



# Limelight Networks

## Investor Presentation

*Transforming the digital experience to  
advance the way we live, work and play*

# Safe Harbor Statement



Certain statements in this presentation relate to future results that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. This presentation contains statements involving risks and uncertainties, including statements relating to Limelight Network's market opportunity and future business prospects. Actual results may differ materially and reported results should not be considered as an indication of future performance. Factors that could cause actual results to differ are included in Limelight Network's Registration Statement on Form S-1 and Forms 10Q.

**Jeff Lunsford**

**Chief Executive Officer**

**Matt Hale**

**Chief Financial Officer**

# Limelight Networks: The Leading CDN for Digital Media



**HIGH PERFORMANCE**

**CDN FOR DIGITAL MEDIA**

MSNBC TV  
Ybox  
Akimbo  
Over the Edge  
Half-Life: Episode One  
Valve  
AMD

# Enabling | Many High Profile Successes



## Video



## Digital Music / Social Media



## Games / Rich Media Applications



## Software Delivery



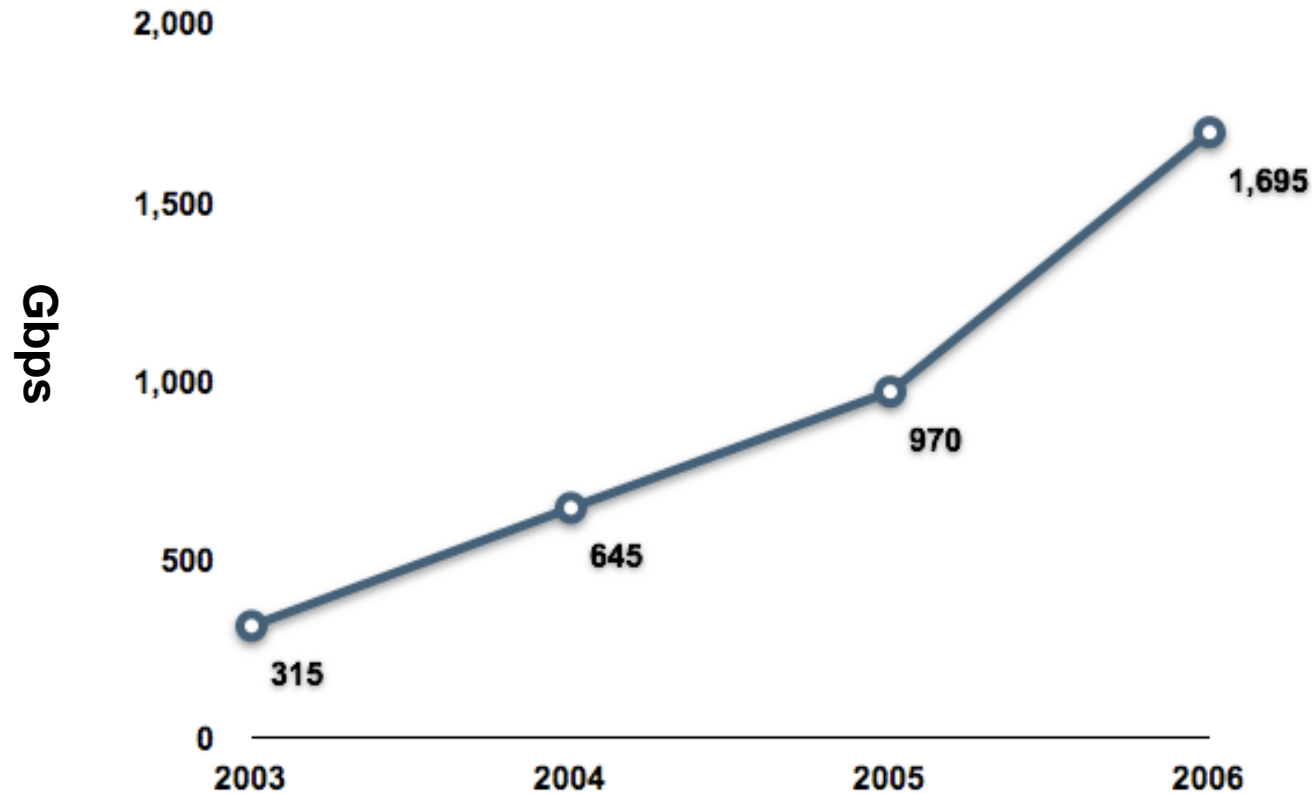
High Traffic Growth / High Funding Growth

The Ascendant CDN, Winning Market Share

Strong Growth Plan



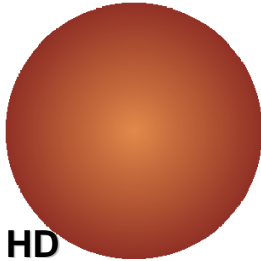


Financial Performance / Target Model

## Average Internet Traffic Up 538%



Source: TeleGeography research

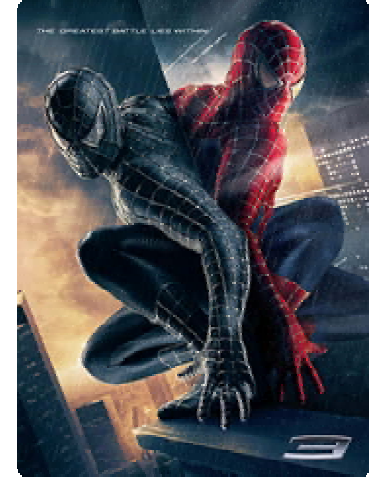
## The Consumer-Driven 'Pull' of Massive Files

	1996	2007	Future
<b>File Size:</b>	100K 	5G 	36GB HD 
<b>Broadband Connectivity:</b>	0.1MM	250.0MM+	All Devices, All The Time
<b>Behavior:</b>			All Content, On-Demand

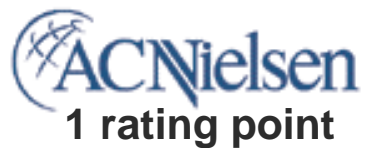
## Growth Evident on a Daily Basis in Large Events

**Movie trailers spike to 50+ Gbps**

**Software download events exceed 200 Gbps for sustained periods**



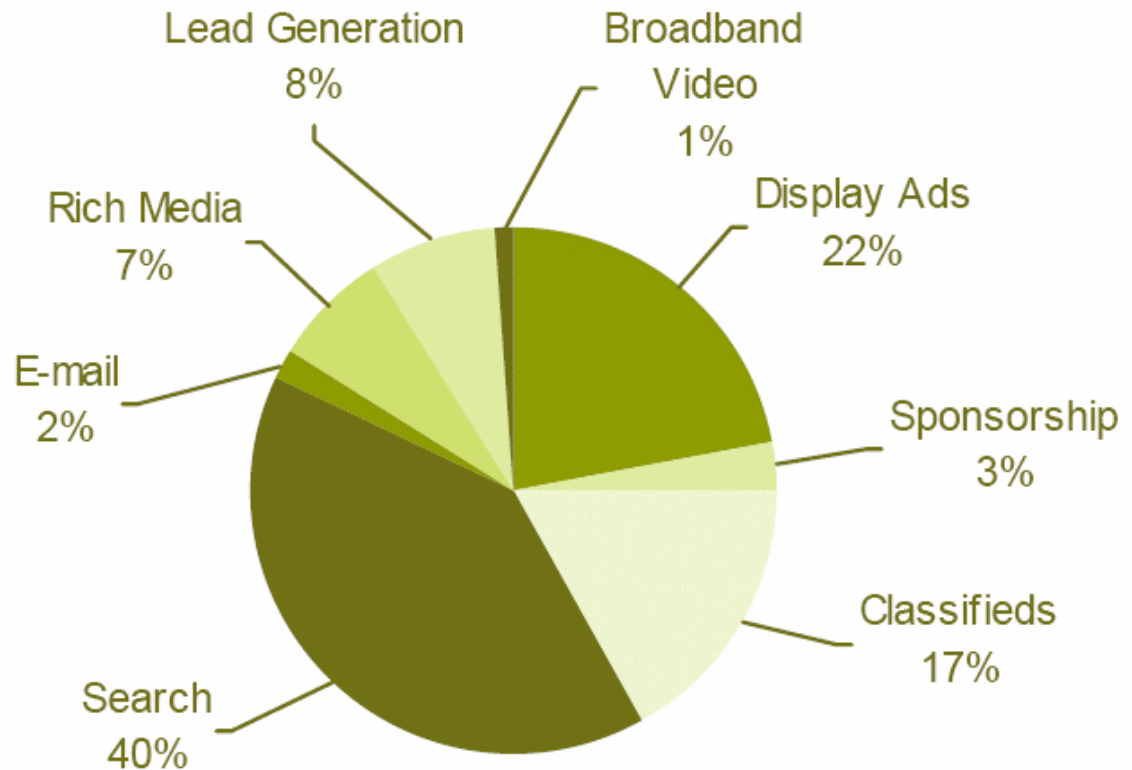
**Mainstream television generating traffic as high as 5X a year ago from higher encode rates, larger audiences and faster connection speeds.**



**1,000 Gigabits/Second**

## Internet Ad Revenues by Advertising Format

% of 2007 Second-Quarter Revenues



**\$5 Billion  
Revenue in  
2Q07**

- Ultimate Funding Source:
  - \$20 Billion annualized run rate in potential revenue
  - Growing at 26% per year
  - Still less than 10% of overall marketing budget so room to grow

## Close

- Global network in top-tier markets
- Logically close – Over 60% of traffic delivered in direct partnership with last-mile providers.

## Intelligent

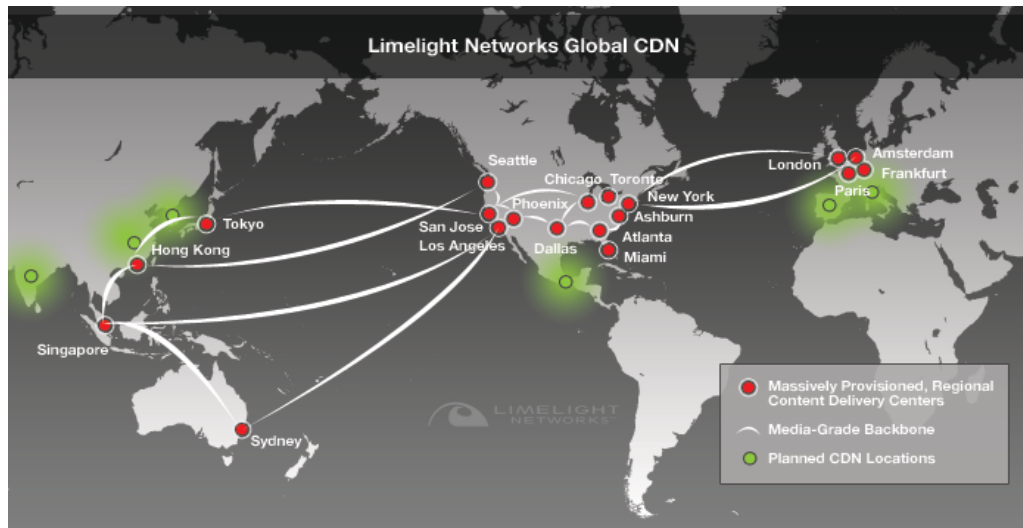
- Proprietary software
- Multiple media formats and delivery modes

## Dense

- 60+ POPs, 19 regions, with 6,000+ high-performance servers
- Entire content libraries
- Massive storage

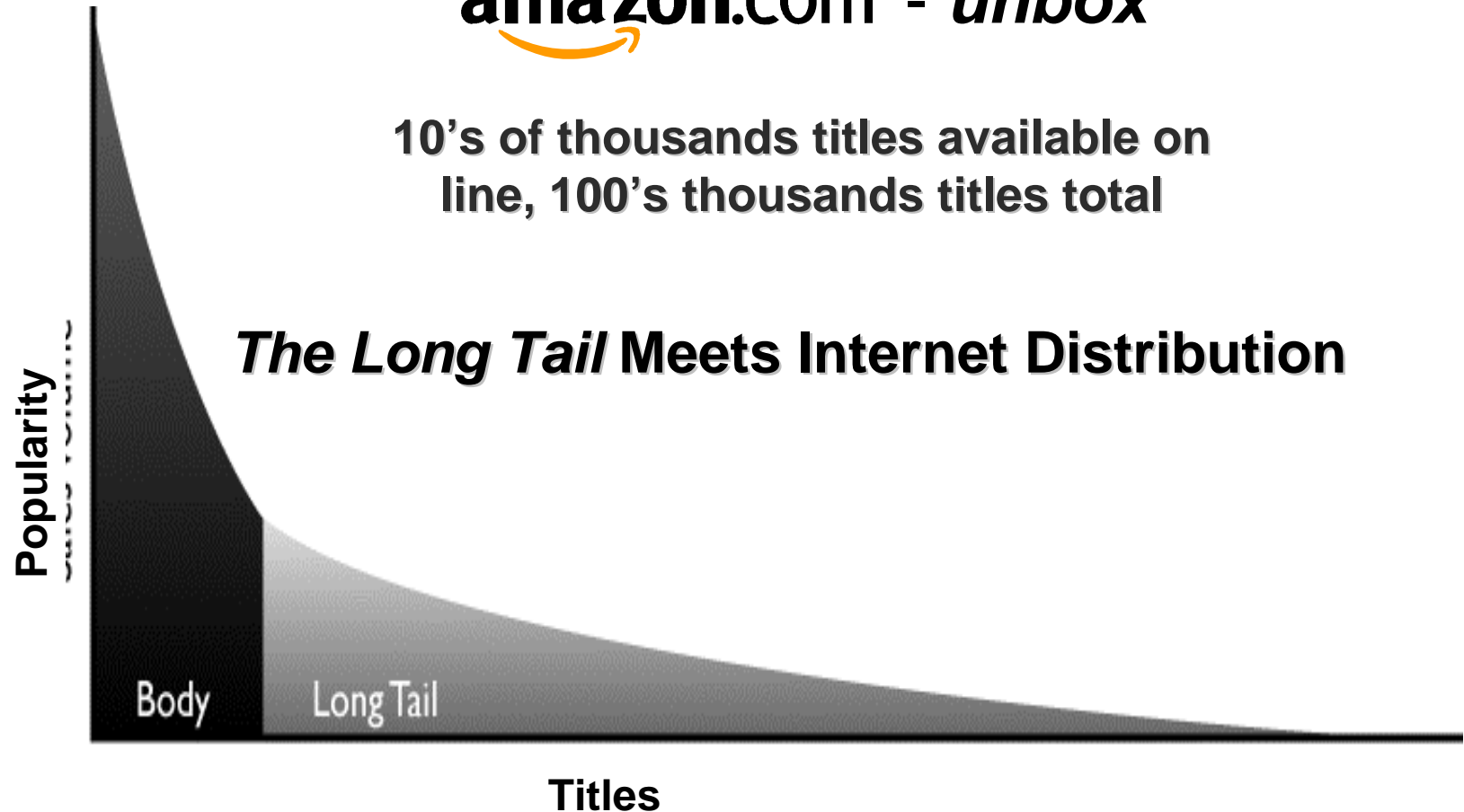
## Connected

- Edge-connected directly to 790 broadband networks
- Operate our own backbone
- Metro fiber to span multiple physical sites

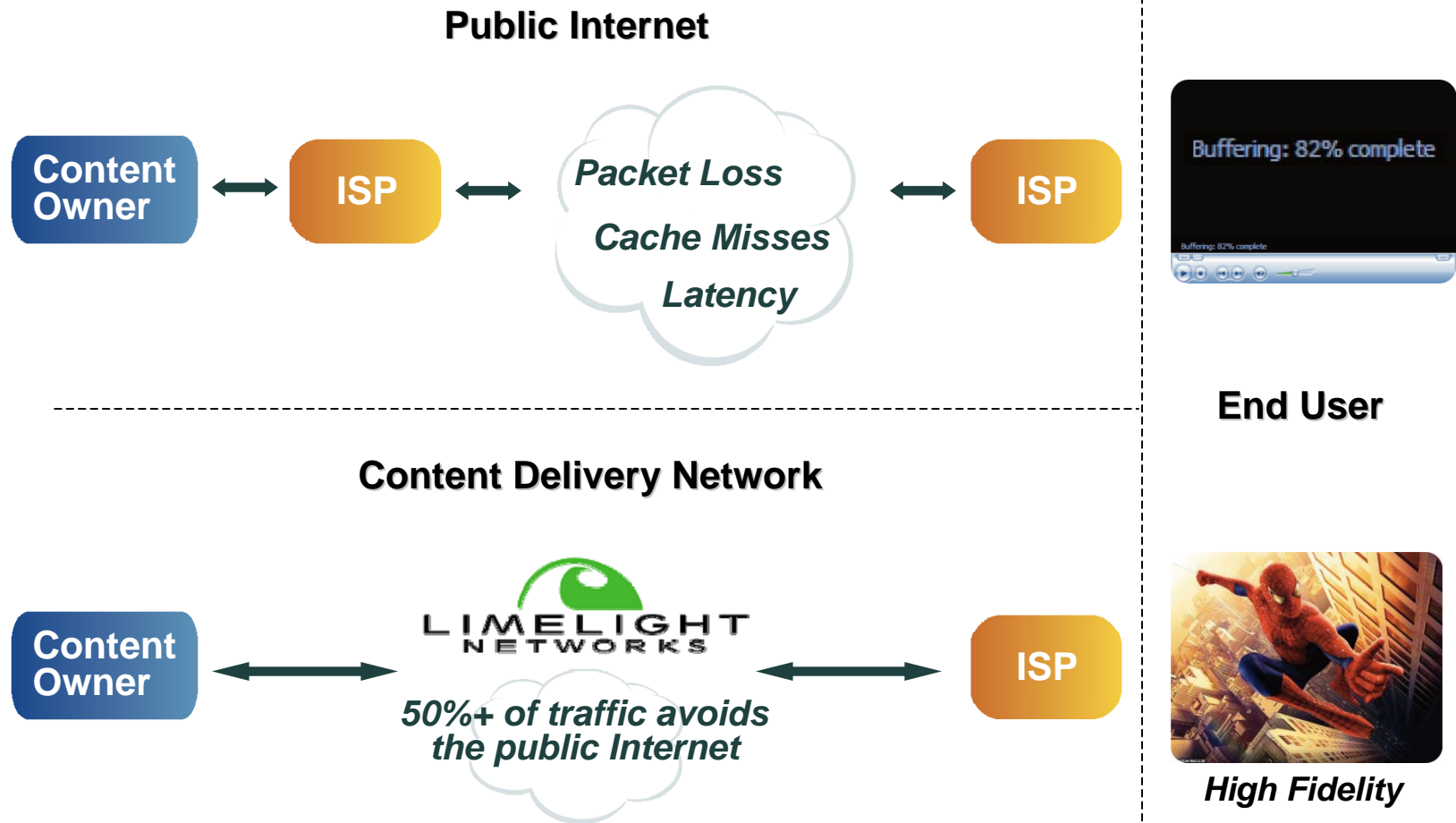


## amazon.com - *unbox*

10's of thousands titles available on line, 100's thousands titles total

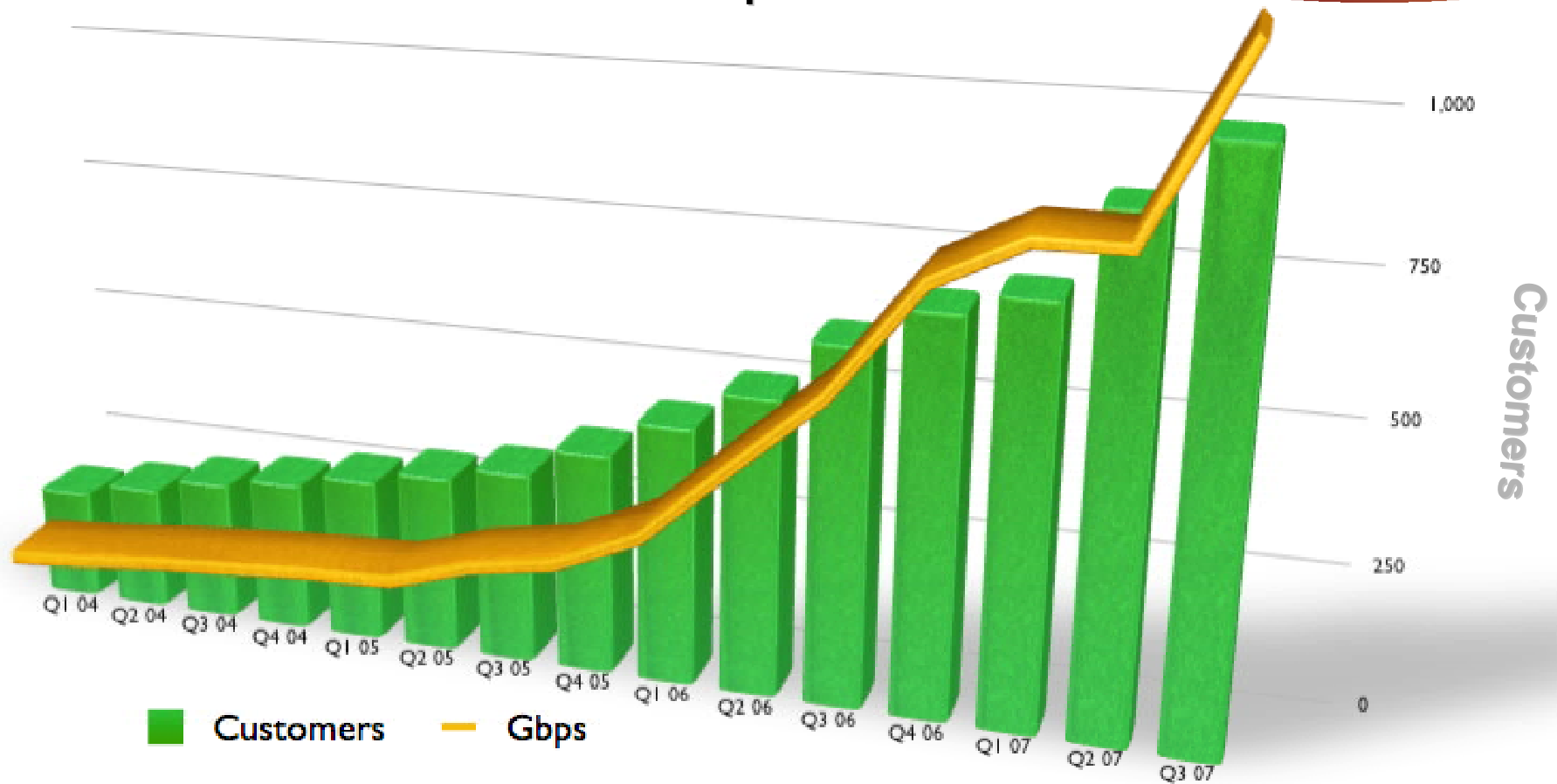


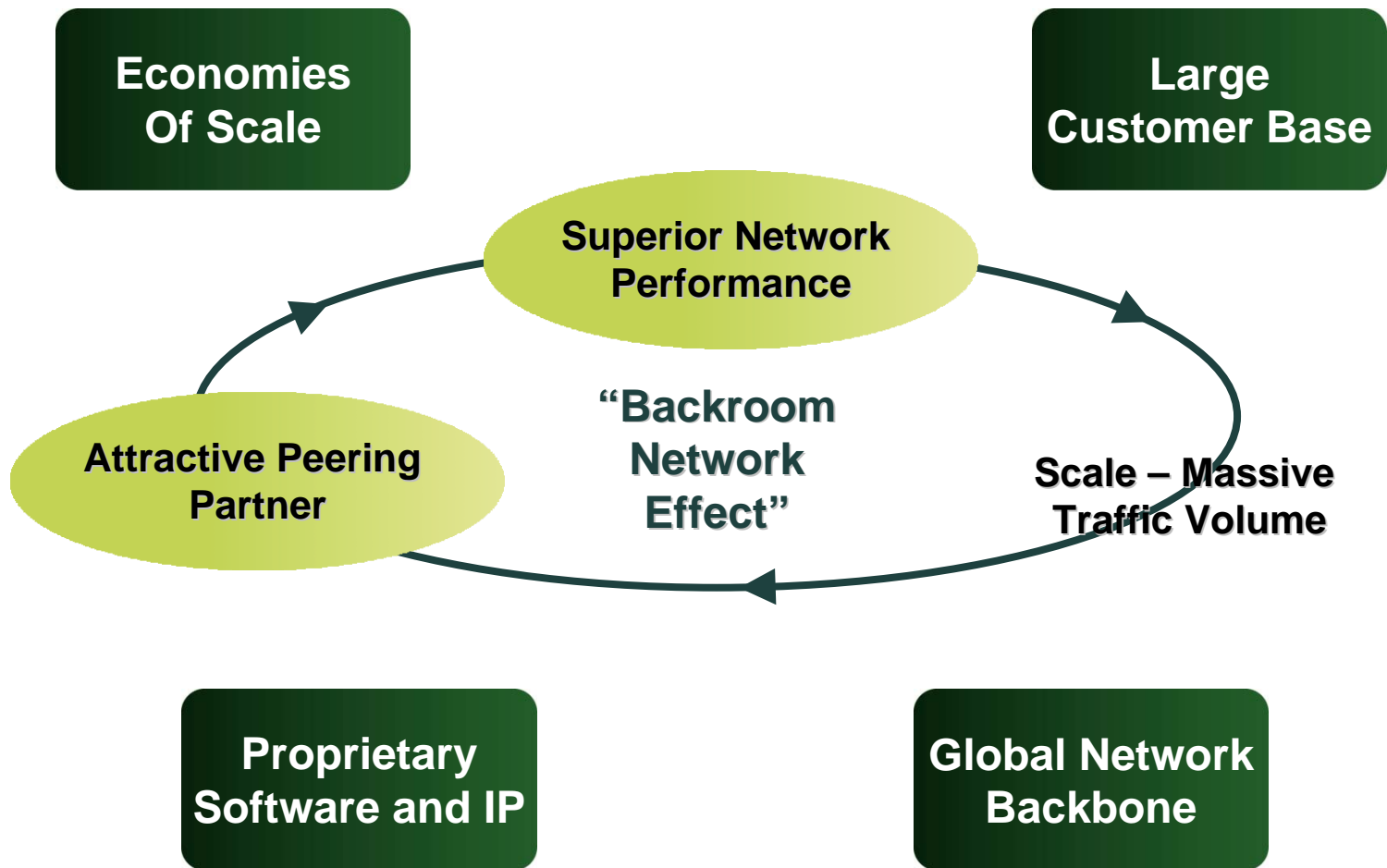
# Content Delivery Networks Avoid the Problems of the Public Internet

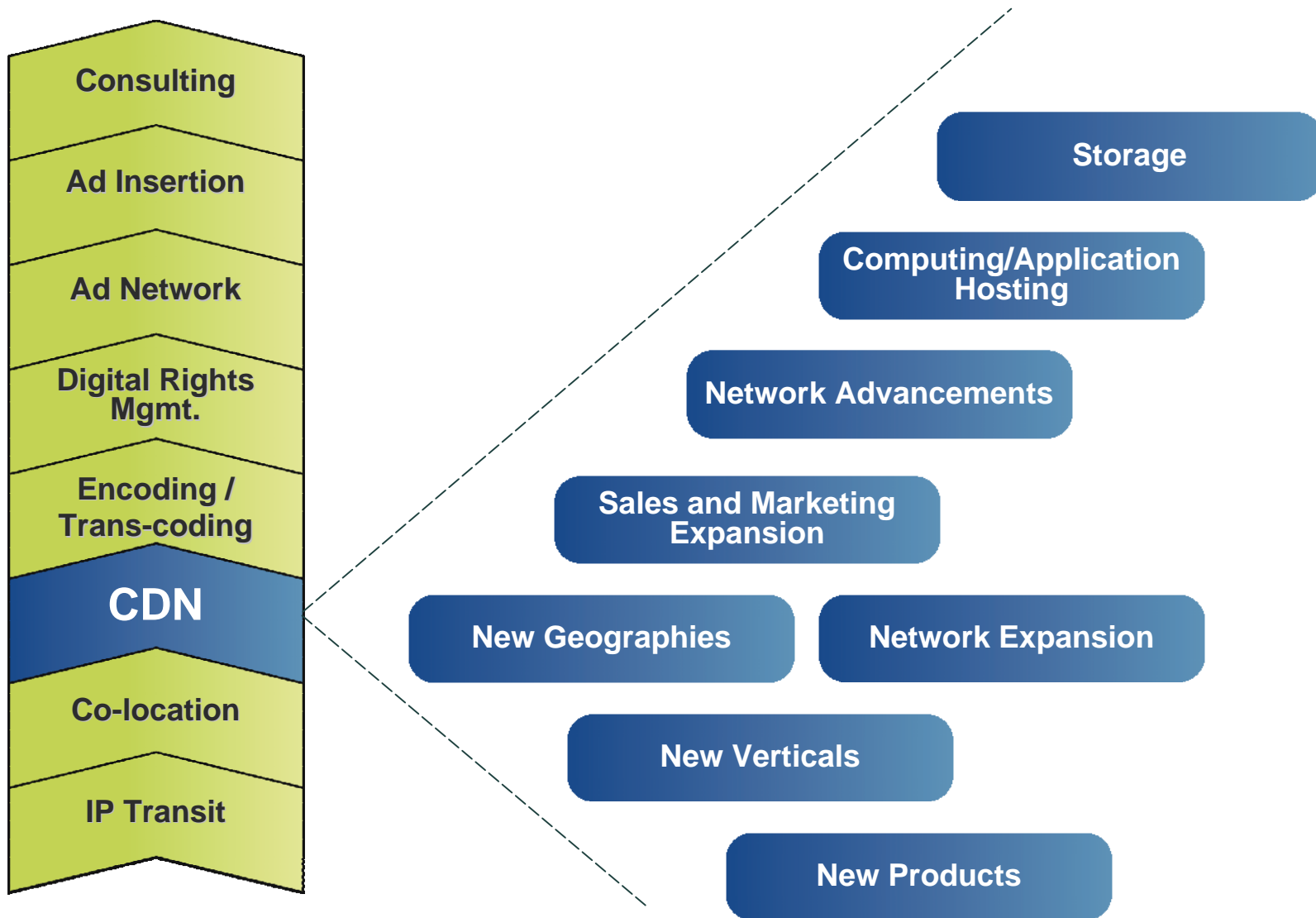


# Customer and Traffic Growth

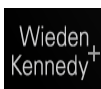
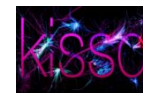
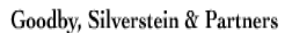
## Customers vs. Gbps Sold





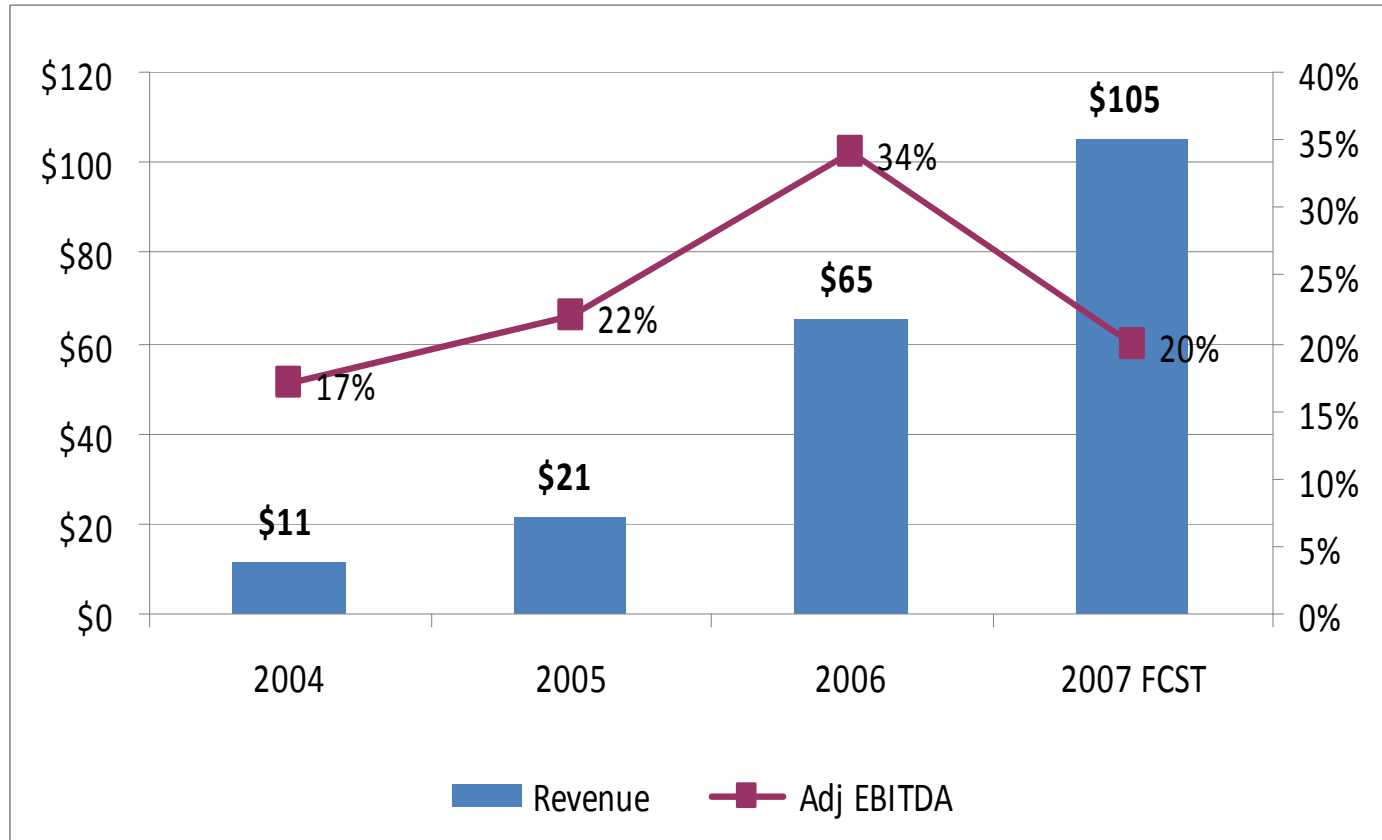


# Ecosystem of Key Partners



# Financial Overview

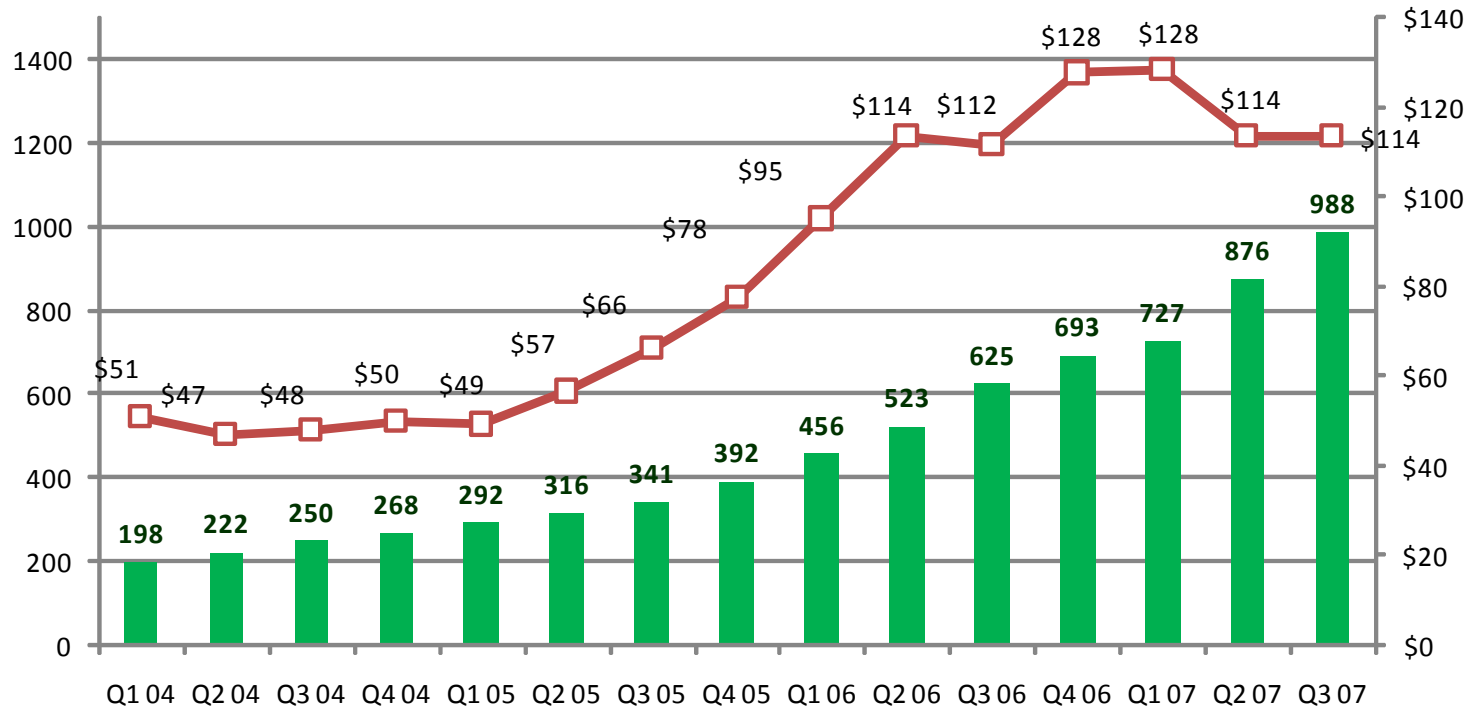
# Historical Trends



# Customer and AARPC Growth

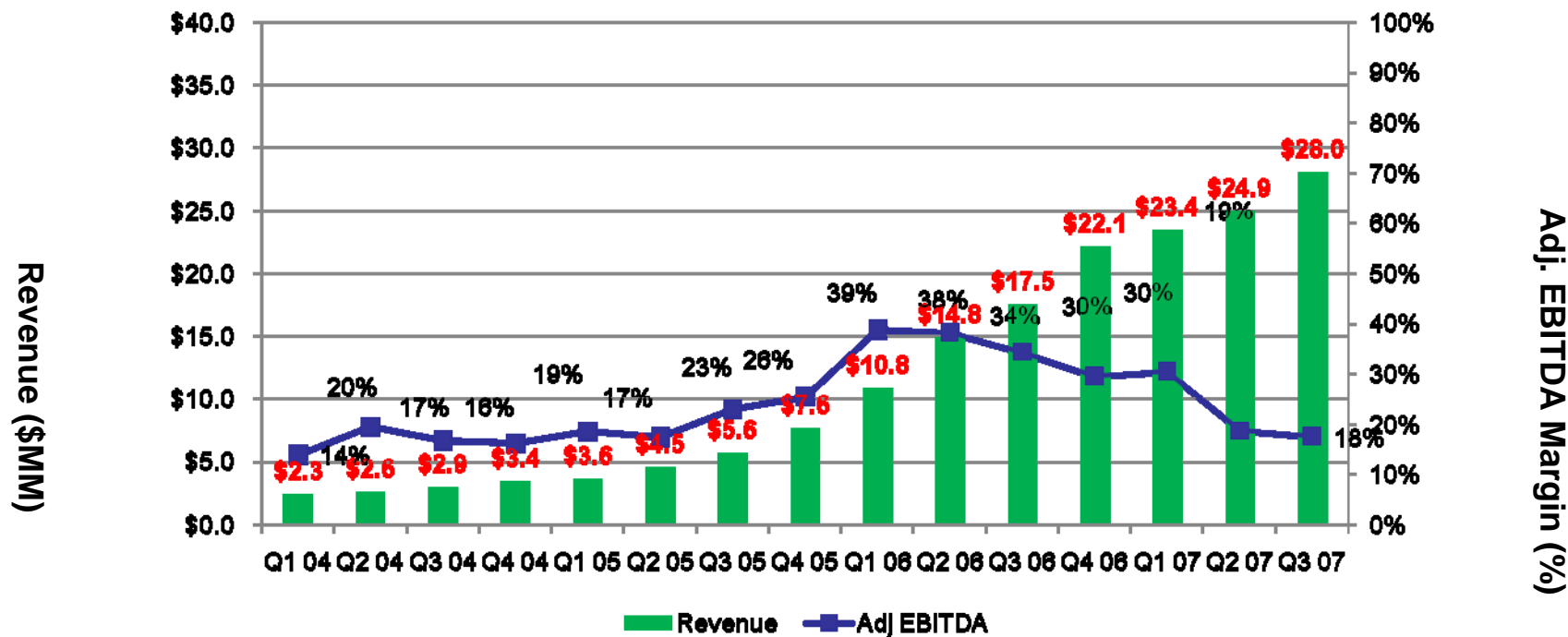


Cumulative Customers

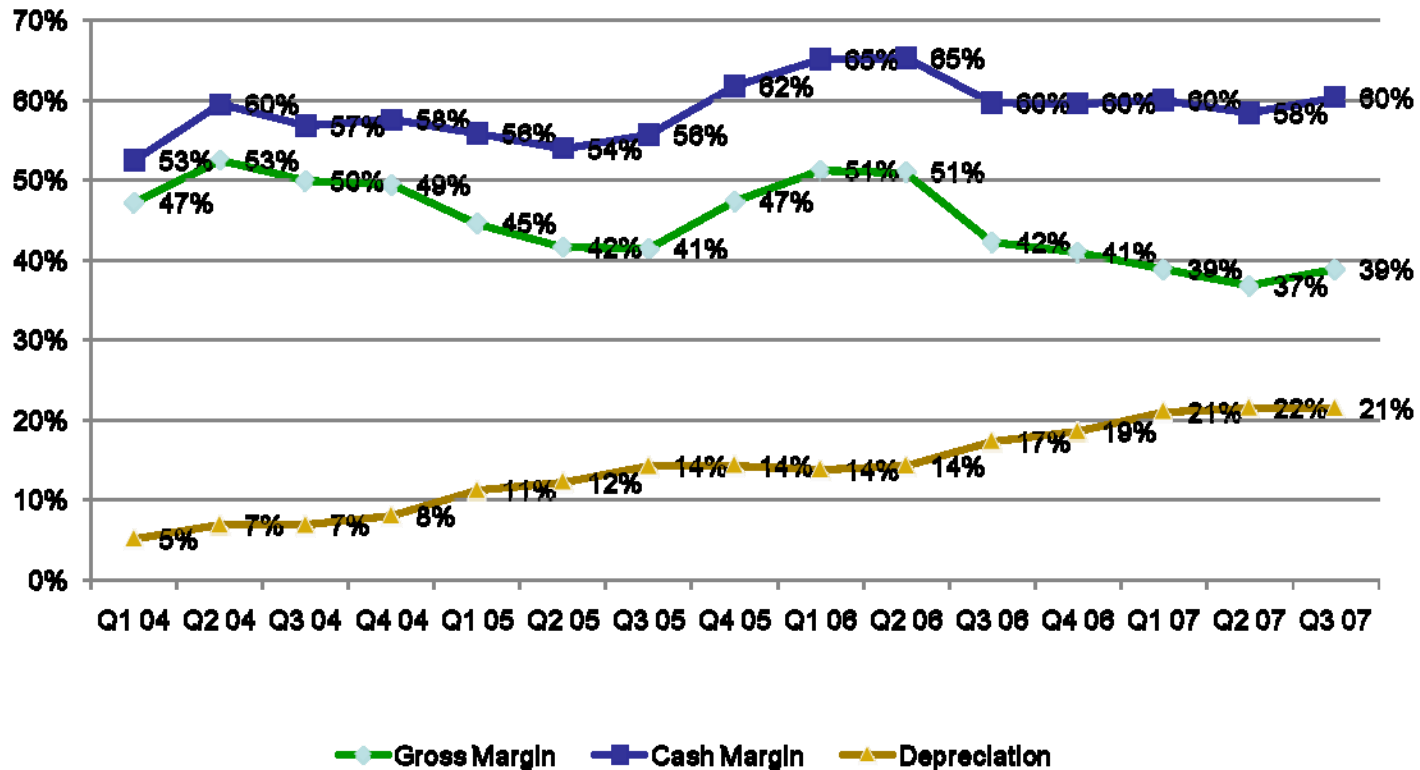


Annualized Revenue Per Customer (\$000)

## Revenue vs. Adj. EBITDA Margin



## Gross Margin vs. Network Depreciation as a % of revenue



**Average term – 1 year**

**Average size – \$100,000+ (see ARPC chart)**

**Payment terms – Minimums invoiced at beginning of month along with volume over minimums from prior months**

**Pricing based upon:**

**95/5 bandwidth peak – approx. 40% of contracts**

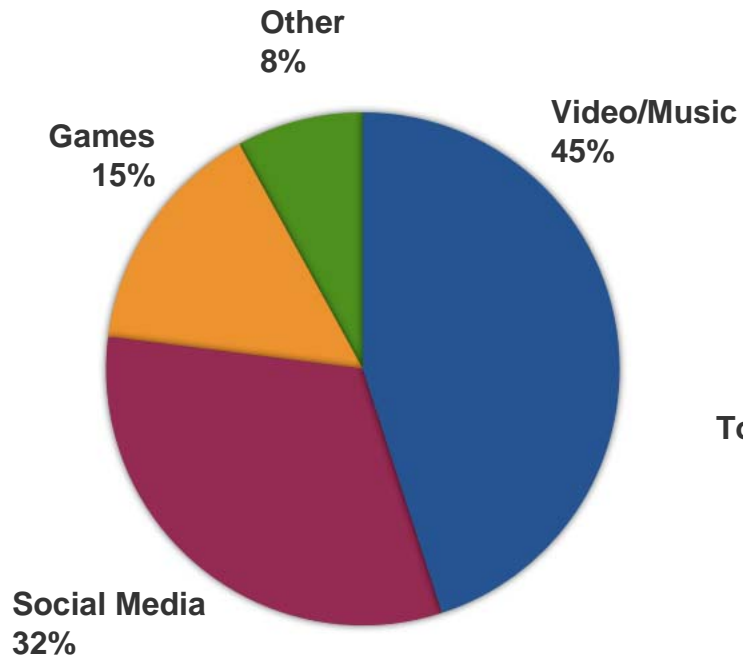
**Total data transferred within month – other approx. 60%**

**Same unit cost for volumes over minimum so negotiating incentive is to buy down the unit cost up front by committing to larger volumes**

**DSOs running 50-65 days, on an LTM basis**

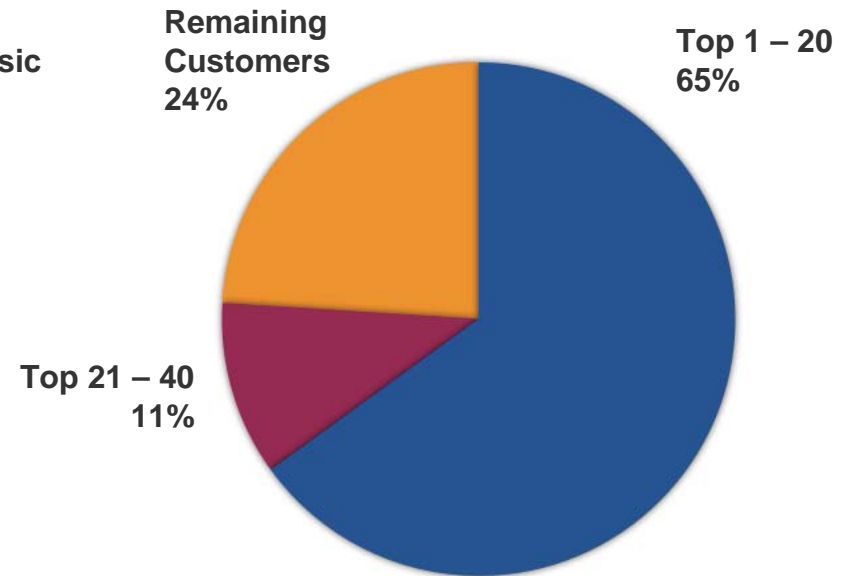
## Customer Mix

2007 Revenue



## Customer Concentration

2007 Revenue



# Attractive Business Model

	Year Ended Dec. 31, 2006	Quarter Ended Sep 30, 2007	Target Model
<b>Revenue (\$MM)</b>	<b>\$64.3</b>	<b>\$28.0</b>	
<b>Gross Margin</b>	<b>44%</b>	<b>39%</b>	<b>50 +%</b>
<b>S&amp;M</b>	<b>11%</b>	<b>27%</b>	<b>10 – 15%</b>
<b>R&amp;D</b>	<b>5%</b>	<b>3%</b>	<b>5 – 10%</b>
<b>G&amp;A</b>	<b>28%</b>	<b>28%</b>	<b>10 – 15%</b>
<b>Op. Margin</b>	<b>NM</b>	<b>NM</b>	<b>20+%</b>
<b>Adj. EBITDA Margin</b>	<b>33%</b>	<b>18%</b>	<b>40+%</b>

	<u>Q1 07</u>	<u>Q2 07</u>	<u>Q3 07</u>	<u>Lo Q4 07</u>	<u>Mid Q4 07</u>	<u>Hi Q4 07</u>
Revenue	\$ 23.4	\$ 24.9	\$ 28.0	\$ 28.0	\$ 29.0	\$ 30.0
MS PSO *	\$ -	\$ 0.8	\$ 1.5	\$ -	\$ -	\$ -
Non PSO Revenue **	\$ 23.4	\$ 24.1	\$ 26.5	\$ 28.0	\$ 29.0	\$ 30.0
Seq Growth w/o PSO	5.6%	3.2%	9.9%	5.7%	9.4%	13.2%

•MS PSO – non-GAAP professional services from Microsoft

\*\* Non PSO Revenue – revenue from our core CDN business

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Thank You

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