets	4,108	4,142	4,239
Stock-based compensation	19,108	16,798	15,067
Amortization of capitalized stock-based compensation	1,875	1,851	1,307
Restructuring charge	-	-	454
Utilization of tax NOLs/credits *	-	-	-
Gain on investments, net	-	(2)	(455)
Fully taxed normalized net income	<u>\$ 65,969</u>	<u>\$ 62,869</u>	<u>\$ 57,693</u>
* Previously reported Utilization of tax NOLs/credits	\$ -	\$ 22,553	\$ 22,851

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

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Fully taxed normalized net income	\$ 65,969	\$ 62,869	\$ 57,693
Interest add-back for diluted share calculation	422	440	426
Fully taxed normalized net income for diluted earnings per share	<u>\$ 66,391</u>	<u>\$ 63,309</u>	<u>\$ 58,119</u>
Fully taxed normalized net income per share:			
Basic	<u>\$ 0.39</u>	<u>\$ 0.37</u>	<u>\$ 0.34</u>
Diluted	<u>\$ 0.35</u>	<u>\$ 0.34</u>	<u>\$ 0.31</u>
Shares used in per share calculations:			
Basic	171,101	170,936	170,519
Diluted	189,013	188,621	188,183

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, 2010	Dec. 31, 2009	Mar. 31, 2009
GAAP operating expenses	\$ 106,505	\$ 108,503	\$ 93,887
Less: stock-based compensation	(18,407)	(16,185)	(14,506)
Less: amortization of other intangible assets	(4,108)	(4,142)	(4,239)
Less: depreciation and amortization	(3,922)	(3,843)	(3,717)
Less: restructuring charge	-	-	(454)
Cash operating expenses	<u>\$ 80,068</u>	<u>\$ 84,333</u>	<u>\$ 70,971</u>

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

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Revenues	\$ 240,029	\$ 238,305	\$ 210,368
Cash operating expenses	<u>80,068</u>	<u>84,333</u>	<u>70,971</u>
Cash operating expenses margin	<u>33%</u>	<u>35%</u>	<u>34%</u>

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

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Cost of revenues per GAAP	\$ 67,474	\$ 67,580	\$ 60,362
Less: stock-based compensation	(701)	(613)	(561)
Less: depreciation and amortization	<u>(24,930)</u>	<u>(24,588)</u>	<u>(20,721)</u>
Normalized cost of revenues	<u>\$ 41,843</u>	<u>\$ 42,379</u>	<u>\$ 39,080</u>

Cash gross profit – defined as revenues, less Normalized cost of revenues

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Revenues	\$ 240,029	\$ 238,305	\$ 210,368
Normalized cost of revenues	41,843	42,379	39,080
Cash gross profit	<u>\$ 198,186</u>	<u>\$ 195,926</u>	<u>\$ 171,288</u>

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

	Three months ended		
	Mar. 31, 2010	Dec. 31, 2009	Mar. 31, 2009
Revenues	\$ 240,029	\$ 238,305	\$ 210,368
Cash gross profit	198,186	195,926	171,288
Cash gross margin	<u>83%</u>	<u>82%</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, 2010	Dec. 31, 2009	Mar. 31, 2009
Purchases of property and equipment and capitalization of internal-use software development costs	\$ 35,190	\$ 29,244	\$ 23,067
Capitalization of stock-based compensation	1,477	1,755	1,908
Capital Expenditures or Capex	<u>\$ 36,667</u>	<u>\$ 30,999</u>	<u>\$ 24,975</u>