UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report: February 5, 2007
(Date of earliest event reported)

AKAMAI TECHNOLOGIES, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware	0-27275	04-3432319
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

8 Cambridge Center, Cambridge, Massachusetts 02142
(Address of Principal Executive Offices) (Zip Code)

Registrant’s telephone number, including area code: (617) 444-3000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 2.02 Results of Operations and Financial Condition

On February 7, 2007, Akamai Technologies, Inc. (“Akamai”) announced its financial results for the fiscal year ended December 31, 2006. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Form 8-K (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 8.01 Other Events

On February 5, 2007, Akamai announced that it had entered into an Agreement and Plan of Merger dated February 2, 2007 (the “Merger Agreement”) by and among Akamai, Lode Star Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Akamai, Netli, Inc., a Delaware corporation (“Netli”), certain employees of Netli, and the principal stockholders of Netli. Under the Merger Agreement, Akamai will acquire all of the outstanding equity of Netli in exchange for approximately 3.2 million shares of Akamai’s common stock, subject to certain closing adjustments. The closing of the merger is subject to customary closing conditions including obtaining the approval of Netli’s stockholders.

A copy of the press release announcing the signing of the Merger Agreement is filed herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

The following exhibit relating to Item 2.02 shall be deemed to be furnished, and not filed:

99.1	Press Release dated February 5, 2007.
99.2	Press Release dated February 7, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 7, 2007

AKAMAI TECHNOLOGIES, INC.

/s/ J. Donald Sherman
J. Donald Sherman
Chief Financial Officer

Exhibit Index

99.1	Press Release dated February 5, 2007.
99.2	Press Release dated February 7, 2007

EXHIBIT 99.1

FOR IMMEDIATE RELEASE

Contacts:

Jeff Young Media Relations 617-444-3913 jyoung@akamai.com	—or—	Sandy Smith Investor Relations 617-444-2804 ssmith@akamai.com

AKAMAI TO ACQUIRE NETLI

Combines leading managed service providers for accelerating performance of Internet applications

CAMBRIDGE, MA and MOUNTAIN VIEW, CA — **February 5, 2007** — Akamai Technologies, Inc. (NASDAQ: AKAM) and Netli, Inc. announced today that the two companies have signed a definitive agreement for Akamai to acquire Netli in a merger transaction. The transaction, which is subject to customary closing conditions, including the approval of Netli's stockholders, is anticipated to close later this quarter. The acquisition is expected to be neutral to Akamai earnings on a normalized, diluted per share basis* in 2007.

The acquisition of Netli is expected to enhance Akamai's application acceleration solutions, which improve the performance of Web- and other Internet-based applications. According to Gartner, a leading research firm, the market for application acceleration spending is forecasted to grow to $3.3 billion in 2010. Akamai and Netli's combined managed services will seek to address two important market segments identified by industry analysts — application delivery controllers and WAN optimization controllers.

By combining Netli's high performance communications protocol with Akamai's massive global scale and unique capabilities to route Internet traffic around points of congestion, Akamai expects to offer businesses the most comprehensive and effective managed services for accelerating applications. These services enable enterprises to improve the performance of dynamic, highly-interactive applications such as customer portals, collaboration platforms, e-learning environments, and business-to-business commerce.

Organizations often face conflicting technology challenges as they move business processes to the Internet to increase revenues, expand into new markets, streamline operations, enhance productivity, and ensure customer satisfaction. Confronted with the need to consolidate infrastructure to avoid the cost of global data center build-out, enterprises also must ensure users, customers, partners, and employees experience good performance, regardless of what online application they are trying to reach and where they are located worldwide. The acquisition of Netli, when completed, is expected to further establish Akamai as the leading managed service in the application acceleration space. Akamai's managed service provides customers an effective alternative to deploying costly and often ineffective hardware to improve performance of Internet applications.

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“We are very encouraged by customer acceptance of our application acceleration services, and believe the alignment of Akamai and Netli will provide enterprises with even better solutions going forward in this important and emerging market,” said Paul Sagan, president and CEO of Akamai. “Akamai and Netli both emphasize leading-edge technology to help businesses deliver more effective, higher performing online applications, and we are confident that this combination will benefit our customers, employees, and shareholders.”

“By joining forces with Akamai to address the large and quickly expanding application acceleration market, we believe our customers will gain access to an even larger global network and a wider portfolio of leading-edge services supported by a combination of the most experienced providers in the industry,” said Gary Messiana, CEO of Netli. “Our people are very proud of our pioneering work to deliver proven and effective technology in the area of optimizing online application acceleration, and we look forward to working with Akamai to combine our technology and capabilities to create the strongest managed service offering in the industry.”

Under terms of the agreement, Akamai will acquire all of the outstanding equity of Netli in exchange for approximately 3.2 million shares of Akamai common stock, subject to certain closing adjustments. The merger transaction is expected to be accounted for by Akamai under the purchase method of accounting.

About Netli
Netli is a rapidly growing global service provider for accelerating applications and content over the Internet — enabling global e-business from centralized infrastructure. Netli provides network infrastructure as a service, on-demand optimizing application, and content delivery while shifting bandwidth, computing, and storage requirements to Netli infrastructure. The result is better utilization of capital budgets and resources by transferring the cost, risk, complexity, and management overhead of delivering enterprise-scale Web applications and content to Netli. The world’s three biggest mobile phone suppliers, the largest technology reseller, the largest beauty products company, the two largest computer manufacturers, and the top two import auto manufacturers trust Netli for their application acceleration and content delivery needs. The company is headquartered in Mountain View, California, and was recently included in the AlwaysOn 100 list of the most innovative technology companies in the world.

About Akamai
Akamai® is the leading global service provider for accelerating content and business processes online. Thousands of organizations have formed trusted relationships with Akamai, improving their revenue and reducing costs by maximizing the performance of their online businesses. Leveraging the Akamai EdgePlatform, these organizations gain business advantage today, and have the foundation for the emerging Web solutions of tomorrow. Akamai is *“The Trusted Choice for Online Business.”* For more information, visit www.akamai.com.

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The release contains information about future expectations, plans and prospects of Akamai’s management that constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities

Litigation Reform Act of 1995, including statements about the anticipated closing of the acquisition, the expectations with respect to integration of the Netli technology and resulting benefits and the expected future business and financial performance of Akamai resulting from and following the acquisition. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors including, but not limited to, inability to successfully integrate the technology of Netli or to develop products based on the technology, material adverse changes in the financial conditions or operations of Netli, substantial delay in the expected closing of the proposed merger, inability to secure all consents and stockholder approvals necessary to effect the proposed merger and other factors that are discussed in the Company's Annual Report on Form 10-K, quarterly reports on Form 10-Q, and other documents periodically filed with the SEC.

* In addition to providing financial measurements based on generally accepted accounting principles in the United States of America (GAAP), Akamai has historically provided additional financial metrics that are not prepared in accordance with GAAP (non-GAAP). Recent legislative and regulatory changes discourage the use of and emphasis on non-GAAP financial metrics and require companies to explain why non-GAAP financial metrics are relevant to management and investors. We believe that the non-GAAP financial metrics we have included are useful to management and investors because they provide additional insight into our operations as well as help us assess and monitor developments in our business. Set forth below are definitions of the non-GAAP terms we use and explanations of some of the benefits provided by those metrics.

Akamai defines "normalized net income" as net income before amortization of intangible assets, equity-related compensation, depreciation of capitalized equity-related compensation, certain gains and losses on equity investments, utilization of tax NOLs/credits and release of the deferred tax asset valuation allowance. Akamai considers normalized net income to be another important indicator of the overall performance of the Company because it eliminates the effects of events that are either not part of the Company's core operations or are non-cash.

Akamai defines "normalized diluted share" as diluted common shares outstanding used in GAAP net income per share calculation, excluding the effect of FAS 123R under the treasury stock method. Akamai considers normalized diluted shares to be another important indicator of overall performance of the Company because it eliminates the effect of a non-cash item.

EXHIBIT 99.2

FOR IMMEDIATE RELEASE

Contacts:

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AKAMAI REPORTS FOURTH QUARTER 2006 AND FULL-YEAR 2006 FINANCIAL RESULTS

- **Fourth quarter revenue grew to $125.7 million, up 13 percent from the prior quarter and 52 percent year-over-year, and annual revenue increased 51 percent year-over-year to $428.7 million**
- **Fourth quarter GAAP net income was $20.6 million, or $0.12 per diluted share, up 47 percent over the third quarter, and full-year GAAP net income was $57.4 million, or $0.34 per diluted share**
- **Fourth quarter normalized net income* increased 14 percent quarter-over-quarter to $47.5 million, or $0.27 per diluted share, and full-year normalized net income* increased 94 percent year-over-year to $154.5 million, or $0.88 per diluted share**

CAMBRIDGE, Mass. — **February 7, 2007** — Akamai Technologies, Inc. (NASDAQ: AKAM), the leading global service provider for accelerating content and business processes online, today reported financial results for the fourth quarter and full-year ended December 31, 2006. Revenue for the fourth quarter 2006 was $125.7 million, a 13 percent increase over the previous quarter's revenue of $111.5 million, and a 52 percent increase over fourth quarter 2005 revenue of $82.7 million. Total revenue for 2006 was $428.7 million, a 51 percent increase over 2005 revenue of $283.1 million.

Akamai's fourth quarter consolidated financial results include 18 days of activity from Nine Systems Corporation following the closing of Akamai's acquisition of Nine Systems on December 13, 2006. Nine Systems contributed approximately $800,000 of revenue during the fourth quarter of 2006.

"Akamai's strong growth in the fourth quarter was fueled by increased demand for our services across our customer base, especially in the digital media and online commerce markets," said Paul Sagan, president and CEO of Akamai. "With these fourth quarter results, we reached a run rate of more than half a billion dollars on the top line, a milestone on the way to our billion dollar goal, while we continued to expand profitability."

Net income in accordance with United States Generally Accepted Accounting Principles, or GAAP, for the fourth quarter of 2006 was $20.6 million, or $0.12 per diluted share. Full-year GAAP net income for 2006 was $57.4 million, or $0.34 per diluted share.

For purposes of year-over-year comparison of the Company's GAAP results, net income for 2005 included a non-cash, non-recurring benefit of $258.8 million, or approximately $1.65 per diluted share, primarily related to the recognition of the Company's net operating loss carryforward as a result of the release of a tax valuation allowance.

The Company generated normalized net income* of $47.5 million, or $0.27 per diluted share, in the fourth quarter of 2006, a 14 percent increase over prior quarter normalized net income of $41.8 million, or $0.24 per diluted share. Full-year normalized net income grew 94 percent year-over-year to $154.5 million, or $0.88 per diluted share. (*See Use of Non-GAAP Financial Measures below for definitions.)

Adjusted EBITDA* for the fourth quarter of 2006 was $53.0 million, up from $46.8 million in the prior quarter, and $30.6 million in the fourth quarter of 2005. Adjusted EBITDA margin for the fourth quarter was 42 percent, a 5 point improvement over the fourth quarter of last year. For the full year, adjusted EBITDA was $173.3 million, up from $101.4 million in 2005. Full year Adjusted EBITDA margin improved to 40 percent, up from 36 percent in 2005. (*See Use of Non-GAAP Financial Measures below for definitions.)

Full-year cash from operations was $132.0 million, or 31 percent of revenue, up 59 percent over the prior year. At year-end, the Company had approximately $434 million of cash, cash equivalents and marketable securities.

The Company had approximately 160.1 million shares of common stock outstanding as of December 31, 2006.

Customers
Akamai added 78 net new customers under long-term services contracts during the fourth quarter of 2006, in addition to 125 recurring revenue customers from the Nine Systems acquisition, bringing Akamai's total year-end number of customers under long-term services contracts to 2,347.

Sales through resellers and sales outside the United States accounted for 20 percent and 22 percent, respectively, of revenue for full-year 2006.

Quarterly Conference Call
Akamai will host a conference call today at 4:30 p.m. ET that can be accessed through 1-888-689-4521 (or 1-706-645-9202 for international calls). A live Webcast of the call may be accessed at www.akamai.com in the Investor section. In addition, a replay of the call will be available for one week following the conference through the Akamai Website or by calling 1-800-642-1687 (or 1-706-645-9291 for international calls) and using conference ID No. 5848965.

About Akamai
Akamai® is the leading global service provider for accelerating content and business processes online. Thousands of organizations have formed trusted relationships with Akamai, improving their revenue and reducing costs by maximizing the performance of their online businesses. Leveraging the Akamai EdgePlatform, these organizations gain business advantage today, and have the foundation for the emerging Web solutions of tomorrow. Akamai is *"The Trusted Choice for Online Business."* For more information, visit www.akamai.com.

Financial Statements

Condensed Consolidated Balance Sheets
(dollar amounts in thousands)
(unaudited)

	December 31. 2006	December 31, 2005
Assets		
Cash and cash equivalents	$ 80,595	$ 91,792
Marketable securities	188,141	199,886
Restricted marketable securities	1,105	730
Accounts receivable, net	86,232	52,162
Prepaid expenses and other current assets	18,600	10,428
Current assets	374,673	354,998
Marketable securities	161,511	17,896
Restricted marketable securities	3,102	3,825
Property and equipment, net	86,623	44,885
Goodwill and other intangible assets, net	298,263	136,786
Other assets	4,256	4,801
Deferred tax assets, net	319,504	328,308
Total assets	$ 1,247,932	$ 891,499
Liabilities and stockholders' equity		
Accounts payable and accrued expenses	$ 81,205	$ 54,471
Other current liabilities	8,059	7,405
Current liabilities	89,264	61,876
Other liabilities	3,975	5,409
Convertible notes	200,000	200,000
Total liabilities	293,239	267,285
Stockholders' equity	954,693	624,214
Total liabilities and stockholders' equity	$ 1,247,932	$ 891,499

Condensed Consolidated Statements of Operations
(amounts in thousands, except per share data)
(unaudited)

	Three Months Ended			Twelve Months Ended	
	December 31, 2006	September 30, 2006	December 31, 2005	December 31, 2006	December 31, 2005
Revenues	$ 125,703	$ 111,495	$ 82,657	$ 428,672	$ 283,115
Costs and operating expenses:					
Cost of revenues * †	28,605	24,984	16,084	94,100	55,655
Research and development *	9,141	8,862	4,982	33,102	18,071
Sales and marketing *	34,258	29,416	22,965	119,689	77,876
General and administrative * †	25,249	24,529	15,266	90,191	53,014
Amortization of other intangible assets	2,047	1,943	2,296	8,484	5,124
Total costs and operating expenses	99,300	89,734	61,593	345,566	209,740
Operating income	26,403	21,761	21,064	83,106	73,375
Interest (income) expense, net	(4,567)	(3,970)	(1,283)	(14,532)	1,067
Loss on early extinguishment of debt	—	—	—	—	1,370
(Gain) loss on investments, net	(2)	—	—	(261)	27
Other (income) expense, net	(357)	448	(205)	(570)	507
Income before provision for income taxes	31,329	25,283	22,552	98,469	70,404
Provision (benefit) for income taxes	10,706	11,264	(3,207)	41,068	(257,594)
Net income	$ 20,623	$ 14,019	$ 25,759	$ 57,401	$ 327,998
Net income per share:					
Basic	$ 0.13	$ 0.09	$ 0.17	$ 0.37	$ 2.41
Diluted	0.12	0.08	$ 0.16	$ 0.34	$ 2.11
Shares used in per share calculations:					
Basic	157,206	155,739	148,293	155,366	136,167
Diluted	179,064	177,063	170,305	176,767	156,944

* Includes equity-related compensation (see supplemental table for figures)

† Includes depreciation and amortization (see supplemental table for figures)

	Three Months Ended			Twelve Months Ended	
	December 31, 2006	September 30, 2006	December 31, 2005	December 31 2006	December 31 2005
Supplemental financial data (in thousands):					
Equity-related compensation:					
Cost of revenues	$ 637	$ 517	$ —	$ 1,960	$ —
Research and development	3,409	3,037	538	11,435	1,033
Sales and marketing	5,993	4,781	226	18,403	636
General and administrative	4,753	6,179	818	17,770	2,180
Total equity-related compensation	$ 14,792	$ 14,514	$ 1,582	$ 49,568	$ 3,849
Depreciation and amortization:					
Network-related depreciation	$ 8,132	$ 7,144	$ 4,766	$ 26,810	$ 15,514
Capitalized equity-related compensation amortization	136	129	—	298	—
Other depreciation	1,487	1,306	892	4,992	3,572
Amortization of other intangible assets	2,047	1,943	2,296	8,484	5,124
Total depreciation and amortization	$ 11,802	$ 10,522	$ 7,954	$ 40,584	$ 24,210
Capital expenditures:					
Purchases of property and equipment	$ 18,944	$ 13,519	$ 5,828	$ 56,752	$ 26,947
Capitalized internal-use software	3,532	2,932	2,277	12,576	9,213
Capitalized equity-related compensation	1,471	1,058	—	4,293	—
Total capital expenditures	$ 23,947	$ 17,509	$ 8,105	$ 73,621	$ 36,160
Net increase in cash, cash equivalents, marketable securities and restricted marketable securities	$ 18,372	$ 48,600	$ 227,626	$ 120,325	$ 205,712
End of period statistics:					
Number of customers under recurring contract	2,347	2,144	1,910		
Number of employees	1,058	917	784		
Number of deployed servers	22,109	21,864	18,599		

Condensed Consolidated Statements of Cash Flows
(amounts in thousands)
(unaudited)

	Three Months Ended December 31, 2006	Three Months Ended September 30, 2006	Three Months Ended December 31, 2005	Twelve Months Ended December 31, 2006	Twelve Months Ended December 31, 2005
Cash flows from operating activities:					
Net income	$ 20,623	$ 14,019	$ 25,759	$ 57,401	$ 327,998
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization of intangible assets and deferred financing costs	12,013	10,732	8,164	41,426	25,170
Equity-related compensation	14,792	14,514	1,582	49,556	3,849
Release of deferred tax asset valuation allowance	—	—	(3,482)	—	(258,827)
Non-cash portion of loss on early extinguishment of debt	—	—	—	—	481
Utilization of tax NOLs/credits and changes in deferred tax assets, net	9,414	11,154	—	38,510	158
Excess tax benefits from stock-based compensation	(12,910)	(8,735)	—	(32,511)	—
(Gain) loss on investments, property and equipment and foreign currency, net	(438)	64	143	(984)	850
Provision for doubtful accounts	397	(164)	127	830	1,147
Changes in operating assets and liabilities:					
Accounts receivable, net	(14,022)	(3,257)	(8,663)	(28,020)	(19,455)
Prepaid expenses and other current assets	(3,249)	(495)	65	(8,062)	1,483
Accounts payable, accrued expenses and other current liabilities	(3,137)	12,097	2,754	15,382	(1,032)
Accrued restructuring	(464)	(458)	(415)	(1,970)	(1,816)
Deferred revenue	(759)	(937)	1,567	343	3,267
Other noncurrent assets and liabilities	310	(44)	72	66	(475)
Net cash provided by operating activities:	22,570	48,490	27,673	131,967	82,798
Cash flows from investing activities:					
Business acquisitions, net of cash (used) acquired	(5,127)	—	—	(5,127)	1,717
Purchases of property and equipment and capitalization of internal-use software and equity-related compensation	(22,476)	(16,451)	(8,105)	(69,328)	(36,160)
Purchase of investments	(116,164)	(87,778)	(183,014)	(395,871)	(215,633)
Proceeds from sales and maturities of investments	79,075	65,501	13,134	264,308	66,099
Decrease in restricted investments held for security deposits	—	—	—	400	202
Net cash used in investing activities	(64,692)	(38,728)	(177,985)	(205,618)	(183,775)
Cash flows from financing activities:					
Payments on capital leases	—	—	(420)	—	(818)
Repurchase and retirement of 5 1/2% convertible subordinated notes	—	—	—	—	(56,614)
Proceeds from equity offering, net of financing costs	—	—	202,068	—	202,068
Proceeds from the issuance of common stock under stock option and employee stock purchase plans	9,267	7,186	6,741	27,918	14,462
Excess tax benefits from stock-based compensation	12,910	8,735	—	32,511	—
Net cash provided by financing activities	22,177	15,921	208,389	60,429	159,098
Effects of exchange rate translation on cash and cash equivalents	1,417	(62)	(369)	2,025	(1,647)
Net (decrease) increase in cash and cash equivalents	(18,528)	25,621	57,708	(11,197)	56,474
Cash and cash equivalents, beginning of period	99,123	73,502	34,084	91,792	35,318
Cash and cash equivalents, end of period	$ 80,595	$ 99,123	$ 91,792	$ 80,595	$ 91,792

***Use of Non-GAAP Financial Measures**

In addition to providing financial measurements based on generally accepted accounting principles in the United States of America (GAAP), Akamai has historically provided additional financial metrics that are not prepared in accordance with GAAP (non-GAAP). Recent legislative and regulatory changes discourage the use of and emphasis on non-GAAP financial metrics and require companies to explain why non-GAAP financial metrics are relevant to management and investors. We believe that the inclusion of these non-GAAP financial measures in this press release helps investors to gain a meaningful understanding of our future prospects, consistent with how management measures and forecasts our performance, especially when comparing such results to previous periods or forecasts. Our management uses these non-GAAP measures, in addition to GAAP financial measures, as the basis for measuring our core operating performance and comparing such performance to that of prior periods and to the performance of our competitors. This measure is also used by management in their financial and operational decision-making. There are limitations associated with reliance on these non-GAAP financial metrics because they are specific to our operations and financial performance, which makes comparisons with other companies' financial results more challenging. By providing both GAAP and non-GAAP financial measures, we believe that investors are able to compare our GAAP results to those of other companies while also gaining a better understanding of our operating performance as evaluated by management.

Akamai defines "Adjusted EBITDA" as net income, before interest, taxes, depreciation and amortization of tangible and intangible assets, equity-related compensation, depreciation of capitalized equity-related compensation, restructuring charges and benefits, certain gains and losses on equity investments, foreign exchange gains and losses, loss on early extinguishment of debt, utilization of tax NOLs/credits and release of the deferred tax asset valuation allowance. Akamai considers Adjusted EBITDA to be an important indicator of the Company's operational strength and performance of its business and a good measure of the Company's historical operating trend.

Adjusted EBITDA eliminates items that are either not part of the Company's core operations, such as investment gains and losses, foreign exchange gains and losses, early debt extinguishment and net interest expense, or do not require a cash outlay, such as equity-related compensation and impairment of intangible assets. Adjusted EBITDA also excludes depreciation and amortization expense, which is based on the Company's estimate of the useful life of tangible and intangible assets. These estimates could vary from actual performance of the asset, are based on historic cost incurred to build out the Company's deployed network, and may not be indicative of current or future capital expenditures.

Akamai defines "Adjusted EBITDA margin" as a percentage of Adjusted EBITDA over revenue. Akamai considers Adjusted EBITDA margin to be an indicator of the Company's operating trend and performance of its business in relation to its revenue growth.

Akamai defines "capital expenditures" or "capex" as purchases of property and equipment and capitalization of internal-use software development costs. Capital expenditures or capex are disclosed in Akamai's condensed consolidated Statement of Cash Flows in the company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Akamai defines "normalized net income" as net income before amortization of intangible assets, equity-related compensation, restructuring charges and benefits, certain gains and losses on equity investments, loss on early extinguishment of debt, utilization of tax NOLs/credits and release of the deferred tax asset valuation allowance. Akamai considers normalized net income to be another important indicator of the overall performance of the Company because it eliminates the effects of events that are either not part of the Company's core operations or are non-cash.

Akamai defines "normalized diluted shares" as diluted common shares outstanding used in GAAP net income per share calculation, excluding the effect of FAS 123R under the treasury stock method. Akamai considers normalized diluted shares to be another important indicator of overall performance of the Company because it eliminates the effect of a non-cash item.

Adjusted EBITDA and normalized net income should be considered in addition to, not as a substitute for, the Company's operating income and net income, as well as other measures of financial performance reported in accordance with GAAP.

Reconciliation of Non-GAAP Financial Measures
In accordance with the requirements of Regulation G issued by the Securities and Exchange Commission, the Company is presenting the most directly comparable GAAP financial measures and reconciling the non-GAAP financial metrics to the comparable GAAP measures.

Reconciliation of GAAP net income to normalized net income and Adjusted EBITDA
(amounts in thousands, except per share data)

	Three Months Ended			Twelve Months Ended	
	December 31, 2006	September 30, 2006	December 31, 2005	December 31, 2006	December 31, 2005
Net income	$ 20,623	$ 14,019	$ 25,759	$ 57,401	$ 327,998
Amortization of intangible assets	2,047	1,943	2,296	8,484	5,124
Equity-related compensation	14,792	14,514	1,582	49,568	3,849
Amortization of capitalized equity-related compensation	136	129	—	298	—
(Gain) loss on investments, net	(2)	—	—	(261)	27
Utilization of tax NOLs/credits	9,924	11,154	—	39,020	—
Release of the deferred tax asset valuation allowance	—	—	(3,482)	—	(258,827)
Loss on early extinguishment of debt	—	—	—	—	1,370
Total normalized net income:	47,520	41,759	26,155	154,510	79,541
Interest (income) expense, net	(4,567)	(3,970)	(1,283)	(14,532)	1,067
Provision for income taxes	782	110	275	2,048	1,233
Depreciation and amortization	9,619	8,450	5,658	31,802	19,086
Other (income) expense, net	(357)	448	(205)	(570)	507
Total Adjusted EBITDA:	$ 52,997	$ 46,797	$ 30,600	$ 173,258	$ 101,434
Normalized net income per share:					
Basic	$ 0.30	$ 0.27	$ 0.18	$ 0.99	$ 0.58
Diluted	$ 0.27	$ 0.24	$ 0.16	$ 0.88	$ 0.52
Shares used in normalized per share calculations:					
Basic	157,206	155,739	148,293	155,366	136,167
Diluted	181,332	179,563	170,305	179,470	156,944

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Akamai Statement Under the Private Securities Litigation Reform Act
This release contains information about future expectations, plans and prospects of Akamai's management that constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995, including statements concerning the expected growth and development of our business and expectations with respect to revenue. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors including, but not limited to, unexpected increases in Akamai's use of funds, loss of significant customers, failure to increase our revenue and keep our expenses consistent with revenues, the effects of any attempts to intentionally disrupt our services or network by unauthorized users or others, failure to have available sufficient transmission capacity, a failure of Akamai's services or network infrastructure, failure to maintain the prices we charge for our services, inability to realize the benefits of our net operating loss carryforward, delay in developing or failure to develop new service offerings or functionalities, and if developed, lack of market acceptance of such service offerings and functionalities, unexpected

expenses associated with the integration of Nine Systems, and other factors that are discussed in the Company’s Annual Report on Form 10-K, quarterly reports on Form 10-Q, and other documents periodically filed with the SEC.

In addition, the statements in this press release represent Akamai’s expectations and beliefs as of the date of this press release. Akamai anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while Akamai may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Akamai’s expectations or beliefs as of any date subsequent to the date of this press release.