

**Akamai Technologies, Inc.**  
**Reconciliation of non-GAAP to GAAP financial measures**  
**June 30, 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, acquisition related costs, 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			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Net income	\$ 38,123	\$ 40,878	\$ 36,007	\$ 79,001	\$ 73,088
Interest income, net	(2,771)	(2,662)	(3,454)	(5,433)	(7,484)
Provision for income taxes	21,315	27,759	22,025	49,074	46,682
Depreciation and amortization	28,692	26,977	23,979	55,669	47,110
Amortization of capitalized stock-based compensation	1,830	1,875	1,461	3,705	2,768
Amortization of other intangible assets	4,152	4,108	4,238	8,260	8,477
Stock-based compensation	20,276	19,108	13,320	39,384	28,387
Loss on early extinguishment of debt	294	-	-	294	-
Restructuring charge	-	-	-	-	454
Acquisition related costs	345	-	-	345	-
Gain on investments, net	-	-	-	-	(455)
Other (income) loss, net	(122)	75	(184)	(47)	(1,318)
Adjusted EBITDA	\$ 112,134	\$ 118,118	\$ 97,392	\$ 230,252	\$ 197,709

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

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues	\$ 245,318	\$ 240,029	\$ 204,600	\$ 485,347	\$ 414,968
Adjusted EBITDA	112,134	118,118	97,392	230,252	197,709
Adjusted EBITDA margin	46%	49%	48%	47%	48%

**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, acquisition related costs, certain gains and losses on investments and loss on early extinguishment of debt

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Net income	\$ 38,123	\$ 40,878	\$ 36,007	\$ 79,001	\$ 73,088
Amortization of other intangible assets	4,152	4,108	4,238	8,260	8,477
Stock-based compensation	20,276	19,108	13,320	39,384	28,387
Loss on early extinguishment of debt	294	-	-	294	-
Amortization of capitalized stock-based compensation	1,830	1,875	1,461	3,705	2,768
Restructuring charge	-	-	-	-	454
Acquisition related costs	345	-	-	345	-
Utilization of tax NOLs/credits *	-	-	-	-	-
Gain on investments, net	-	-	-	-	(455)
Fully taxed normalized net income	\$ 65,020	\$ 65,969	\$ 55,026	\$ 130,989	\$ 112,719
* Previously reported Utilization of tax NOLs/credits	\$ -	\$ -	\$ 20,236	\$ -	\$ 43,087

**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			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Fully taxed normalized net income	\$ 65,020	\$ 65,969	\$ 55,026	\$ 130,989	\$ 112,719
Interest add-back for diluted share calculation	396	422	441	818	867
Fully taxed normalized net income for diluted earnings per share	\$ 65,416	\$ 66,391	\$ 55,467	\$ 131,807	\$ 113,586
Fully taxed normalized net income per share:					
Basic	\$ 0.38	\$ 0.39	\$ 0.32	\$ 0.76	\$ 0.66
Diluted	\$ 0.34	\$ 0.35	\$ 0.29	\$ 0.69	\$ 0.60
Shares used in per share calculations:					
Basic	173,317	171,101	172,561	172,209	171,540
Diluted	190,479	189,013	189,556	189,746	188,870

**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, restructuring charges and benefits and acquisition related costs

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
GAAP operating expenses	\$ 116,639	\$ 106,505	\$ 90,197	\$ 223,144	\$ 184,084
Less: stock-based compensation	(19,569)	(18,407)	(12,831)	(37,976)	(27,337)
Less: amortization of other intangible assets	(4,152)	(4,108)	(4,238)	(8,260)	(8,477)
Less: depreciation and amortization	(3,996)	(3,922)	(3,836)	(7,918)	(7,553)
Less: restructuring charge	-	-	-	-	(454)
Less: acquisition related costs	(345)	-	-	(345)	-
Cash operating expenses	\$ 88,577	\$ 80,068	\$ 69,292	\$ 168,645	\$ 140,263

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

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues	\$ 245,318	\$ 240,029	\$ 204,600	\$ 485,347	\$ 414,968
Cash operating expenses	88,577	80,068	69,292	168,645	140,263
Cash operating expenses margin	36%	33%	34%	35%	34%

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

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Cost of revenues per GAAP	\$ 71,840	\$ 67,474	\$ 60,009	\$ 139,314	\$ 120,371
Less: stock-based compensation	(707)	(701)	(489)	(1,408)	(1,050)
Less: depreciation and amortization	(26,526)	(24,930)	(21,604)	(51,456)	(42,325)
Normalized cost of revenues	\$ 44,607	\$ 41,843	\$ 37,916	\$ 86,450	\$ 76,996

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

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues	\$ 245,318	\$ 240,029	\$ 204,600	\$ 485,347	\$ 414,968
Normalized cost of revenues	44,607	41,843	37,916	86,450	76,996
Cash gross profit	<u>\$ 200,711</u>	<u>\$ 198,186</u>	<u>\$ 166,684</u>	<u>\$ 398,897</u>	<u>\$ 337,972</u>

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

	Three months ended			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues	\$ 245,318	\$ 240,029	\$ 204,600	\$ 485,347	\$ 414,968
Cash gross profit	200,711	198,186	166,684	398,897	337,972
Cash gross margin	<u>82%</u>	<u>83%</u>	<u>81%</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			Six months ended	
	June 30, 2010	Mar. 31, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Purchases of property and equipment and capitalization of internal-use software development costs	\$ 66,097	\$ 35,190	\$ 24,653	\$ 101,287	\$ 47,720
Capitalization of stock-based compensation	2,202	1,477	1,244	3,679	3,152
Capital Expenditures or Capex	<u>\$ 68,299</u>	<u>\$ 36,667</u>	<u>\$ 25,897</u>	<u>\$ 104,966</u>	<u>\$ 50,872</u>