

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549
FORM 10-K**

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2011

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to _____

Commission File Number: 001-34885

AMYRIS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

55-0856151

(I.R.S. Employer
Identification No.)

5885 Hollis Street, Suite 100, Emeryville, California

(Address of principal executive office)

94608

(Zip Code)

(510) 450-0761

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common Stock, \$0.0001 par value per share

Name of each exchange on which registered

The NASDAQ Stock Market LLC
(NASDAQ Global Select Market)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one.)

Large accelerated filer ☒ Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.): Yes ☐ No ☒

As of June 30, 2011, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the voting stock held by non-affiliates of the registrant was approximately \$755.7 million, based on the closing price of the registrant's

common stock on the NASDAQ Global Market.

56,259,745 shares of the Registrant's common stock, par value \$0.0001 per share, were outstanding as of February 23, 2012.

DOCUMENTS INCORPORATED BY REFERENCE

Portions registrant's proxy statement to be delivered to stockholders in connection with the registrant's 2012 Annual Meeting of Stockholders to be held on or about May 22, 2012 are incorporated by reference into Part III of this Form 10-K. The registrant intends to file its proxy statement within 120 days after its fiscal year end.

AMYRIS, INC.
ANNUAL REPORT ON FORM 10-K
For the Fiscal Year Ended December 31, 2011

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FORWARD-LOOKING STATEMENTS

This report on Form 10-K, including the sections entitled “Item 1. Business,” “Item 1A. Risk Factors,” and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations,” contains forward-looking statements reflecting our current expectations that involve risks and uncertainties and which are subject to safe harbors under the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward-looking statements include, but are not limited to, statements concerning our strategy, future production capacity and other aspects of our future operations, ability to improve our production efficiencies, future financial position, future revenues, projected costs, expectations regarding demand and acceptance for our technologies, growth opportunities and trends in the market in which we operate, prospects and plans and objectives of management. The words “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “will,” “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, the risks set forth in Part I, Item 1A, “Risk Factors” in this Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission. We do not assume any obligation to update any forward-looking statements.

TRADEMARKS

Amyris®, the Amyris logo, Biofene® and No Compromise® are trademarks or registered trademarks of Amyris, Inc. This report also contains trademarks and trade names of other business that are the property of their respective holders.

PART I

ITEM 1. BUSINESS

Overview

We are building an integrated renewable products company to provide sustainable alternatives to a broad range of petroleum-sourced products used in specialty chemical and transportation fuel markets worldwide. We do this by applying our industrial synthetic biology technology platform to modify microorganisms, primarily yeast, to function as living factories in established fermentation processes to convert plant-sourced sugars into a variety of hydrocarbon molecules that can serve as flexible building blocks to be used in a wide range of products. We intend to commercialize these products as renewable ingredients in six target markets: cosmetics, lubricants, flavors and fragrances, polymers and plastic additives, home and personal care products, and transportation fuels. We call these No Compromise products because we design them to perform comparably to or better than currently available products.

Our first technology success came through the development and application of our platform to create microbial strains that produce artemisinic acid, a precursor of artemisinin, an anti-malarial therapeutic. We granted a royalty-free license to this technology to Sanofi-Aventis, which currently expects to begin distributing artemisinin-based anti-malarial drugs made through our technology in 2012. Our first proprietary commercialization efforts have been focused on a molecule called farnesene, or Biofene, which can be used as-is or can be further converted by conventional chemical process into other renewable ingredients in consumer and industrial products, as well as serve as transportation fuels such as diesel. Our strategy is to focus our direct commercialization efforts on higher-value, lower-volume markets while moving lower-margin, higher-volume commodity products, including our fuels and base oil lubricants products, into joint venture arrangements with established industry leaders. We believe this approach will permit access to the capital and resources necessary to support large-scale production and global distribution for our large-market commodity products. To support this strategy, we have established a number of relationships, including:

- Development and commercialization agreements with an affiliate of Total S.A., or Total, which currently provides funding for our Biofene research program as well as the research and development of our jet and diesel fuels. Under these agreements, we intend to establish one or more joint ventures with Total to commercialize these products.
- A supply agreement with Petrobras Distribuidora S.A., or Petrobras, under which we sell diesel produced from Biofene to Petrobras who blends our diesel in fuel sold to city bus fleets in São Paulo and Rio de Janeiro, Brazil.
- A joint venture agreement with an affiliate of Cosan Indústria e Comércio S.A., or Cosan, a leading producer of lubricants in Brazil, which established Novvi LLC, or Novvi, for the purpose of developing and commercializing base oils for use in finished lubricants products.
- Development and commercialization agreements with Firmenich SA, or Firmenich, and Givaudan Schweiz AG, or Givaudan, global flavors and fragrances companies, focusing on key ingredients for the flavors and fragrances market.
- A development agreement with Manufacture Francaise de Pneumatiques Michelin, or Michelin, focusing on development and commercialization of isoprene for use in tires.
- Agreements with several entities for the development of Biofene for various industrial polymer or home and personal care applications, including (i) Kuraray Co., Ltd., or Kuraray, for the use of Biofene in certain polymer products, (ii) M&G Finanziaria S.R.L., or M&G, for use of Biofene in M&G's polyethylene terephthalate (PET) resins incorporated into containers for food, beverages and other products, (iii) Method Products, Inc., or Method, for the use of Biofene in home and personal care products, (iv) The Procter & Gamble Company, or P&G, for the use of Biofene as an ingredient in certain household products, and (v) Wilmar Trading Pte. Ltd., or Wilmar, for the use of Biofene as a surfactant.

To support our manufacturing operations, we have established the following relationships:

- For the production of Biofene, contract manufacturing agreements with (i) Biomin do Brasil Nutrição Animal Ltda., or Biomin, related to the use of a facility located in Piracicaba, Brazil, (ii) Antibióticos, S.A., or Antibióticos, for a production facility located in León, Spain, and (iii) Tate & Lyle Ingredients Americas, Inc., or Tate & Lyle, an affiliate of Tate & Lyle PLC in Decatur, IL, to produce Biofene.
- For the conversion of Biofene into finished chemical products, agreements with (i) Glycotech, Inc., or Glycotech, related to the conversion of Biofene into squalane (a moisturizing ingredient used in cosmetics and other personal care products),

industrial lubricants and other final products at a facility located in Leland, North Carolina, (ii) Dottikon Exclusive Synthesis, AG, or Dottikon, for production of squalane and Biofene-derived molecules for use as oxygen scavengers in PET polymers at a facility in Switzerland (pending completion of process development work), and (iii) Albemarle Corporation, or Albemarle, for production of Biofene-derived base oils at a facility in Baton Rouge, Louisiana (also pending completion of process development work).

- For the future production of Biofene, a manufacturing agreement with Paraíso Bioenergia S.A., or Paraíso Bioenergia, in São Paulo State, Brazil, under which we are constructing fermentation and separation capacity to produce our products.
- Our joint venture with Usina São Martinho, or São Martinho, a subsidiary of São Martinho S.A., one of the largest sugar and ethanol producers in Brazil, pursuant to which we are building our first stand-alone, large-scale production facility at the São Martinho sugar and ethanol mill located in São Paulo state, Brazil.
- To support the expansion of our large-scale production capacity in Brazil, non-binding letters of intent with several leading Brazilian sugar and ethanol producers, including Usina Alvorada, or Alvorada, Cosan, ETH Bioenergia S.A., or ETH, and Acúcar Guarani S.A., or Acúcar Guarani.

While our platform is able to utilize a wide variety of feedstocks, we are focusing our large-scale production plans primarily on the use of Brazilian sugarcane as our feedstock because of its abundance, low cost and relative price stability. We intend to secure access to this feedstock, and expand our production capacity beyond our initial use of contract manufacturers, in a “capital light” manner through the production relationships we are establishing with sugar and ethanol producers in Brazil. With this approach, we expect to work with these entities to build new, “bolt-on” facilities adjacent to their existing mills instead of building entirely new “greenfield” facilities, thereby reducing the capital required to establish and scale our production.

We have two operating subsidiaries, Amyris Brasil Ltda. (formerly Amyris Brasil S.A.), or Amyris Brasil, and Amyris Fuels, LLC, or Amyris Fuels. Amyris Brasil oversees the establishment and expansion of Amyris's production in Brazil, and Amyris Fuels was established to help us develop fuel distribution capabilities in the U.S. Amyris Fuels currently generates revenue from the sale of ethanol and reformulated ethanol-blended gasoline to wholesale customers through a network of terminals in the eastern U.S. As of December 31, 2011, we had 493 employees worldwide, including 348 in Emeryville, California, 140 in Campinas and Piracicaba, Brazil, and 5 in Chicago, Illinois. We have also established a broad patent portfolio, including 66 issued patents and 279 patent applications pending worldwide as of February 15, 2012. This portfolio provides protection through coverage of composition of matter on many of our end products, our technology and research tools, and our manufacturing processes.

We were incorporated in 2003. We began selling fuels through our subsidiary Amyris Fuels in June 2008. Since inception we have generated \$318.8 million in revenue, including \$270.1 million from Amyris Fuels and substantially all of the remainder from grants and collaborations and to a lesser extent from product sales of our renewable products.

Industry Background

Petroleum is a fundamental building block for many products, such as consumer products, chemicals, plastics and transportation fuels that are essential to modern economies. Recently the increased demand for petroleum in the face of limited supply, supply chain uncertainty and negative environmental impacts has created challenges to the current petroleum infrastructure. As a result, there have been many attempts to create products comparable to petroleum derivatives without these drawbacks. However, initial approaches have faced a number of challenges that have limited their success, including:

Exposure to volatile feedstock pricing. Many U.S. renewable fuels companies have focused on the conversion of commodity feedstocks, such as corn or vegetable oil, into ethanol or biodiesel. These companies were exposed to swings in the market prices for their feedstocks, which at times made production unprofitable for a number of producers in these industries.

Limited product portfolio. Companies engaging in early attempts to create renewable fuels typically focused on one end product, such as ethanol or biodiesel. These companies generally lacked product diversity and, therefore, were vulnerable to variability of market prices and the degree of government support for their primary product. Further, the products these companies made were imperfect substitutes for the products they were intended to replace, as neither ethanol nor biodiesel can be stored or transported conventionally and both are subject to blend limits.

Capital intensity. Many initial U.S. ethanol companies utilized a vertically integrated business model that required hundreds of millions of dollars to construct and own mills. This left them with limited ability to enter new geographies and to access new feedstock, as they were tied to their existing facilities.

Dependence on policy. The economic viability of many alternative fuels is based on government regulations and support, making it difficult to build a business with long term sustainability.

Other efforts to develop alternatives to petroleum-sourced products include the use of non-food-based feedstocks, such as cellulosic sugars sourced from wood chips, corn stalks and sugarcane bagasse. Some of these approaches are showing promise and may not be influenced by commodity markets and food versus fuel concerns. However, they are not complete solutions to the challenges above, and to date, these approaches have been limited by cost and technical considerations, among others.

Our Solution

We seek to apply our synthetic biology platform to provide renewable, high-performance alternatives to selected petroleum-sourced chemicals and fuels. Our products are designed to enable our customers to reduce the environmental impact of their products without compromising performance, and, in some cases, our renewable products would provide superior performance to the petroleum-sourced products they are replacing. Our business model is designed to produce these products and bring them to market in a “capital light” manner and, for many of our products, without reliance on government subsidies. Our industrial synthetic biology platform is designed to produce competitive products from widely-available plant-derived feedstocks using genetically modified yeast strains in a well-established fermentation process. We are focusing our initial large-scale production efforts in Brazil, which allows us to access locally-grown sugarcane feedstock and to leverage the substantial infrastructure of existing sugar and ethanol mills.

Our Strategy

Our objective is to become the leading provider of renewable specialty chemicals and transportation fuels worldwide. Key elements of our strategy include:

Targeting markets to maximize returns. We intend to commercialize our products initially in select specialty chemical markets which are characterized by higher-margin, lower-volume products, where we believe we can earn positive gross margins with current production process efficiencies, as well as certain niche diesel markets where we can earn a positive margin at our current and near term production costs or where we see strong opportunity to support development of the market. Then as we lower our production costs through technical improvements, we intend to expand into broader lower-margin, higher volume commodity product markets, such as the broad-based fuels market and base oil lubricants markets, through joint venture arrangements. To accelerate our entry into select new product opportunities, we will continue to enter into collaborative research, development and commercialization agreements, such as the existing agreements with Cosan, Firmenich, Givaudan, Kuraray, M&G, Method, Michelin, P&G, Total and Wilmar.

Leveraging our technology platform to improve efficiency. Our technology platform is based on an industrial platform for strain development and includes activities to support scale up to commercial production in two pilot plant facilities, a demonstration facility. We intend to continually apply our technology platform to lower the cost of production of our products through improvements in yields and other production process efficiencies.

Focusing on Brazilian sugarcane. We are initially focusing on Brazilian sugarcane as the feedstock to support our production ramp because of its abundance, low cost and relative price stability. We are also able to use a wide variety of other feedstocks, including sweet sorghum, sugar beets, corn-based dextrose and other industrial sources of plant sugar.

Advancing capital light production. We are partnering with leading sugar and ethanol mills in Brazil, such as our joint venture with Usina Paraíso and Usina São Martinho, to establish and scale production at a lower cost than the cost of “greenfield” mill construction. Under this approach, we expect to work selectively with Brazilian sugar and ethanol producers to build new, “bolt-on” facilities adjacent to their existing mills, instead of building entirely new facilities, thereby reducing the capital required to establish and scale our production.

Our Technology

Our synthetic biology platform enables us to modify the genetic pathways of microorganisms, primarily yeast, to turn them into living factories to produce target molecules for which we believe there may be significant market opportunities. In addition to using our synthetic biology platform to identify and improve strains of microbes to produce target molecules, we are using our technology platform to develop production processes that we believe will allow us to scale to commercial levels.

The primary biological pathway within the microbe that we currently use to produce our target molecules is the isoprenoid pathway. Isoprenoids constitute a large, diverse class of molecules with current product applications in a wide range of industries, including specialty chemicals and fuels.

The key steps in our strain engineering and scale-up process are:

Identifying target molecules. We start our process by identifying a commercial application where we can deliver a No Compromise solution that we want to pursue. We identify the key molecular properties that are essential to product performance in a specific commercial application and then analyze the chemical structures that drive those key performance characteristics. Finally, we identify target molecules or derivatives of molecules that are comprised of these key chemical structures and that may be produced by our yeast strains.

Developing initial strains. Once we have chosen a target molecule, we identify the steps required for its production in a biological pathway. We then seek to design a pathway to produce the target, either directly or by producing a molecule that can, through simple chemical steps, be synthesized, or converted, into the target. Once this pathway is identified, we undertake to engineer it into our yeast strains by employing the processes discussed below.

Improving strain performance and process development to reduce production costs. After we have established a pathway and verified that it can produce the target molecule, the yeast strain must be improved to increase the level of efficiency of production. Initially, we focus primarily on yield, a measure of the amount of product produced by a defined amount of sugar as the means to improve strain output. As we advance in our scale up and commercial scale process development, we also seek to improve production output through improvements in strain productivity, the rate at which our product is produced by a given yeast strain and titer, the concentration of product in the fermentation broth. In addition, we seek to develop processes to improve production efficiency, including separation efficiency, which is the amount of product that is captured from a fermentation run, cycle-time, which is the time needed to run a full fermentation cycle, and the evolution of batch process methods to semi-continuous and continuous production methods.

Moving production from lab to commercial scale. Once we have established a pathway and verified that it can produce the target molecule, the yeast strain must be improved to increase the level of efficiency of production. We design our lab scale two liter fermentors to mimic the conditions found in larger scale fermentation so that our findings may translate predictably from lab scale to pilot, demonstration and commercial scale. In addition to our lab scale fermentors, we have operating pilot plants in our facilities in both Emeryville, California and Campinas, Brazil, as well as two 5,000-liter fermentors in our Campinas demonstration facility. We are also operating three contract manufacturing facilities in the U.S., Brazil and Spain using 100,000 to 240,000 liter fermentors.

Production

Our production operations involve two steps. First, we produce the target molecule by means of an industrial fermentation process. In certain cases this target molecule is itself the desired end product. In other cases, it must be converted into the desired end product by means of chemical finishing steps.

Commercial Production of Target Fermentation Molecules

We have initiated commercial production of Biofene, our initial fermentation molecule, by using contract manufacturers as we complete our facility at Paraíso, Brazil and our joint venture facility with Usina São Martinho, SMA Indústria Química S.A., or SMA. Following completion of SMA, we will seek to expand our large-scale production capacity of intermediate molecules by entering into agreements with owners of additional sugar and ethanol mills in Brazil. We may also use alternative production resources in other geographies.

We are currently developing the engineering designs and technical capabilities to build out facilities at existing sugar and ethanol mills to produce Biofene and other target fermentation molecules. Because the bulk of our fermentation production process leverages the same equipment and process steps used to produce ethanol, we will be able to utilize much of the existing infrastructure. We expect this capital light approach will allow us to scale production at a lower cost than the cost of "greenfield" mill construction. The mill operator will retain the ability to direct the crushed sugarcane to produce either their current products or our products.

The manner in which we intend to develop our manufacturing capacity is as follows:

Contract manufacturing. To date, we have used contract manufacturing facilities to produce Biofene in quantities needed for certification and fleet testing as well as our 2011 and initial 2012 sales. For Biofene production, we have entered into agreements with Biomin and Tate & Lyle and Antibióticos. We have purchased certain equipment needed for production at these facilities. We will be the owner and distributor of the Biofene produced through these arrangements. We may seek to enter into additional contract manufacturing arrangements as an efficient way to ramp our near-term production. Depending primarily on the manufacturer's location and preferences, the most likely feedstocks to be used in these contracted facilities would be sugarcane syrup, sugar beet syrup, sugar beet molasses, VHP ("very high pol") sugar or corn-based dextrose.

Production at Paraíso. We have an agreement with Paraíso Bioenergia to construct and operate a production facility on their premises. Under this agreement, Paraíso Bioenergia will supply sugar cane juice and other utilities and we are responsible for construction of the production facility. The new production facility is being designed to process juice from up to one million tons of cane annually. We commenced construction of this facility in August 2011.

Production at Joint Venture facility at Usina São Martinho. We formed SMA in 2010, and commenced site preparation in December 2010 and civil construction in February 2011. The SMA plant was our first facility construction project and it is intended to provide a large-scale production facility to support our longer-term production plans. The construction project is ongoing and our estimated completion date for the facility depends significantly on the timing and availability of financing for the project.

Increasing large-scale production in Brazil through arrangements with sugar and ethanol mill owners. We anticipate increasing our commercial production in Brazil through arrangements with other ethanol and sugar producers. We have in place non-binding letters of intent for production relationships with several sugar and ethanol producers in Brazil, including Alvorada, Cosan, ETH and Açúcar Guarani.

Alternative geographies and feedstocks for production. Although we have identified the use of new "bolt-on" facilities adjacent to existing sugar and ethanol mills in Brazil as the optimal source for a substantial portion of our primary large-scale production efforts, we will also use facilities in alternative geographies for certain products. Our contract manufacturing arrangements currently include the use of facilities in the U.S., Brazil and Spain. In addition, we are exploring other production options in the U.S., including evaluating the potential for the use of sweet sorghum, "energy grasses," and woody biomass sourced from a variety of locations in the U.S. as feedstock, through an Integrated Biorefinery Grant from the U.S. Department of Energy, or DOE, and participation as a subcontractor to the DOE's National Renewable Energy Laboratory, or NREL, in connection with the NREL's National Advanced Biofuels Consortium.

Chemical Finishing Process

We may sell commercially-produced Biofene directly or we may first perform additional chemical finishing steps to convert Biofene into other finished products such as renewable squalane, lubricants, polymers, home and personal care products and diesel. We have established an agreement with Glycotech for use of the Leland, North Carolina facility of Salisbury Partners, LLC to convert Biofene into squalane, industrial lubricants and other final products starting in 2011. In addition, we have multiple agreements in place with Dottikon for the completion of process development work. Upon successful completion of such work, Dottikon may produce in Switzerland pilot and large-scale amounts of squalane or Biofene-derived molecules for use as oxygen scavengers in PET polymers or both. We have also entered into a services agreement with Albemarle under which it is completing process development work and will make pilot-scale amounts of certain Biofene-derived base oils at its facility in Baton Rouge, Louisiana. We expect to enter into additional agreements with other chemical companies for finishing services to access a flexible capacity and array of services.

Our Products

We focus on bringing forth a broad range of products to address six identified markets: cosmetics, lubricants, flavors and fragrances, polymers, consumer products and transportation fuels.

Cosmetics

Through simple chemical finishing steps, we are able to convert Biofene into squalane. Squalane is used today as a moisturizing ingredient in cosmetics and other personal care products. Squalane traditionally has been manufactured from olive oil or extracted from shark liver oil. We believe Amyris-produced squalane offers a purity that is equal or superior to squalane derived from conventional sources. The high price of squalane to date has meant that its use has been limited to small quantities in mass-market product formulations or to use in luxury products. We believe that we are capable of producing squalane at a price that would permit formulators to use squalane more broadly. To market and distribute squalane, we have established a

relationship with Soliance, a leading distributor of renewable cosmetics ingredients based in the Champagne-Ardenne region in France and we have an agreement with Nikko Chemicals Co.Ltd., a distributor in Japan.

Lubricants

Base oils are the building blocks of lubricating oils, which are currently derived from the crude oil refining process. Lubricants are manufactured by combining a base oil with additives that contribute additional performance properties as required by the thousands of lubricant product applications, including engine oils, gear oils, hydraulic oils and turbine oils. Biofene may be chemically modified to serve as a base oil. The high-purity synthetic base oil molecules made from Biofene will enable lubricant products to perform in harsh environments under extremes of temperature, moisture, dirt and wear.

In December 2010, we entered into an agreement with Cosan to establish a joint venture for the worldwide development, production and commercialization of renewable base oils. We established this joint venture, Novvi, in June 2011. We anticipate that Novvi will source Biofene initially from Amyris production facilities and the parties would share the development, marketing and operating costs.

Flavors and Fragrances

Since our microbial platform utilizes plant genes found in nature to make products via fermentation, we are well situated to cost-effectively and sustainably produce natural oils and aroma chemicals that are commonly used in the flavors and fragrances market. Many of the natural ingredients used in flavors and fragrances market are expensive because there is limited supply and the synthetic alternatives require complex chemical conversions. Amyris offers flavors and fragrances companies a natural route to procure these ingredients without sacrificing cost or quality.

Currently, we are developing a slate of flavors and fragrances ingredients that are either derivatives of building blocks we make from fermentation (e.g., Biofene) or products directly from fermentation.

We plan to participate in the flavors and fragrance market by providing sustainable replacements that are high quality, reliably available, and competitively priced. To begin to develop our product offerings in this area, we have established the following partnerships:

- A collaboration and joint development agreement with Firmenich, a global flavors and fragrances company headquartered in Geneva, Switzerland. Under this agreement, Firmenich will fund and collaborate with Amyris to produce a sustainable, cost-effective and reliable source of a key ingredient for the flavors and fragrances market. Amyris will manufacture and supply the ingredient to Firmenich, which will market and sell the ingredient or products incorporating the ingredient exclusively in the flavors and fragrance market. Both parties will share in the economic value derived from sales of the ingredient. The agreement also grants Firmenich an option to collaborate with Amyris to develop a second ingredient on similar terms.
- A co-development agreement with Givaudan, a global flavors and fragrance company headquartered in Vernier, Switzerland. Under the agreement, we will develop a derivative of Biofene to be used as a building block for one of the proprietary fragrance ingredients in Givaudan's palette. Upon achievement of certain success criteria, we will supply Biofene to Givaudan to derive the proprietary ingredient for the global fragrances and flavors market and share in the economic value created from the use of Biofene.

Polymers and Plastic Additives

Synthetic polymers are commonly used in the manufacture of thousands of products that incorporate plastics and other polymeric materials, and we believe Biofene has the potential to provide significant opportunities for development of renewable products for the polymer market. In June 2010, we announced a partnership with M&G, the world's largest producer of PET (polyethylene terephthalate) resins for packaging applications, to incorporate Biofene as an ingredient in M&G's PET processing. M&G is currently evaluating the potential for Biofene to improve product performance. Upon successful completion of product development and testing, Amyris would supply Biofene to M&G.

In August 2011, we signed a collaboration agreement with Kuraray to develop polymers from Biofene. Under the agreement, Kuraray will use Biofene to replace petroleum-derived molecules such as butadiene and isoprene in the production of specified classes of high-performing polymers. Upon successful completion of the technical development program for the first polymer, Amyris and Kuraray would enter into a supply agreement for Kuraray's exclusive use of Biofene in the manufacturing and commercialization of these polymer products.

Home & Personal Care Products

Biofene also offers a platform for development of sustainable, high-performing and cost-competitive ingredients for the fabric and home care (such as detergents, fabric softener, dish soap, and household cleaning products) and the personal care (such as hair care and body care) markets. To support our development and launch of ingredients to serve these markets, we have entered into a series of agreements with P&G. These agreements include collaboration on the development of certain specialty chemicals for P&G's products from Biofene and a related supply agreement for Biofene, which would commence upon successful completion of certain technical and commercial milestones.

In September 2011, we entered into a collaboration agreement with Wilmar focused on the development and worldwide commercialization of a family of surfactants derived from Biofene for use in a range of products, including consumer packaged goods, personal care products and industrial applications. In addition, in October 2011, we entered into a joint development agreement with Method to develop molecules derived from Biofene for use in home and personal care products.

As we develop and produce new chemicals via our technology platform, we will look for opportunities to use these new chemicals as-is or as sustainable building blocks to make other ingredients.

Transportation Fuels

We have selected diesel as our primary area of focus within the transportation fuels market because of its projected global demand growth, the lack of a scalable, competitive renewable product, and our belief that our fuel product has properties superior to those of existing renewable alternatives. In general, we will produce our renewable diesel by the simple chemical step of hydrogenating our Biofene. Hydrogenation is a common chemical process currently used in the production of numerous products, such as saturation of vegetable oils to make margarine.

In July 2011, we entered into an agreement with Petrobras to sell diesel derived from Biofene to Petrobras to blend with fuel supplied and distributed by Petrobras to city bus fleets of São Paulo and Rio de Janeiro, Brazil. In November 2011, we entered into an amendment of our technology license, development, research and collaboration agreement with Total to establish a renewable diesel development program. The amendment provides for an exclusive strategic collaboration for the development of renewable diesel products and contemplates that the parties will establish a joint venture for the production and commercialization of such renewable diesel products on an exclusive, worldwide basis. The amendment also provides that commercialization and production of jet fuel, already under development pursuant to the collaboration agreement, would be conducted on an exclusive, worldwide basis through the same joint venture.

We have completed significant steps to validate our ability to produce a market-accepted diesel product. By design, our product is a hydrocarbon of similar size to many of the hydrocarbons in petroleum-sourced diesel fuel. Due to the similarity of its chemical composition to that of existing petroleum-sourced diesel, our product has the properties required of diesel fuel and thereby satisfies the ASTM D975 Table 1 specifications for petroleum-derived diesel fuel oils. The Environmental Protection Agency, or EPA, has registered our diesel for use as a 35% blend with petroleum diesel in highway vehicles and non-road equipment and we are working to obtain registration for a higher blend with petroleum diesel, as opposed to the typical 3-10% blend of other bio-diesel products with petroleum diesel. We are currently pursuing Brazilian ANP (Agência Nacional do Petróleo) Diesel Fuel registration and CARB (California Air Resources Board) ULSD blend registration. We have received required approvals with Brazilian ANP (Agência Nacional do Petróleo, Gas Natural e Biocombustíveis) for our fuel in the country, and are pursuing Diesel Fuel registration with the CARB (California Air Resources Board) and other relevant regulatory bodies.

Our ability to enter the diesel market is also dependent upon our ability to continue to achieve the required regulatory approvals in the global markets in which we will seek to sell our diesel products. These approvals primarily involve clearance by the relevant environmental agencies in the particular jurisdiction. We must also be certified by a sufficient number of diesel engine manufacturers, vehicle manufacturers or operators of large trucking fleets so that our diesel will have an appropriately large and accessible addressable market. These certification processes include fuel analysis modeling and the testing of engines and their components to ensure that the use of our diesel fuel does not degrade performance or reduce the lifecycle of the engine or cause it to fail to meet emissions standards.

We have completed successful engine testing of our diesel fuel with Cummins Engine Company, or Cummins, and Mercedes-Benz Brasil at a blend of up to 10%, and our renewable diesel has received OEM engine warranties from Cummins, Volkswagen AG and Mercedes-Benz Brasil for demonstration purposes. We continue to work with other diesel engine manufacturers to qualify our product for use in their engines.

Other Total Collaboration Products

Our technology license, development, research and collaboration agreement with Total sets forth the terms for the research, development, production and commercialization of chemical and/or fuels products to be agreed on by the parties. The agreement establishes a multi-phased process through which compounds are identified, screened, selected for product feasibility study, and then ultimately selected as a lead compound for development. To commercialize any strains and compounds that are developed, Amyris and Total expect to form one or more joint ventures, the first of which we expect will be the diesel joint venture described above. Both Amyris and Total retain certain rights to make covered products independently subject to making royalty payments to the non-producing party, and Total has certain rights to require Amyris to work on non-collaboration projects. We have retained rights to produce and commercialize products in the following markets: flavors and fragrances; cosmetics, pharmaceuticals, consumer packaged goods, food additives, and pesticides. The first programs we are focusing on with Total relate to renewable diesel and jet fuel and industrial lubricants; however, we and Total retain the right to propose product development programs under these agreements in the future.

Product Distribution and Sales

We intend to distribute and sell our products either directly, through joint ventures, or with partners, depending on the market. For most chemical applications, we intend to sell directly to specialty chemical and consumer products companies. For example, we expect to sell directly to Firmenich, Givaudan, Kuraray, M&G, Method, Michelin, P&G and Wilmar under our agreements with them. Generally, these agreements do not include any specific purchase obligations, and sales are contingent upon achievement of technical and commercial milestones. In addition, we expect to commercialize certain products, including fuels and base oils through joint venture arrangements with Total and Cosan, respectively.

Commencing in 2008, we began developing a fuels distribution network and distribution capabilities in the U.S. through Amyris Fuels. We currently purchase ethanol produced by third parties and gasoline and sell both pure ethanol and ethanol-blended gasoline to wholesale customers. For 2011, Wawa, Inc. and Mansfield each accounted for more than 10% of our reported revenues by virtue of their purchases of ethanol and reformulated ethanol-blended gasoline from Amyris Fuels. Our customers purchase ethanol and ethanol-blended gasoline from us under short term agreements and spot transactions, and we currently do not have any contractual commitments from customers to purchase ethanol and ethanol-blended gasoline from us over a period of time. If we establish our joint venture with Total, we believe we may no longer need the capabilities represented by Amyris Fuels.

Intellectual Property

Our success depends in large part upon our ability to obtain and maintain proprietary protection for our products and technologies, and to operate without infringing the proprietary rights of others. We seek to avoid the latter by monitoring patents and publications in our product areas and technologies to be aware of developments that may affect our business, and to the extent we identify such developments, evaluate and take appropriate courses of action. With respect to the former, our policy is to protect our proprietary position by, among other methods, filing for patent applications on inventions that are important to the development and conduct of our business with the USPTO and its foreign counterparts.

As of February 15, 2012, we had 66 issued U.S. and foreign patents and 279 pending U.S. and foreign patent applications that are owned by or licensed to us. We also use other forms of protection (such as trademark, copyright, and trade secret) to protect our intellectual property, particularly where we do not believe patent protection is appropriate or obtainable. We aim to take advantage of all of the intellectual property rights that are available to us and believe that this comprehensive approach provides us with a strong proprietary position.

Notwithstanding the increasing backlog and patent pendency at the USPTO, we have obtained U.S. patents for many of our potential products through the use of a recently introduced accelerated examination program by the USPTO. Using this procedure, we have obtained patents for various fuel products: U.S. Patent No. 7,399,323 directed to our renewable diesel fuel composition; U.S. Patent No. 7,540,888 directed to our renewable gasoline fuel composition; and U.S. Patents No. 7,589,243 and No. 7,671,245, which are directed to our renewable jet products. Since obtaining our fuels patents, we have expanded the use of this program to our chemicals portfolio and have recently obtained U.S. Patent Nos. 7,592,295 and 7,691,792 for our lubricant products, and U.S. Patent Nos. 7,655,739 and 7,759,444 for our adhesive and polymer products.

We also protect our proprietary information by requiring our employees, consultants, contractors and other advisers to execute nondisclosure and assignment of invention agreements upon commencement of their respective employment or engagement. Agreements with our employees also prevent them from bringing the proprietary rights of third parties to us. In

addition, we also require confidentiality or material transfer agreements from third parties that receive our confidential data or materials.

Competition

We expect that our renewable products will compete with both the traditional, largely petroleum-based specialty chemical and fuels products that are currently being used in our target markets and with the alternatives to these existing products that established enterprises and new companies are seeking to produce.

Chemical Products

The chemical products we initially plan to produce include Biofene, squalane, fragrance ingredients, industrial lubricants and certain polymers. In these markets, and other chemical markets that we may seek to enter in the future, we will compete with the established providers of the products we seek to replace. Producers of these incumbent products include global oil companies, large international chemical companies and other smaller or niche companies specializing in specific products, such as cosmetic ingredient suppliers or flavors & fragrances ingredient suppliers. We may also compete in one or more of these markets with products that are offered as alternatives to the traditional petroleum-based or other traditional products being offered in these markets. We believe that there may be a number of companies seeking to develop renewable alternatives for existing chemical markets products, including those that we are initially targeting.

Transportation Fuel Products

Independent and Integrated oil refiners. Our competitors with respect to traditional fuel products are independent and integrated oil refiners. These companies are also our primary competitors with respect to fuels, including jet fuel currently in use in other transportation markets. We compete with these companies because an increasing penetration of renewable fuels reduces the need for fuels derived from traditional petroleum sources.

Many of these companies are seeking to provide alternative transportation fuel products through investing in internal research and development programs or in emerging technology companies. These technologies are in varying states of development, and the most advanced of which are those using non-renewable feedstocks, such as coal.

Advanced biofuels. Many other companies are exploring options for the production of diesel and other transportation fuels from renewable resources in other ways. These include companies using enzymes to convert cellulosic biomass, which is non-food plant material such as wood chips, corn stalks and sugarcane bagasse, into fermentable sugars to be converted into renewable fuels.

Biodiesel. Another source of renewable fuels products is the biodiesel industry, which is served by large, well-established agricultural products companies that convert vegetable oils, and in some cases animal oils, into diesel fuel. Other companies are seeking to produce diesel and other transportation fuels using thermochemical methods to convert biomass into renewable fuels.

We believe the primary competitive factors in both the chemical and fuel markets are product price, product performance and other measures of quality, infrastructure compatibility of products, sustainability, and dependability of supply.

We believe that for our chemical products to succeed in the market, we must demonstrate that they are comparable to both existing products and other alternative products that are being developed for the same markets based on some combination of product cost, availability, performance and consumer preference characteristics. With respect to our diesel and other transportation fuels products, we believe that our product must perform as effectively as the petroleum-sourced fuel and be available on a cost-competitive basis. Given the size of the traditional transportation fuels markets and the developing stage of alternatives fuels markets, we do not believe that our success will necessarily prevent other renewable diesel or other fuels products from achieving commercial success, or that the success of other renewable products will prevent our fuels products from being successful. However, with the wide range of renewable fuels products under development, we must be successful in reaching potential customers and convincing them that ours are effective and reliable alternatives.

Environmental and Other Regulatory Matters

Our development and production processes involve the use, generation, handling, storage, transportation and disposal of hazardous chemicals and radioactive and biological materials. We are subject to a variety of federal, state, local and international

laws, regulations and permit requirements governing the use, generation, manufacture, transportation, storage, handling and disposal of these materials in the U.S., Brazil and other countries where we operate or may operate or sell our products in the future. These laws, regulations and permits can require expensive fees, pollution control equipment or operational changes to limit actual or potential impact of our technology on the environment and violation of these laws could result in significant fines, civil sanctions, permit revocation or costs from environmental remediation. We believe we are currently in substantial compliance with applicable environmental regulations and permitting. However, future developments including our commencement of commercial manufacturing of one or more of our products, more stringent environmental regulation, policies and enforcement, the implementation of new laws and regulations or the discovery of unknown environmental conditions may require expenditures that could have a material adverse effect on our business, results of operations or financial condition. See “Risk Factors-Risks Relating to Our Business-We may incur significant costs complying with environmental laws and regulations, and failure to comply with these laws and regulations could expose us to significant liabilities.”

The use of genetically-modified microorganisms, or GMMs like our yeast strains, is subject to laws and regulations in many countries. In the U.S., the EPA regulates the commercial use of GMMs as well as potential products from the GMMs. The strain of genetically modified yeast that we use, *S. cerevisiae*, is eligible for exemption from EPA review because the EPA recognizes it as posing a low risk given its long history of safe use and will qualify for such exemption provided that it meets certain criteria, including but not limited to use of compliant containment structures and safety procedures. In Brazil, GMMs are regulated by CTNBio under its Biosafety Law No. 11.105-2005. We have obtained approval from CTNBio to use GMMs in our Campinas facilities for research and development purposes. We expect to encounter GMM regulations in most if not all of the countries in which we may seek to make our products, however, the scope and nature of these regulations will likely be different from country to country. If we cannot meet the applicable requirements in countries in which we intend to use produce our products using our yeast strains, then our business will be adversely affected. See “Risk Factors-Risks Relating to Our Business-We may face risks relating to the use of our genetically modified yeast strains and if we are not able to secure regulatory approval for the use of our yeast strains or if we face public objection to our use of them, our business could be adversely affected.”

Our renewable chemical products may be subject to regulation by government agencies in our target markets. The EPA administers the requirements of the Toxic Substances Control Act, or the TSCA, which regulates the commercial use of chemicals. Before an entity can manufacture a chemical, it needs to determine whether that chemical is listed in the TSCA inventory. If the substance is listed, then manufacture can commence immediately. If not, then in most cases a “Chemical Abstracts Service” number registration and pre-manufacture notice must be filed with the EPA, which has up to 180 days to review the filing.

Our diesel fuel is subject to regulation by various government agencies. In the U.S., this includes the EPA and the California Air Resources Board. In Brazil, this includes Agência Nacional do Petróleo, or ANP. To date we have obtained registration with the EPA for the use of our diesel in the U.S. at a 35% blend rate. We are currently exploring registration of our fuel with the California Air Resources Board and the European Commission. Registration with each of these bodies is required for the sale and use of our fuels within their respective jurisdictions. In addition, for us to achieve full access to the U.S. fuels market for our fuel products, we will need to obtain EPA and California Air Resources Board (and potentially other state agencies) certifications for our feedstock pathway and production facility, including certification of a feedstock lifecycle analysis relating to greenhouse gas emissions. Any delay in obtaining these additional certifications could impair our ability to sell our renewable fuels to refiners, importers, blenders and other parties that produce transportation fuels as they comply with Federal and state requirements to include certified renewable fuels in their products. See “Risk Factors-Risks Relating to Our Business-We may not be able to obtain regulatory approval for the sale of our renewable products.”

Amyris Fuels is subject to various U.S. federal regulations relating to its marketing and distribution of ethanol and ethanol-blended gasoline, and it is registered with the EPA in connection with its use of ethanol as a fuel additive. In addition, Amyris Fuels is subject to various state regulations, including regulations regarding excise tax payments and the posting of surety bonds.

Research and Development

We devote substantial resources to our research and development efforts. As of February 24, 2012, our research and development organization included approximately 268 employees, 90 of whom hold Ph.D.s. Our technology development is currently focused primarily on improving the performance of our production strains and on developing strains that produce new molecules. To facilitate the transfer of our fermentation technology to production, we operate pilot-scale fermentation facilities in both Emeryville, California and Campinas, Brazil, and transfer strains on a regular basis through this process. Our process consists of a number of discrete steps including:

- identifying new target molecules

- creating new microbial strains capable of producing the target molecule
- increasing product yield and productivity from microbial strains through strain modification or fermentation improvements
- increasing efficiency of product separation and purification
- continuous translation of these steps from lab to commercial scale production.

Our research and development expenditures were approximately \$87.3 million, \$55.2 million, and \$38.3 million and for the fiscal years ended December 31, 2011, 2010 and 2009, respectively.

Employees

As of February 24, 2012, we had 489 full-time employees. Of these employees, 347 were in the U.S. and 142 were in Brazil. None of our employees is represented by a labor union or is covered by a collective bargaining agreement. We have never experienced any employment-related work stoppages and consider relations with our employees to be good.

Financial Information About Geographic Areas

Financial information regarding revenues and long-lived assets by geographic area is included in Note 17-“Reporting Segments” in “Notes to Consolidated Financial Statements” included in this Form 10-K.

Business Background and Available Information

We organized our business in 2003 as a California corporation under the name Amyris Biotechnologies, Inc. and have maintained our headquarters and research facilities in the San Francisco Bay Area since that time. In June 2010, we reincorporated in Delaware and changed our name to Amyris, Inc. We commenced research activities in 2005, focusing on the development of an alternative source of artemisinin acid for the treatment of malaria and launched research efforts for production of Biofene in 2006. In 2008, we began to sell third party ethanol to wholesale customers through our Amyris Fuels subsidiary. We first established a presence in Brazil in 2008 through the opening of laboratories in Campinas. Our corporate headquarters are located at 5885 Hollis Street, Suite 100, Emeryville, CA 94608, and our telephone number is (510) 450-0761. Our website address is www.amyris.com. The information contained in or accessible through our website or contained on other websites is not deemed to be part of this report on Form 10-K.

We are subject to the filing requirements of the Securities Exchange Act of 1934. Therefore, we file periodic reports, proxy statements and other information with the Securities and Exchange Commission. Such reports, proxy statements and other information may be obtained by visiting the Public Reference Room of the Securities and Exchange Commission at 100 F Street, NE, Washington, D.C. 20549. You may obtain information regarding the operation of the Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. In addition, the Securities and Exchange Commission maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically.

We make our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to such reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 available free of charge through a link on the Investors section of our website located at www.amyris.com (under “Financial Information-SEC Filings”) as soon as reasonably practicable after they are filed with or furnished to the Securities and Exchange Commission.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information set forth in this Annual Report on Form 10-K, which could materially affect our business, financial condition or future results. If any of the following risks actually occurs, our business, financial condition, results of operations and future prospects could be materially and adversely harmed. The trading price of our common stock could decline due to any of these risks, and, as a result, you may lose all or part of your investment.

Risks Related to Our Business

We have incurred losses to date, anticipate continuing to incur losses in the future and may never achieve or sustain profitability.

As of December 31, 2011, we had an accumulated deficit of \$381.2 million. We expect to incur additional costs and expenses related to the continued development and expansion of our business, including our research and development operations, continued operation of our pilot plants and demonstration facility, engineering and design work. Further, we expect to incur costs related to implementation of multiple contract manufacturing arrangements, including equipment purchases, facility construction and technology transfer, as well as those related to the facilities that we are developing with São Martinho and Paraíso Bioenergia and deployment of our technology at other sugar and ethanol mills. There can be no assurance that we will ever achieve or sustain profitability on a quarterly or annual basis.

We have very limited experience producing our products at the commercial scale needed for the development of our business, and we will not succeed if we cannot effectively scale our technology and processes.

To commercialize our products, we must be successful in using our yeast strains to produce target molecules at commercial scale and on an economically viable basis. Such production will require that our technology and processes be scalable from laboratory, pilot and demonstration projects and industrial-scale test runs to commercial-scale production. Up to and through most of 2010, our primary focus was research and development. In 2011, we commenced commercial manufacturing operations at three contract manufacturing facilities: Biomin in Brazil, Antibióticos in Spain and Tate & Lyle in the U.S. We have very limited manufacturing experience and cannot be sure that we will be successful in establishing these or future larger-scale production operations in a timely manner and on a scale that will allow us to meet our plans for commercialization. We are outsourcing to contract manufacturers and other third parties some of the production process development work associated with commercial scale-up and such third parties may not perform such development work at the level we expect. Furthermore, our technology may not perform as expected when applied at commercial scale on a sustained basis, or we may encounter operational challenges for which we are unable to devise a workable solution. For example, in 2011 at our contract manufacturing facilities, contamination in the production process, problems with plant utilities, lack of automation and related human error, process modifications to reduce costs and adjust product specifications, and other similar challenges decreased process efficiency, created delays and increased our costs. Such challenges are likely to continue as we and our contract manufacturing partners develop our production processes and establish new facilities. We may not be able to scale up our production in a timely manner, if at all, even to the extent we successfully complete product development in our laboratories and pilot and demonstration facilities and conduct successful industrial-scale test runs. If this occurs, our ability to commercialize our technology will be adversely affected, and, with respect to any products that we are able to bring to market, we may not be able to lower the cost of production, which would adversely affect our ability to sell our products and achieve profits. Similarly, our ability to produce the volume of Biofene covered by our existing agreements is based in part on our ability to achieve substantially higher production efficiencies than we have to date. We may never achieve those production efficiencies.

We will require additional financing to fund our anticipated operations and may not be able to obtain such financing on favorable terms, if at all.

We will continue to fund our research and development and related activities and to provide working capital to fund production, storage, distribution and other aspects of our business. We may also from time to time consider acquisitions of other companies, assets or technologies to accelerate our research and development and commercialization efforts. In addition, we plan to make significant capital expenditures in connection with our contract manufacturing arrangements and mill production plant arrangements. While we plan to enter into relationships with sugar and ethanol producers for them to provide some portion or all of the capital needed to build the new, adjacent bolt-on production facility, such parties may not be willing to provide such capital and we may be required to provide some or all of the financing that we currently expect to be provided by these owners. Furthermore, our anticipated working capital needs and our planned operating and capital expenditures for 2012 and 2013 will require significant inflows of cash from credit facilities and similar sources of indebtedness, as well as funding from collaboration partners. Some of these necessary financing sources are not yet subject to definitive agreements or have not committed to funding arrangements. In addition, our anticipated working capital needs and strategic plans in 2012 and beyond will depend on our ability to identify

and secure additional sources of funding beyond those we have currently identified. Such sources of funding may include equity or debt offerings, in addition to collaboration revenue and other forms of debt. If we fail to secure such funding, we may be forced to curtail our operations, which could include reductions or delays of planned capital expenditures or scaling back our operations. We have had to adjust the timing for construction projects relating to the São Martinho plant due to financing constraints, and the projected completion date for São Martinho is being assessed and could be subject to further delays and adjustment based on the timing and success of our financing activities. If we are forced to curtail our operations, we may be unable to proceed with construction of certain planned production facilities, enter into definitive agreements for supply of feedstock and associated production arrangements that are currently subject to letters of intent, commercialize our products within the timeline we expect, or otherwise continue our business as currently contemplated.

If, to support our planned operations, we seek additional types of funding that involve the issuance of equity securities, our existing stockholders would suffer dilution. For example, in February 2012, we completed a private placement of our common stock that resulted in the issuance of approximately 10.2 million shares of our common stock and entered into a securities purchase agreement that resulted in the issuance of \$25.0 million in unsecured senior convertible promissory notes that are convertible into common stock at an initial conversion price of \$7.0682. The convertible notes contain various covenants, including restrictions on the amount of debt we are permitted to incur. We may conduct additional financings if they become available on appropriate terms and we deem them to be consistent with our financing strategy. If we raise additional debt financing, we may be subject to additional restrictive covenants that limit our ability to conduct our business. We may not be able to raise sufficient additional funds on terms that are favorable to us, if at all. If we fail to raise sufficient funds and continue to incur losses, our ability to fund our operations, take advantage of strategic opportunities, develop and commercialize products or technologies, or otherwise respond to competitive pressures could be significantly limited. If this happens, we may be forced to delay or terminate research and development programs or the commercialization of products resulting from our technologies, curtail or cease operations, or obtain funds through collaborative and licensing arrangements that may require us to relinquish commercial rights, or grant licenses on terms that are not favorable to us. If adequate funds are not available, we will not be able to successfully execute our business plan or continue our business.

If our major production facilities in Brazil do not successfully commence operations, our customer relationships, business and results of operations may be adversely affected.

We have selected Brazil as the optimal geography for a substantial proportion of the initial large-scale commercial production of our products, largely because of the availability of sugarcane as a feedstock and the existing infrastructure for producing, gathering and processing this sugarcane. Our business plan envisions that we will develop this production capacity primarily through arrangements with existing sugar and ethanol producers. In order to have control over the development of our first major large-scale commercial production facility in Brazil, we entered into an agreement with São Martinho, one of the largest sugar and ethanol producers in Brazil, for the joint ownership and development of a production facility at the São Martinho mill. We also entered into a manufacturing agreement with Paraíso Bioenergia, also in Brazil, under which we will be responsible for construction of the production facility. A substantial component of our planned production capacity in the near and long term depends on the completion and commencement of operations at these production facilities, and development of additional facilities using similar models thereafter.

Delays in completion of our production facilities at São Martinho and Paraíso Bioenergia will cause delays in commencement of large-scale production and hamper our ability to reduce our production costs. We will have to adjust our goals for production volume in 2012 and beyond based on, among other things, our ability to raise sufficient financing to fund construction and commissioning costs, delays in process development at contract manufacturing facilities and uncertainty relating to the timing of these large-scale facilities. Once the facilities are operational, they must perform as we have designed them. If we encounter significant delays, cost overruns, engineering problems, equipment supply constraints or other serious challenges in bringing these facilities online, we may be unable to produce our initial renewable products in the time frame we have planned, or we may need to continue to use contract manufacturing sources to a greater degree, which would reduce our expected gross margins. Further, if our efforts to complete, and commence production at, these facilities are not successful, other mill owners in Brazil may decide not to work with us to develop additional production facilities, demand more favorable terms or delay their commitment to invest capital in our production.

Our construction of manufacturing facilities at São Martinho and Paraíso Bioenergia requires significant capital expenditures and subjects us to significant liquidity and production risks.

Our initial large-scale production facility construction plan was for the plant at São Martinho and we are designing and managing the project. We expect the construction costs of the new facility to total approximately \$100 million. Ultimately, under the terms of our joint venture agreements, São Martinho will contribute the lower of R\$61.8 million reais (US\$32.9 million based on the exchange rate at December 31, 2011) and half of the aggregate cost of construction with us contributing the remainder; however the timing of contributions from São Martinho depend on in part on the successful commencement of commercial operations at the plant, which could leave us vulnerable in the event we encounter challenges in building the facility or bringing

it online, delays in achieving commercial viability with our Biofene production process, disputes with São Martinho or other unanticipated events that may occur prior to the time São Martinho makes its capital contribution. In addition, because São Martinho's contribution is capped, we will bear the responsibility for construction costs in excess of those anticipated. Furthermore, under our manufacturing agreement with Paraíso Bioenergia, we are responsible for building fermentation and separation capacity to establish the planned production facility. We anticipate funding construction of such facilities with our working capital and with debt and other financing; however, we cannot be sure that we will be able to raise financing for these projects in sufficient amounts or on acceptable terms in a timely manner, and we have already had to delay certain construction projects associated with the São Martinho plant due to financing constraints. If we fail to raise sufficient funds or are required to conserve working capital for other uses, we may be forced to delay or terminate projects, which could have a material adverse effect on our ability to achieve target production levels in the coming years.

Our joint venture with São Martinho subjects us to certain legal and financial terms that could adversely affect us.

The terms of our joint venture with São Martinho are complex and are set forth in a number of agreements and schedules. If we and São Martinho disagree over the interpretation of any of these joint venture documents, the future success of the joint venture may be impaired and any amount that we have invested in it may be at risk.

The joint venture has agreed to purchase, and São Martinho has agreed to provide, feedstock for a price that is based on the average return that São Martinho could receive from the production of its current products, sugar and ethanol. If the cost of these products increases relative to the price at which we can sell the output that we are required to purchase from the joint venture, our return on sales of products produced by the joint venture would be adversely affected. We are required to purchase the output of the joint venture for the first four years at a price that guarantees the return of São Martinho's investment plus a fixed interest rate. We may not be able to sell the output at a price that allows us to achieve anticipated, or any, level of profitability on the product we acquire under these terms. Similarly, the return that we are required to provide the joint venture for products after the first four years may have an adverse effect on the profitability we achieve from acquiring the mill's output. Finally, our purchase obligation with the mill requires us to purchase the output regardless of whether we have a customer for such output, and our results of operations and financial condition would be adversely affected if we are unable to sell the output that we are required to purchase.

If the joint venture is terminated, we would be required to buy the joint venture's assets at fair value and transfer them to another location. In that event, we could incur significant unexpected costs and be required to find alternative locations for our facility, which would substantially delay the commencement of production. In addition, if Amyris Brasil becomes controlled, directly or indirectly, by a competitor of São Martinho, then São Martinho has the right to acquire our interest in the joint venture and if São Martinho becomes controlled, directly or indirectly, by a competitor of ours, then we have the right to sell our interest in the joint venture to São Martinho. In either case, the purchase price is to be determined in accordance with the joint venture agreements, and we would continue to have the obligation to acquire products produced by the joint venture for the remainder of the term of the supply agreement then in effect even though we might no longer be involved in the joint venture's management.

We consolidate our joint venture with São Martinho in accordance with the guidance for consolidation of variable interest entities, which requires an ongoing assessment of whether we have the power to direct the activities that most significantly impact the joint venture's economic performance. We may be unable to consolidate this joint venture in the future, if we no longer meet the requirements for consolidation as a variable interest entity.

We plan to enter into arrangements with Brazilian sugar and ethanol producers to produce a substantial portion of our products, and if we are not able to complete these arrangements in a timely manner and on terms favorable to us, our business will be adversely affected.

To expand our production in Brazil beyond that of our initial production facilities with Biomin, Antibióticos, Tate & Lyle, São Martinho and Paraíso Bioenergia, we intend to enter into agreements with sugar and ethanol producers in Brazil that require them to make a substantial capital or operating contribution to produce our renewable products. In return, we expect to provide them with a share of the higher gross margin we believe we will realize from the sale of these products relative to their existing products. There can be no assurance that a sufficient number of Brazilian sugar and ethanol mill owners will accept the opportunity to partner with us for the production of our products, whether on those terms or at all. Reluctance on the part of mill owners may be caused, for example, by their failure to understand our technology or product opportunities or agree with the greater economic benefits that we believe they can achieve from partnering with us. Mill owners may also be reluctant or unable to obtain needed capital, or they may be limited by existing contractual obligations with other third parties, liability, health and safety concerns, additional maintenance, training, operating and other ongoing expenses. We have entered into letters of intent with certain Brazilian sugar and ethanol producers to produce our products and São Martinho has the option for production at a second mill, but these do not bind either the mill owner or us to enter into and proceed with a formal relationship. In addition, there are numerous issues regarding these mill relationships that must be successfully negotiated with each of the mill owners and we may not be successful in completing these negotiations. Even if sugar and ethanol producers are willing to build new facilities and produce our products, they may do so only on economic terms that place more of the cost, or confer less of the economic return, on us than we currently

anticipate. If we are not successful in negotiations with sugar and ethanol mill owners, our cost of gaining this production capacity may be higher than we anticipate in terms of up-front costs, capital expenditure or lost future returns, and we may not gain the production base that we need in Brazil to allow us to grow our business.

Building new, bolt-on facilities adjacent to existing sugar and ethanol mills for production of our products requires significant capital, and if mill owners are unwilling to contribute capital, or do not have or have access to this capital, production of our products would be more limited or more expensive than expected and our business would be harmed.

We expect to expand our production capacity over time using a capital light approach, through which mill owners would invest a substantial portion or all of the capital needed to build our bolt-on production facilities, in exchange for a share of the higher gross margin from the sale of our renewable chemicals and fuels, as compared to their current products. Mill owners may perceive this construction as a costly process requiring substantial capital or operating contribution. Mill owners may not have sufficient capital of their own for this purpose or may not be willing or able to secure financing. As a result, they may choose not to contribute the amount of capital that we anticipate or may need to seek external sources of financing, which may not be available. If the mill owner needs to obtain financing through debt, we may be required to provide a guarantee. Furthermore, even if we are able to establish mill relationships where mill owners contribute desired levels of capital, we will be required to contribute significant capital ourselves, as is the case with the facilities at Biomin, Antibióticos, Tate & Lyle, São Martinho and Paraíso Bioenergia. As we add relationships and commit to building additional production facilities, we will require additional financial resources to finance such projects, which could include equity financing, debt and additional contributions from existing and new collaboration partners. Even if sugar and ethanol producers are attracted to the opportunity, they may not be able to obtain credit to pursue it, which could adversely affect our ability to develop the production capacity needed to allow us to grow our business.

Our reliance on contract manufacturers for near term production exposes us to risks relating to the costs, contractual terms, location, equipment installation, technology transfer and availability of that contract manufacturing and could adversely affect our growth.

We commenced commercial production of Biofene and some specialty chemical products in 2011 through the use of contract manufacturers, and we anticipate that we will continue to use contract manufacturers for the next several years. Setting up sufficient contract manufacturing facilities requires us to make significant capital expenditures, which reduces our cash and subjects us to losses from depreciation. For example, we have incurred, and expect to continue to incur, significant capital expenditures in connection with our contract manufacturing arrangements, including Biomin in Brazil, Tate & Lyle in the U.S., and Antibióticos in Spain. In addition, many of our contract manufacturing agreements contain terms that commit us to pay for such capital expenditures and other costs incurred by the plant operators and owners, which could result in contractual liability for us even if we determine that we no longer wish to pursue a particular contract manufacturing arrangement. Some of such agreements also contain requirements to pay bonuses for milestone achievements by the contractor, minimum offtake requirements with penalties for failure to purchase specified amounts in a given period, and other terms that create contingent liabilities or other obligations for us. Any failure to comply with such requirements could result in legal claims against us, resulting in additional liability and diverting management attention, which could have a material adverse effect on our business.

Furthermore, we cannot be sure that contract manufacturers will be available when we need their services, that they will be willing to dedicate a portion of their capacity to our projects, or that we will be able to reach acceptable price and other terms with them for the provision of their production services. If we are unable to secure the services of such third parties when and as needed, we may lose customer opportunities and the growth of our business may be impaired. Also, in order for production to commence under our contract manufacturing arrangements, we will generally have to provide equipment needed for the production of our products and we cannot be assured that such equipment can be ordered, or installed, on a timely basis, at acceptable costs, or at all. In addition, to establish new manufacturing facilities we need to transfer our yeast strains and production processes from lab to commercial plants controlled by third parties, which may pose technical or operational challenges that delay production or increase our costs.

The locations of contract manufacturers can pose additional cost, logistics and feedstock challenges. If production capacity is available at a plant that is remote from usable chemical finishing or distribution facilities, or from customers, we will be required to incur additional expenses in shipping products to other locations. Such costs could include shipping costs, compliance with export and import controls, tariffs and additional taxes, among others. In addition, we may be required to use feedstock from a particular region for a given production facility. The feedstock available in a particular region may not be the least expensive or most effective feedstock for production, which could significantly raise our overall production cost until we are able to optimize the supply chain. For example, we currently rely on Antibióticos in Spain for a large percentage of our production volume. This reliance means that we must ship Biofene produced in Spain to satisfy demand in various locations around the world. In addition, Antibióticos uses non-sugarcane syrup as its feedstock source, which results in higher production costs than using Brazilian sugarcane syrup used in our Brazilian facilities.

We rely on third parties for process development and such third parties may not be successful in helping us achieve the production efficiency we need.

We have outsourced some of our production process development to contract manufacturers and other third parties and are relying on them to help us achieve production efficiency in our commercial scale-up efforts. Such third parties may not perform this work as well as we need them to in order for us to produce our products in a commercially viable manner. For example, third parties may prioritize other projects or customers or lack expertise or resources at any given time. Failures to develop our production process could prevent us from being able to offer our planned products at competitive prices, on the timeline we expect, or at all. In addition, we expect that our production costs using contract manufacturers will be higher, based on scale of operations, feedstock and contract manufacturing economics, than the costs to produce our products in sugar and ethanol mills with which we have entered into long term relationships.

If we are unable to decrease our production costs, we may not be able to produce our products at competitive prices and our ability to grow our business will be limited.

Currently, our costs of production are not low enough to allow us to offer many of our planned products at competitive prices. For us to establish significant sales of our specialty chemicals or fuels, we must achieve commercially-viable production efficiencies and cost structures. Our production cost depends on many factors that could have a negative effect on our ability to offer our planned products at competitive prices. For example, the price of feedstock and our ability to build large-scale production capacity will have a significant impact on our pricing. Other factors that impact our production cost include yield, productivity, separation efficiency and chemical process efficiency. Yield refers to the amount of the desired molecule that can be produced from a fixed amount of feedstock. Productivity represents the rate at which our product is produced by a given yeast strain. Separation efficiency refers to the amount of desired product produced in the fermentation process that we are able to extract and the time that it takes to do so. Chemical process efficiency refers to the cost and yield for the chemical finishing steps that convert our target molecule into a desired product. In order to successfully enter transportation fuels and certain chemical markets, we must produce those products at significantly lower cost, which will require both substantially higher yields than we have achieved to date and other significant improvements in production efficiency, including in productivity and in separation and chemical process efficiencies. There can be no assurance that we will be able to make these improvements or reduce our production costs sufficiently to offer our planned products at competitive prices, and any such failure could have a material adverse impact on our business and prospects.

Our ability to establish substantial commercial sales of our products is subject to many risks, any of which could prevent or delay revenue growth and adversely impact our customer relationships, business and results of operations.

There can be no assurance that our products will be approved or accepted by customers, that customers will choose our products over competing products, or that we will be able to sell our products profitably at prices and with features sufficient to establish demand. Although we have begun to sell squalane and some diesel, we are in the very early stages of selling our products into the commercial markets we are targeting. Our sales and marketing efforts for our initial products are primarily focused on a small number of target customers and we will need to convince them that our products are comparable to or better than products they currently use that we seek to replace, both in terms of cost and performance. In addition, these customers will need to complete product qualification procedures, which may not be achieved in a timely manner or at all. We also face various risks related to commercial production, including obtaining assistance of contract manufacturers, production process development and production efficiency as discussed in the production risk factors above.

Our manufacturing operations require sugar feedstock, and the inability to obtain such feedstock in sufficient quantities or in a timely manner may limit our ability to produce our products.

We anticipate that the production of our products will require large volumes of feedstock. In the near term, we will rely on a mixture of feedstock sources for use at our contract manufacturing operations, including corn-based dextrose, beet molasses and cane sugar. For our large-scale production facilities in Brazil, we expect to rely primarily on Brazilian sugarcane. We cannot predict the future availability or price of these various feedstocks, nor can we be sure that our mill partners, which we expect to supply the sugarcane feedstock necessary to produce our products in Brazil, will be able to supply it in sufficient quantities or in a timely manner. Furthermore, to the extent we are required to rely on sugar feedstock other than Brazilian sugarcane, the cost of such feedstock may be higher than we expect, increasing our anticipated production costs. Feedstock crop yields and sugar content depend on weather conditions, such as rainfall and temperature that vary. Weather conditions have historically caused volatility in the ethanol and sugar industries by causing crop failures or reduced harvests. Excessive rainfall can adversely affect the supply of sugarcane and other sugar feedstock available for the production of our products by reducing the sucrose content and limiting growers' ability to harvest. Crop disease and pestilence can also occur from time to time and can adversely affect feedstock growth, potentially rendering useless or unusable all or a substantial portion of affected harvests. With respect to sugarcane, our initial primary feedstock, the limited amount of time during which it keeps its sugar content after harvest and the fact that sugarcane is

not itself a traded commodity increases these risks and limits our ability to substitute supply in the event of such an occurrence. If production of sugarcane or any other feedstock we may use to produce our products is adversely affected by these or other conditions, our production will be impaired, and our business will be adversely affected.

We have entered into a number of agreements for the development, initial commercialization and sale of certain products that contain important technical, development and commercial milestones. If we do not meet those milestones our future revenue and financial results will be harmed.

We have entered into a number of agreements regarding arrangements for the further development of certain of our products and, in some cases, for ultimate sale to the customer under the agreement. None of these agreements affirmatively obligates the other party to purchase specific quantities of any products at this time, and these agreements contain important conditions that must be satisfied before any such purchases may be made. These conditions include research and development milestones and technical specifications that must be achieved to the satisfaction of our customers, which we cannot be certain we will achieve. Some agreements provide that we will not initiate sales until we achieve advances in production efficiency to lower production costs. In addition, these agreements contain exclusivity and other terms that may limit our ability to commercialize our products and technology in ways that we do not currently envision. If we do not achieve these contractual milestones, our revenues and financial results will be harmed.

Our relationship with our strategic partner Total may have a substantial impact on our company.

We have entered into a strategic relationship with Total. As part of this relationship, Total has made a significant equity investment in our company and has certain board membership rights, as well as certain first negotiation rights in the event of a sale of our company. As a result, Total will have access to a significant amount of information about our company and the ability to influence our management and affairs. Total's right of first negotiation may adversely affect our ability to complete a change in control transaction that our Board of Directors believes is in the best interests of stockholders other than Total.

We also entered into a license, development, research and collaboration agreement with an affiliate of Total, under which we may develop, produce and commercialize products with Total. The agreement provides for Total to pay up to the first \$50.0 million in research costs for selected research and development projects, but we must agree with Total on the product development projects we wish to pursue. Although we have agreed on two initial product development programs, we have not yet finalized all relevant terms and conditions for those programs. We cannot be certain that we will agree on any future product development projects. Our ability to successfully pursue product development under this agreement will depend, among other things, on our ability to work cooperatively with Total. If we cannot agree to the final terms and conditions for our initial projects, or agree on any subsequent projects, then we would not receive the research and development funding we expect from Total, and this could adversely affect our product development plans and would lead to an impairment of our deferred charged assets. In addition, Total has a right of first negotiation with us with respect to exclusive commercialization arrangements that we would propose to enter into with certain third parties, as well as the right to purchase any of our products on terms not less favorable than those offered to or received by us from third parties in any market where Total or its affiliates have a significant market position. These rights might inhibit potential strategic partners or potential customers from entering into negotiations with us about future business opportunities. Further, the agreement is complex and covers a range of future activities, and disputes may arise between us and Total that could delay the programs on which we are working or could prevent the commercialization of products developed under our collaboration agreement. Total also has the right to terminate the collaboration agreement in the event we undergo a sale or change of control to certain entities, which could discourage a potential acquirer from making an offer to acquire us.

In November 2011, we entered into an amendment of the collaboration agreement that provides for an exclusive strategic collaboration for the development of renewable diesel products and contemplates that the parties will establish a joint venture for the production and commercialization of such renewable diesel products on an exclusive, worldwide basis. It also provides that commercialization and production of jet fuel, already under development pursuant to the original collaboration agreement, would be conducted on an exclusive, worldwide basis through the same joint venture. Further, the amendment provides the joint venture with the right to produce and commercialize certain other chemical products made through the use of our technology on a non-exclusive basis. In addition to requiring us to work with Total in these key strategic areas of our business, the amendment contains a number of provisions that create contractual risk for us. These include various provisions that allow Total to terminate its efforts with respect to the development project, reduce its funding, not participate in the joint venture, and/or require royalty payments by us. For example, the amendment provides that definitive agreements to form the joint venture must be in place by March 31, 2012 (or another date as agreed to by the parties) or the renewable diesel program, including any further collaboration payments by Total related to the renewable diesel program, will terminate. The continuation of the renewable diesel program and the formation of the joint venture are also subject to certain mutual intellectual property due diligence conditions. Under the amendment, each party retains certain rights to independently produce and sell renewable diesel under specified circumstances subject to paying royalties to the other party. In addition, Total has an option, upon completion of the renewable diesel program, to notify us that it does not wish to pursue production or commercialization of renewable diesel under the amendment. If Total exercises this right,

we are obligated pay Total specified royalties based on our net income. Such royalty payments would also include a share of net proceeds received by us from any sale of our renewable diesel business.

An increase in the price and profitability of ethanol and sugar relative to our products could adversely affect our arrangements with sugar and ethanol producers.

In order to induce owners of sugar and ethanol facilities to produce our products, we generally have planned to compensate them for the feedstock consumed in the production of our products in an amount equal to the revenue they would have realized had they instead produced their traditional products, plus any incremental costs incurred in the production of our products over their usual production costs. Also, as we sell our products, we expect to share a portion of the realized gross margin with these mill owners. An increase in the price of ethanol or sugar relative to the price at which we can sell our products could result in the cost of our products increasing without a corresponding increase in the price at which we can sell our products. In this event our results of operations would be adversely affected. If ethanol prices are sufficiently high that the return from converting a given amount of sugarcane to ethanol exceeds the return from converting that amount of sugarcane into our products, then we will have to compensate the mill owner for that loss or risk the mill owner reverting to the production of ethanol and not producing our products at all. Many factors could cause this unfavorable price dislocation. If sugar prices increase over a sustained period of time, this may encourage sugar production at the expense of ethanol in mills with flexibility to produce both products, which in turn could cause domestic prices in Brazilian reais for ethanol to increase. In addition, the Brazilian government currently requires the use of anhydrous ethanol as a gasoline additive. Any change in these government policies could affect ethanol demand in a way that discourages mill owners from producing our products.

The price of sugarcane feedstock can be volatile as a result of changes in industry policy and may increase the cost of production of our products.

In Brazil, Conselho dos Produtores de Cana, Açúcar e Alcool (Council of Sugarcane, Sugar and Ethanol Producers), or Consecana, an industry association of producers of sugarcane, sugar and ethanol, sets market terms and prices for general supply, lease and partnership agreements for sugarcane. Changes in such prices and terms could result in higher sugarcane prices and/or a significant decrease in the volume of sugarcane available for the production of our products. If Consecana were to cease to be involved in this process, such prices and terms could become more volatile. Any of these events could adversely affect our business and results of operations.

Our initial large-scale commercial production capacity is planned for Brazil, and our business will be adversely affected if we do not operate effectively in that country.

For the foreseeable future, we will be subject to risks associated with the concentration of essential product sourcing and operations in Brazil. In the past, the Brazilian economy was characterized by frequent and occasionally extensive intervention by the Brazilian government and unstable economic cycles. The Brazilian government has changed in the past, and may change in the future, monetary, taxation, credit, tariff and other policies to influence the course of Brazil's economy. For example, the government's actions to control inflation have at times involved setting wage and price controls, adjusting interest rates, imposing taxes and exchange controls and limiting imports into Brazil. We have no control over, and cannot predict, what policies or actions the Brazilian government may take in the future. For example, the Brazilian government may take actions to support state-controlled entities in our industry that could adversely affect us. Our business, financial performance and prospects may be adversely affected by, among others, the following factors:

- delays or failures in securing licenses, permits or other governmental approvals necessary to build and operate facilities and use our yeast strains to produce products;
- rapid consolidation in the sugar and ethanol industries in Brazil, which could result in a decrease in competition;
- political, economic, diplomatic or social instability in or affecting Brazil;
- changing interest rates;
- tax burden and policies;
- effects of changes in currency exchange rates;
- exchange controls and restrictions on remittances abroad;
- inflation;
- land reform movements;
- export or import restrictions that limit our ability to move our products out of Brazil or interfere with the import of essential materials into Brazil;

- changes in or interpretations of foreign regulations that may adversely affect our ability to sell our products or repatriate profits to the U.S.;
- tariffs, trade protection measures and other regulatory requirements;
- successful compliance with U.S. and foreign laws that regulate the conduct of business abroad;
- an inability, or reduced ability, to protect our intellectual property in Brazil including any effect of compulsory licensing imposed by government action; and
- difficulties and costs of staffing and managing foreign operations.

Such factors could have a material adverse impact on our results of operations and financial condition.

We cannot predict whether the current or future Brazilian government will implement changes to existing policies on taxation, exchange controls, monetary strategy and social security, among others. We cannot estimate the impact of any such changes on the Brazilian economy or our operations.

We may face risks relating to the use of our genetically modified yeast strains and if we are not able to secure regulatory approval for the use of our yeast strains or if we face public objection to our use of them, our business could be adversely affected.

The use of genetically-modified microorganisms, or GMMs, such as our yeast strains, is subject to laws and regulations in many countries, some of which are new and some of which are still evolving. Public attitudes about the safety and environmental hazards of, and ethical concerns over, genetic research and GMMs could influence public acceptance of our technology and products. In the U.S., the Environmental Protection Agency, or EPA, regulates the commercial use of GMMs as well as potential products from the GMMs. While the strain of genetically modified yeast that we currently use for the development and anticipate using for the commercial production of our target molecules, *S. cerevisiae*, is eligible for exemption from EPA review because it is recognized as posing a low risk, we must satisfy certain criteria to achieve this exemption, including but not limited to use of compliant containment structures and safety procedures, and we cannot be sure that we will meet such criteria in a timely manner, or at all. If exemption of *S. cerevisiae* is not obtained, our business may be substantially harmed. In addition to *S. cerevisiae*, we may seek to use different GMMs in the future that will require EPA approval. If approval of different GMMs is not secured, our ability to grow our business could be adversely affected.

In Brazil, GMMs are regulated by the National Biosafety Technical Commission, or CTNBio. We have obtained approval from CTNBio to use GMMs in a contained environment in our Campinas facilities for research and development purposes as well as at Biomin, our first contract manufacturing facility in Brazil. In addition, we have obtained initial commercial approval from CTNBio for one of our current yeast strains. As we continue to develop new yeast strains and deploy our technology at new production facilities in Brazil, we will be required to obtain further approvals from CTNBio in order to use these strains in commercial production in Brazil. We may not be able to obtain approvals from relevant Brazilian authorities on a timely basis, or at all, and if we do not, our ability to produce our products in Brazil would be impaired, which would adversely affect our results of operations and financial condition.

In addition to our production operations in the U.S. and Brazil, we have entered into a contract manufacturing agreement with Antibióticos in Spain and expect to identify other locations for production around the world. The use of GMM technology is strictly regulated in the European Union, which has established various directives for member states regarding regulation of the use of such technology, including notification processes for contained use of such technology. We expect to encounter GMM regulations in most if not all of the countries in which we may seek to establish production capabilities, and the scope and nature of these regulations will likely be different from country to country. If we cannot meet the applicable requirements in other countries in which we intend to produce products using our yeast strains, or if it takes longer than anticipated to obtain such approvals, our business could be adversely affected.

We may not be able to obtain regulatory approval for the sale of our renewable products.

Our renewable chemical products may be subject to government regulation in our target markets. In the U.S., the EPA administers the Toxic Substances Control Act, or TSCA, which regulates the commercial registration, distribution, and use of many chemicals. Before an entity can manufacture or distribute significant volumes of a chemical, it needs to determine whether that chemical is listed in the TSCA inventory. If the substance is listed, then manufacture or distribution can commence immediately. If not, then in most cases a “Chemical Abstracts Service” number registration and pre-manufacture notice must be filed with the EPA, which has up to 180 days to review the filing. Some of the products we produce or plan to produce, such as Biofene and squalane, are already in the TSCA inventory. Others, such as our lubricants, famesane (diesel) and new jet fuel molecules, are not yet listed. We may not be able to expediently receive approval from the EPA to list the molecules we would like to make on the TSCA registry, resulting in delays or significant increases in testing requirements. A similar program exists in the European Union,

called REACH (Registration, Evaluation, Authorization, and Restriction of Chemical Substances). We similarly need to register our products with the European Commission, and this process could cause delays or significant costs. To the extent that other geographies, such as Brazil, may rely on TSCA or REACH for chemical registration in their geographies, delays with the U.S. or European authorities may subsequently delay entry into these markets as well.

Our diesel fuel is subject to regulation by various government agencies, including the EPA and the California Air Resources Board in the U.S. and Agência Nacional do Petróleo, or ANP, in Brazil. To date, we have obtained registration with the EPA for the use of our diesel in the U.S. at a 35% blend rate with petroleum diesel. We are currently working to secure ANP approval for use of our diesel in Brazil at a 10% blend rate. We are also currently in the process of registration of our fuel with the California Air Resources Board and the European Commission. Registration with each of these bodies is required for the sale and use of our fuels within their respective jurisdictions. In addition, for us to achieve full access to the U.S. fuels market for our fuel products, we will need to obtain EPA and California Air Resources Board (and potentially other state agencies) certifications for our feedstock pathway and production facilities, including certification of a feedstock lifecycle analysis relating to greenhouse gas emissions. Any delay in obtaining these additional certifications could impair our ability to sell our renewable fuels to refiners, importers, blenders and other parties that produce transportation fuels as they comply with Federal and state requirements to include certified renewable fuels in their products.

We expect to encounter regulations in most if not all of the countries in which we may seek to sell our renewable chemical and fuel products, and we cannot assure you that we will be able to obtain necessary approvals in a timely manner or at all. If our chemical and fuel products do not meet applicable regulatory requirements in a particular country or at all, then we may not be able to commercialize our products and our business will be adversely affected.

We cannot assure you that our products will be approved or accepted by customers in specialty chemical markets.

The markets we intend to enter first are primarily those for specialty chemical products used by large consumer products or specialty chemical companies. In entering these markets, we intend to sell our products as alternatives to chemicals currently in use, and in some cases the chemicals that we seek to replace have been used for many years. The potential customers for our molecules generally have well developed manufacturing processes and arrangements with suppliers of the chemical components of their products and may have a resistance to changing these processes and components. These potential customers frequently impose lengthy and complex product qualification procedures on their suppliers, influenced by consumer preference, manufacturing considerations such as process changes and capital and other costs associated with transitioning to alternative components, supplier operating history, regulatory issues, product liability and other factors, many of which are unknown to, or not well understood by, us. Satisfying these processes may take many months or years. If we are unable to convince these potential customers that our products are comparable to the chemicals that they currently use or that the use of our products is otherwise to their benefits, we will not be successful in entering these markets and our business will be adversely affected.

If we are unable to satisfy the significant product qualification requirements of equipment manufacturers, we may not be able to successfully enter markets for transportation fuels, and our business would be adversely affected.

In order for our diesel fuel product to be accepted in various countries around the world, diesel engine manufacturers must determine that the use of our fuels in their equipment will not invalidate product warranties and that they otherwise regard our diesel as an acceptable fuel. In addition, we must successfully demonstrate to these manufacturers that our fuel does not degrade the performance or reduce the life cycle of their engines or cause them to fail to meet emissions standards. Meeting these suitability standards can be a time consuming and expensive process, and we may invest substantial time and resources into such qualification efforts without ultimately securing approval. To date, our diesel fuel products have achieved limited approvals from certain engine manufacturers, but we cannot be assured that other engine or vehicle manufacturers or fleet operators, will approve usage of our fuels. Although our diesel fuel satisfies existing pipeline operator and fuel distributor requirements, such fuel has not been reviewed nor transported by such operators as of this date. If these operators impose volume limitations on the transport of our fuels, our ability to sell our fuels may be impaired.

Our ability to sell a jet fuel product will be subject to the same types of qualification requirements as our diesel fuel, although we believe the qualification process will take longer and will be more expensive than the process for diesel.

We expect our international operations to expose us to the risk of fluctuation in currency exchange rates and rates of foreign inflation, which could adversely affect our results of operations.

We currently incur some costs and expenses in Brazilian reais and may in the future incur additional expenses in foreign currencies and derive a portion of our revenues in the local currencies of customers throughout the world. As a result, our revenues and results of operations are subject to foreign exchange fluctuations, which we may not be able to manage successfully. During the past few decades, the Brazilian currency in particular has faced frequent and substantial exchange rate fluctuations in relation to the U.S. dollar and other foreign currencies. There can be no assurance that the real will not significantly appreciate or depreciate.

against the U.S. dollar in the future.

We bear the risk that the rate of inflation in the foreign countries where we incur costs and expenses or the decline in value of the U.S. dollar compared to those foreign currencies will increase our costs as expressed in U.S. dollars. For example, future measures by the Central Bank of Brazil to control inflation, including interest rate adjustments, intervention in the foreign exchange market and changes to the fixed the value of the real, may weaken the U.S. dollar in Brazil. Whether in Brazil or otherwise, we may not be able to adjust the prices of our products to offset the effects of inflation or foreign currency appreciation on our cost structure, which could increase our costs and reduce our net operating margins. If we do not successfully manage these risks through hedging or other mechanisms, our revenues and results of operations could be adversely affected.

We expect to face competition for our specialty chemical and transportation fuels products from providers of petroleum-based products and from other companies seeking to provide alternatives to these products, and if we cannot compete effectively against these companies or products we may not be successful in bringing our products to market or further growing our business after we do so.

We expect that our renewable products will compete with both the traditional, largely petroleum-based specialty chemical and fuels products that are currently being used in our target markets and with the alternatives to these existing products that established enterprises and new companies are seeking to produce.

In the specialty chemical markets that we are initially seeking to enter, and in other chemical markets that we may seek to enter in the future, we will compete primarily with the established providers of chemicals currently used in these products. Producers of these incumbent products include global oil companies, large international chemical companies and other companies specializing in specific products, such as squalane or essential oils. We may also compete in one or more of these markets with products that are offered as alternatives to the traditional petroleum-based or other traditional products being offered in these markets.

In the transportation fuels market, we expect to compete with independent and integrated oil refiners, advanced biofuels companies and biodiesel companies. These refiners compete with us by selling traditional fuel products and some are also pursuing hydrocarbon fuel production using non-renewable feedstocks, such as natural gas and coal, as well as processes using renewable feedstocks, such as vegetable oil and biomass. We also expect to compete with companies that are developing the capacity to produce diesel and other transportation fuels from renewable resources in other ways. These include advanced biofuels companies using specific enzymes that they have developed to convert cellulosic biomass, which is non-food plant material such as wood chips, corn stalks and sugarcane bagasse, into fermentable sugars. Similar to us, some companies are seeking to use engineered enzymes to convert sugars, in some cases from cellulosic biomass and in others from natural sugar sources, into renewable diesel and other fuels. Biodiesel companies convert vegetable oils and animal oils into diesel fuel and some are seeking to produce diesel and other transportation fuels using thermochemical methods to convert biomass into renewable fuels.

With the emergence of many new companies seeking to produce chemicals and fuels from alternative sources, we may face increasing competition from alternative fuels and chemicals companies. As they emerge, some of these companies may be able to establish production capacity and commercial partnerships to compete with us. If we are unable to establish production and sales channels that allow us to offer comparable products at attractive prices, we may not be able to compete effectively with these companies.

We believe the primary competitive factors in both the chemicals and fuels markets are:

- product price;
- product performance and other measures of quality;
- infrastructure compatibility of products;
- sustainability; and
- dependability of supply.

The oil companies, large chemical companies and well-established agricultural products companies with whom we compete are much larger than we are, have, in many cases, well developed distribution systems and networks for their products, have valuable historical relationships with the potential customers we are seeking to serve and have much more extensive sales and marketing programs in place to promote their products. In order to be successful, we must convince customers that our products are at least as effective as the traditional products they are seeking to replace and must provide our products on a cost-competitive basis with these traditional products and other available alternatives. Some of our competitors may use their influence to impede the development and acceptance of renewable products of the type that we are seeking to produce.

We believe that for our chemical products to succeed in the market, we must demonstrate that our products are comparable alternatives to existing products and to any alternative products that are being developed for the same markets based on some

combination of product cost, availability, performance, and consumer preference characteristics. With respect to our diesel and other transportation fuels products, we believe that our product must perform as effectively as petroleum-based fuel, or alternative fuels, and be available on a cost-competitive basis. In addition, with the wide range of renewable fuels products under development, we must be successful in reaching potential customers and convincing them that ours are effective and reliable alternatives.

Amyris Fuels currently competes with regional distributors in its purchase, distribution and sale of third party ethanol and reformulated ethanol-blended gasoline in the southeastern U.S. and competes with other suppliers based on price, convenience and reliability of supply.

A decline in the price of petroleum and petroleum-based products may reduce demand for many of our renewable products and may otherwise adversely affect our business.

We anticipate that most of our renewable products, and in particular our fuels, will be marketed as alternatives to corresponding petroleum-based products. If the price of oil falls, we may be unable to produce products that are cost-effective alternatives to their petroleum-based products. Declining oil prices, or the perception of a future decline in oil prices, may adversely affect the prices we can obtain from our potential customers or prevent potential customers from entering into agreements with us to buy our products. During sustained periods of lower oil prices we may be unable to sell some of our products, which could materially and adversely affect our operating results.

Our pursuit of new product opportunities may not be technically feasible, which would limit our ability to expand our product line and sources of revenues.

Our technology provides us with the capability to genetically engineer microbes to produce potentially thousands of types of molecules. In order to grow our business over time we will need to, and we intend to, commit substantial resources, alone or with collaboration partners, to the development and analysis of these new molecules and the new pathways, or microbial strains, required to produce them. There is no guarantee that we will be successful in creating microbial strains that are capable of producing each target molecule or that the molecule can be produced with the required purity profile for a given market in a cost effective manner. For example, some target molecules may be “toxic” to the microbe, which means that the production of the molecule kills the microbe. Other molecules may be biologically producible in small amounts but cannot be produced in quantities adequate for commercial production. Alternatively, the compounds are produced in adequate quantities but, because they are volatile, we are unable to capture the compounds in commercially adequate quantities or at a commercially viable cost. In addition, some of our microbes may have longer production cycles that may make production of the target molecules more costly. If we are unable to resolve issues of this nature, we may not be able to expand our product line to introduce new sources of future revenues.

Changes in government regulations, including subsidies and economic incentives, could have a material adverse effect upon our business.

The market for renewable fuels is heavily influenced by foreign, federal, state and local government regulations and policies. Changes to existing or adoption of new domestic or foreign federal, state and local legislative initiatives that impact the production, distribution or sale of renewable fuels may harm our renewable fuels business. For example, in 2007, the U.S. Congress passed an alternative fuels mandate that called for more than 15 billion gallons of liquid transportation fuels sold in 2012 to come from alternative sources, including renewable fuels, a mandate that grows to 36 billion gallons by 2022. Of this amount, a minimum of 21 billion gallons must be advanced biofuels, mostly cellulosic, by 2022. In the U.S. and in a number of other countries, these regulations and policies have been modified in the past and may be modified again in the future. Any reduction in mandated requirements for fuel alternatives and additives to gasoline or diesel may cause demand for biofuels to decline and deter investment in the research and development of renewable fuels. In addition, in December 2011, the U.S. Congress did not renew legislation that extended tax credits to blenders of certain renewable fuel products and is not likely to renew them retroactively. The absence of tax credits, subsidies and other incentives in the U.S. and foreign markets for renewable fuels, or any inability of our customers to access such credits, subsidies and incentives, may adversely affect demand for our products and increase the overall cost of commercialization of our renewable fuels, which would adversely affect our renewable fuels business. In addition, in December 2011, a U.S. federal court found the State of California's Low Carbon Fuel Standard unconstitutional, which could have a negative impact on demand for advanced renewable fuels. The resulting market uncertainty regarding this and future standards and policies may also affect our ability to develop new renewable products or to license our technologies to third parties and to sell products to our end customers. Any inability to address these requirements and any regulatory or policy changes could have a material adverse effect on our business, financial condition and results of operations.

Concerns associated with renewable fuels, including land usage, national security interests and food crop usage, continue to receive legislative, industry and public attention. This could result in future legislation, regulation and/or administrative action that could adversely affect our business. Any inability to address these requirements and any regulatory or policy changes could have a material adverse effect on our business or the business of our partners or customers, financial condition and results of operations.

Furthermore, the production of our products will depend on the availability of feedstock, especially sugarcane. Agricultural production and trade flows are subject to government policies and regulations. Governmental policies affecting the agricultural industry, such as taxes, tariffs, duties, subsidies, incentives and import and export restrictions on agricultural commodities and commodity products, can influence the planting of certain crops, the location and size of crop production, whether unprocessed or processed commodity products are traded, the volume and types of imports and exports, and the availability and competitiveness of feedstocks as raw materials. Future government policies may adversely affect the supply of sugarcane, restrict our ability to use sugarcane to produce our products, and negatively impact our future revenues and results of operations.

We may incur significant costs complying with environmental laws and regulations, and failure to comply with these laws and regulations could expose us to significant liabilities.

We use hazardous chemicals and radioactive and biological materials in our business and are subject to a variety of federal, state and local laws and regulations governing the use, generation, manufacture, storage, handling and disposal of these materials both in the U.S. and overseas. Although we have implemented safety procedures for handling and disposing of these materials and waste products in an effort to comply with these laws and regulations, we cannot be sure that our safety measures are compliant or capable of eliminating the risk of accidental injury or contamination from the use, storage, handling or disposal of hazardous materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our insurance coverage. There can be no assurance that violations of environmental, health and safety laws will not occur in the future as a result of human error, accident, equipment failure or other causes. Compliance with applicable environmental laws and regulations may be expensive, and the failure to comply with past, present, or future laws could result in the imposition of fines, third party property damage, product liability and personal injury claims, investigation and remediation costs, the suspension of production, or a cessation of operations, and our liability may exceed our total assets. Liability under environmental laws can be joint and several and without regard to comparative fault. Environmental laws could become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations, which could impair our research, development or production efforts and harm our business.

Our financial results could vary significantly from quarter to quarter and are difficult to predict.

Our revenues and results of operations could vary significantly from quarter to quarter because of a variety of factors, many of which are outside of our control. As a result, comparing our results of operations on a period-to-period basis may not be meaningful. Factors that could cause our quarterly results of operations to fluctuate include:

- achievement, or failure to achieve, technology, product development or manufacturing milestones needed to allow us to enter identified markets on a cost effective basis;
- delays or greater than anticipated expenses associated with the completion or commissioning of new production facilities, or the time to ramp up and stabilize production following completion of a new production facility;
- disruptions in the production process at any facility where we produce our products;
- the timing, size and mix of sales to customers for our products;
- increases in price or decreases in availability of feedstock;
- the unavailability of contract manufacturing capacity altogether or at anticipated cost;
- fluctuations in foreign currency exchange rates;
- gains or losses associated with our hedging activities, especially in Amyris Fuels;
- fluctuations in the price of and demand for sugar, ethanol, and petroleum-based and other products for which our products are alternatives;
- seasonal production and sale of our products;
- the effects of competitive pricing pressures, including decreases in average selling prices of our products;
- unanticipated expenses associated with changes in governmental regulations and environmental, health and safety requirements;
- reductions or changes to existing fuel and chemical regulations and policies;
- departure of executives or other key management employees;
- our ability to use our net operating loss carry forwards to offset future taxable income;
- business interruptions such as earthquakes and other natural disasters;

- our ability to integrate businesses that we may acquire;
- risks associated with the international aspects of our business; and
- changes in general economic, industry and market conditions, both domestically and in our foreign markets.

Due to these factors and others the results of any quarterly or annual period may not meet our expectations or the expectations of our investors and may not be meaningful indications of our future performance.

Disruption of transportation and logistics services or insufficient investment in public infrastructure could adversely affect our business.

We intend to conduct initial large-scale manufacturing of most of our renewable products in Brazil, where existing transportation infrastructure is underdeveloped. Substantial investments required for infrastructure changes and expansions may not be made on a timely basis or at all. Any delay or failure in making the changes to or expansion of infrastructure could harm demand or prices for our renewable products and impose additional costs that would hinder their commercialization.

In Brazil, a substantial portion of commercial transportation is by truck, which is significantly more expensive than the rail transportation available to U.S. and certain other international producers. Our dependence on truck transport may affect our production cost and, consequently, impair our ability to compete with petroleum-sourced products in local and world markets.

We may not continue to operate a fuels marketing and distribution business, which could have a material adverse effect on our revenues.

Amyris Fuels currently purchases ethanol produced by third parties and gasoline and sells both pure ethanol and ethanol-blended gasoline to wholesale customers. To date, these sales have accounted for nearly all of our revenue, with substantially all of the remainder coming from grants and collaborations. If we establish our joint venture with Total, we believe we may no longer need the capabilities represented by Amyris Fuels. We may not be able to replace the revenues lost if we transition out of the Amyris Fuels business, particularly in 2012 and 2013 while we continue our efforts to establish our renewable products business.

Our fuels marketing and distribution business depends on purchasing and reselling ethanol produced by third parties and reformulated ethanol-blended gasoline, which may not be available to us on favorable terms or at all and which subjects us to distribution and environmental risks.

Amyris Fuels currently purchases and sells ethanol and reformulated ethanol-blended gasoline under short-term agreements and in spot transactions. In the near term, we plan to continue the purchase and sale of ethanol and reformulated ethanol-blended gasoline and to hedge the price volatility of ethanol and gasoline using futures contracts. We cannot predict future market prices or other terms of any supply contracts that Amyris Fuels may enter into. We cannot assure you that Amyris Fuels will be able to purchase ethanol and reformulated ethanol-blended gasoline at favorable prices, allowing our ethanol and reformulated ethanol-blended gasoline marketing activities to be profitable. In addition, there can be no guarantee that futures contracts to hedge the risks from the purchase and sale of ethanol and gasoline will effectively mitigate risk as intended, that such hedging instruments will always be available, or that counterparties to such hedging contracts will honor their obligations. As a result of these pricing and hedging uncertainties, Amyris Fuels may incur operating losses, harming our results of operations and financial condition. In addition, in order to distribute and sell ethanol and reformulated ethanol-blended gasoline, Amyris Fuels needs access to certain terminal and other storage capacity for ethanol and reformulated ethanol-blended gasoline, and relies on providers of transportation and transloading services for the movement of ethanol and reformulated ethanol-blended gasoline. If Amyris Fuels is unable to access sufficient terminal and other storage capacity and/or to obtain transportation and transloading services on favorable terms, its business will be substantially harmed, which will reduce our future revenues and adversely affect our results of operations and financial condition. Furthermore, there are potential environmental hazards, including risk of spill or fire, associated with the movement and storage of fuel. Although Amyris maintains insurance coverage to mitigate its exposure to such risks, its liability coverage may not be sufficient for a catastrophic event.

Growth may place significant demands on our management and our infrastructure.

We have experienced, and may continue to experience, expansion of our business as we continue to make efforts to develop and bring our products to market. We have grown from 18 employees at the end of 2005 to 493 at December 31, 2011. We are working simultaneously on multiple projects to develop, produce and commercialize several types of renewable chemicals and fuels. Our growth and diversified operations have placed, and may continue to place, significant demands on our management and our operational and financial infrastructure. In particular, continued growth could strain our ability to:

- manage multiple research and development programs;
- operate multiple manufacturing facilities around the world;
- develop and improve our operational, financial and management controls;

- enhance our reporting systems and procedures;
- recruit, train and retain highly skilled personnel;
- develop and maintain our relationships with existing and potential business partners;
- maintain our quality standards; and
- maintain customer satisfaction.

In addition, if we grow our organization too rapidly, we may be forced to scale back our headcount and other aspects of our operating structure to maintain alignment with changing strategies. For example, as part of our operating plan for 2012, we intend to reduce our cost structure by improving efficiency in our operations and reducing non-critical expenditures. We expect these efforts to include reductions to our workforce and adjustments to the timing and scope of planned capital expenditures in the coming quarters.

Managing our growth will require significant expenditures and allocation of valuable management resources. If we fail to achieve the necessary level of efficiency in our organization as it grows, our business, results of operations and financial condition would be harmed.

Our proprietary rights may not adequately protect our technologies and product candidates.

Our commercial success will depend substantially on our ability to obtain patents and maintain adequate legal protection for our technologies and product candidates in the U.S. and other countries. As of February 15, 2012, we had 66 issued U.S. and foreign patents and 279 pending U.S. and foreign patent applications that are owned by or licensed to us. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary technologies and future products are covered by valid and enforceable patents or are effectively maintained as trade secrets.

We apply for patents covering both our technologies and product candidates, as we deem appropriate. However, we may fail to apply for patents on important technologies or product candidates in a timely fashion, or at all. Our existing and future patents may not be sufficiently broad to prevent others from practicing our technologies or from developing competing products or technologies. In addition, the patent positions of companies like ours are highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. No consistent policy regarding the breadth of patent claims has emerged to date in the U.S. and the landscape is expected to become even more uncertain in view of recent rule changes by the Patent and Trademark Office, or USPTO, the introduction of patent reform legislation in Congress and recent decisions in patent law cases by the U.S. Supreme Court. In addition, we obtained certain key U.S. patents using a procedure for accelerated examination recently implemented by the USPTO which requires special activities and disclosures that may create additional risks related to the validity or enforceability of the U.S. patents so obtained. The patent situation outside of the U.S. is even less predictable. As a result, the validity and enforceability of patents cannot be predicted with certainty. Moreover, we cannot be certain whether:

- we or our licensors were the first to make the inventions covered by each of our issued patents and pending patent applications;
- we or our licensors were the first to file patent applications for these inventions;
- others will independently develop similar or alternative technologies or duplicate any of our technologies;
- any of our or our licensors' patents will be valid or enforceable;
- any patents issued to us or our licensors will provide us with any competitive advantages, or will be challenged by third parties;
- we will develop additional proprietary products or technologies that are patentable; or
- the patents of others will have an adverse effect on our business.

We do not know whether any of our patent applications or those patent applications that we license will result in the issuance of any patents. Even if patents are issued, they may not be sufficient to protect our technology or product candidates. The patents we own or license and those that may be issued in the future may be challenged, invalidated, rendered unenforceable, or circumvented, and the rights granted under any issued patents may not provide us with proprietary protection or competitive advantages. In particular, U.S. patents we obtained using the USPTO accelerated examination program may introduce additional risks to the validity or enforceability of some or all of these specially-obtained U.S. patents if validity or enforceability are challenged. Moreover, third parties could practice our inventions in territories where we do not have patent protection or in territories where they could obtain a compulsory license to our technology where patented. Such third parties may then try to import products made using our inventions into the U.S. or other territories. Additional uncertainty may result from potential passage of patent reform legislation by the U.S. Congress, legal precedent by the U.S. Federal Circuit and Supreme Court as they

determine legal issues concerning the scope and construction of patent claims and inconsistent interpretation of patent laws by the lower courts. Accordingly, we cannot ensure that any of our pending patent applications will result in issued patents, or even if issued, predict the breadth, validity and enforceability of the claims upheld in our and other companies' patents.

Unauthorized parties may attempt to copy or otherwise obtain and use our products or technology. Monitoring unauthorized use of our intellectual property is difficult, and we cannot be certain that the steps we have taken will prevent unauthorized use of our technology, particularly in certain foreign countries where the local laws may not protect our proprietary rights as fully as in the U.S. or may provide, today or in the future, for compulsory licenses. If competitors are able to use our technology, our ability to compete effectively could be harmed. Moreover, others may independently develop and obtain patents for technologies that are similar to, or superior to, our technologies. If that happens, we may need to license these technologies, and we may not be able to obtain licenses on reasonable terms, if at all, which could cause harm to our business.

We rely in part on trade secrets to protect our technology, and our failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

We rely on trade secrets to protect some of our technology, particularly where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to maintain and protect. Our strategy for contract manufacturing and scale-up of commercial production requires us to share confidential information with our Brazilian business partners and other parties. Our product development collaborations with third parties, including with Total, require us to share confidential information, including with employees of Total who are seconded to Amyris during the term of the collaboration. While we use reasonable efforts to protect our trade secrets, our or our business partners' employees, consultants, contractors or scientific and other advisors may unintentionally or willfully disclose our proprietary information to competitors. Enforcement of claims that a third party has illegally obtained and is using trade secrets is expensive, time consuming and uncertain. In addition, foreign courts are sometimes less willing than U.S. courts to protect trade secrets. If our competitors independently develop equivalent knowledge, methods and know-how, we would not be able to assert our trade secrets against them. We require new employees and consultants to execute confidentiality agreements upon the commencement of an employment or consulting arrangement with us. These agreements generally require that all confidential information developed by the individual or made known to the individual by us during the course of the individual's relationship with us be kept confidential and not disclosed to third parties. These agreements also generally provide that inventions conceived by the individual in the course of rendering services to us shall be our exclusive property. Nevertheless, our proprietary information may be disclosed, or these agreements may be unenforceable or difficult to enforce. Additionally, trade secret law in Brazil differs from that in the U.S. which requires us to take a different approach to protecting our trade secrets in Brazil. Some of these approaches to trade secret protection may be novel and untested under Brazilian law and we cannot guarantee that we would prevail if our trade secrets are contested in Brazil. If any of the above risks materializes our failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

Third parties may misappropriate our yeast strains.

Third parties, including contract manufacturers, sugar and ethanol mill owners, other contractors and shipping agents, often have custody or control of our yeast strains. If our yeast strains were stolen, misappropriated or reverse engineered, they could be used by other parties who may be able to reproduce the yeast strains for their own commercial gain. If this were to occur, it would be difficult for us to challenge and prevent this type of use, especially in countries where we have limited intellectual property protection or that do not have robust intellectual property law regimes.

If we are sued for infringing intellectual property rights or other proprietary rights of third parties, litigation could be costly and time consuming and could prevent us from developing or commercializing our future products.

Our commercial success depends on our ability to operate without infringing the patents and proprietary rights of other parties and without breaching any agreements we have entered into with regard to our technologies and product candidates. We cannot determine with certainty whether patents or patent applications of other parties may materially affect our ability to conduct our business. Our industry spans several sectors, including biotechnology, renewable fuels, renewable specialty chemicals and other renewable compounds, and is characterized by the existence of a significant number of patents and disputes regarding patent and other intellectual property rights. Because patent applications can take several years to issue, there may currently be pending applications, unknown to us, that may result in issued patents that cover our technologies or product candidates. We are aware of a significant number of patents and patent applications relating to aspects of our technologies filed by, and issued to, third parties. The existence of third-party patent applications and patents could significantly reduce the coverage of patents owned by or licensed to us and limit our ability to obtain meaningful patent protection. If we wish to make, use, sell, offer to sell, or import the technology or compound claimed in issued and unexpired patents owned by others, we will need to obtain a license from the owner, enter into litigation to challenge the validity of the patents or incur the risk of litigation in the event that the owner asserts that we infringe its patents. If patents containing competitive or conflicting claims are issued to third parties and these claims are ultimately determined to be valid, we may be enjoined from pursuing research, development, or commercialization of products, or be required to obtain licenses to these patents, or to develop or obtain alternative technologies.

If a third-party asserts that we infringe upon its patents or other proprietary rights, we could face a number of issues that could seriously harm our competitive position, including:

- infringement and other intellectual property claims, which could be costly and time consuming to litigate, whether or not the claims have merit, and which could delay getting our products to market and divert management attention from our business;
- substantial damages for past infringement, which we may have to pay if a court determines that our product candidates or technologies infringe a competitor's patent or other proprietary rights;
- a court prohibiting us from selling or licensing our technologies or future products unless the holder licenses the patent or other proprietary rights to us, which it is not required to do; and
- if a license is available from a third party, we may have to pay substantial royalties or grant cross licenses to our patents or proprietary rights.

The industries in which we operate, and the biotechnology industry in particular, are characterized by frequent and extensive litigation regarding patents and other intellectual property rights. Many biotechnology companies have employed intellectual property litigation as a way to gain a competitive advantage. If any of our competitors have filed patent applications or obtained patents that claim inventions also claimed by us, we may have to participate in interference proceedings declared by the relevant patent regulatory agency to determine priority of invention and, thus, the right to the patents for these inventions in the U.S. These proceedings could result in substantial cost to us even if the outcome is favorable. Even if successful, an interference proceeding may result in loss of certain claims. Our involvement in litigation, interferences, opposition proceedings or other intellectual property proceedings inside and outside of the U.S., to defend our intellectual property rights or as a result of alleged infringement of the rights of others, may divert management time from focusing on business operations and could cause us to spend significant resources, all of which could harm our business and results of operations.

Many of our employees were previously employed at universities, biotechnology, specialty chemical or oil companies, including our competitors or potential competitors. We may be subject to claims that these employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel and be enjoined from certain activities. A loss of key research personnel or their work product could hamper or prevent our ability to commercialize our product candidates, which could severely harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and demand on management resources.

We may need to commence litigation to enforce our intellectual property rights, which would divert resources and management's time and attention and the results of which would be uncertain.

Enforcement of claims that a third party is using our proprietary rights without permission is expensive, time consuming and uncertain. Litigation would result in substantial costs, even if the eventual outcome is favorable to us and would divert management's attention from our business objectives. In addition, an adverse outcome in litigation could result in a substantial loss of our proprietary rights and we may lose our ability to exclude others from practicing our technology or producing our product candidates.

The laws of some foreign countries do not protect intellectual property rights to the same extent as do the laws of the U.S. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to biotechnology and/or bioindustrial technologies. This could make it difficult for us to stop the infringement of our patents or misappropriation of our other intellectual property rights. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. Moreover, our efforts to protect our intellectual property rights in such countries may be inadequate.

Loss of key personnel, including key management personnel, and/or failure to attract and retain additional personnel could delay our product development programs and harm our research and development efforts and our ability to meet our business objectives.

Our business involves complex, global operations across a variety of markets and requires a management team and employee workforce that is knowledgeable in the many areas in which we operate. The loss of any key member of our management or key technical and operational employees, or the failure to attract or retain such employees could prevent us from developing and commercializing our products for our target markets and executing our business strategy. We may not be able to attract or retain qualified employees in the future due to the intense competition for qualified personnel among biotechnology and other technology-

based businesses, particularly in the renewable chemicals and fuels area, or due to the availability of personnel with the qualifications or experience necessary for our business. In addition, in recent quarters our stock price has declined significantly, which reduces our ability to recruit and retain employees using equity compensation. If we are not able to attract and retain the necessary personnel to accomplish our business objectives, we may experience staffing constraints that will adversely affect our ability to meet the demands of our collaborators and customers in a timely fashion or to support our internal research and development programs. In particular, our product and process development programs are dependent on our ability to attract and retain highly skilled technical and operational personnel. Competition for such personnel from numerous companies and academic and other research institutions may limit our ability to do so on acceptable terms. All of our employees are at-will employees, which mean that either the employee or we may terminate their employment at any time.

As we build our business, we will need to hire additional qualified research and development and management personnel to succeed. The process of hiring, training and successfully integrating qualified personnel into our operation, in both the U.S. and Brazil, is a lengthy and expensive one. The market for qualified personnel is very competitive because of the limited number of people available with the necessary technical skills and understanding of our technology and anticipated products, particularly in Brazil. Our failure to hire and retain qualified personnel could impair our ability to meet our research and development and business objectives and adversely affect our results of operations and financial condition.

We may be sued for product liability.

The design, development, production and sale of our products involve an inherent risk of product liability claims and the associated adverse publicity. We may be named directly in product liability suits relating to our products, even for defects resulting from errors of our commercial partners, contract manufacturers or chemical finishers. These claims could be brought by various parties, including customers who are purchasing products directly from us or other users who purchase products from our customers. We could also be named as co-parties in product liability suits that are brought against the contract manufacturers or Brazilian sugar and ethanol mills who produce our products. Insurance coverage is expensive, may be difficult to obtain and may not be available in the future on acceptable terms. We cannot assure you that our contract manufacturers or the sugar and ethanol producers who produce our products will have adequate insurance coverage to cover against potential claims. This insurance may not provide adequate coverage against potential losses, and if claims or losses exceed our liability insurance coverage, we may go out of business. In addition, insurance coverage may become more expensive, which would harm our results of operations.

During the ordinary course of business, we may become subject to lawsuits or indemnity claims, which could materially and adversely affect our business and results of operations.

From time to time, we may in the ordinary course of business be named as a defendant in lawsuits, claims and other legal proceedings. These actions may seek, among other things, compensation for alleged personal injury, worker's compensation, employment discrimination, breach of contract, property damages, civil penalties and other losses of injunctive or declaratory relief. In the event that such actions or indemnities are ultimately resolved unfavorably at amounts exceeding our accrued liability, or at material amounts, the outcome could materially and adversely affect our reputation, business and results of operations. In addition, payments of significant amounts, even if reserved, could adversely affect our liquidity position.

If we fail to maintain an effective system of internal controls, we might not be able to report our financial results accurately or prevent fraud; in that case, our stockholders could lose confidence in our financial reporting, which would harm our business and could negatively impact the price of our stock.

Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud. In addition, Section 404 of the Sarbanes-Oxley Act of 2002 requires us and our independent registered public accounting firm to evaluate and report on our internal control over financial reporting beginning with this Annual Report on Form 10-K for the year ending December 31, 2011. The process of implementing our internal controls and complying with Section 404 is expensive and time consuming, and requires significant attention of management. We cannot be certain that these measures will ensure that we maintain adequate controls over our financial processes and reporting in the future. In addition, to the extent we create joint ventures or have any variable interest entities and the financial statements of such entities are not prepared by us, we will not have direct control over their financial statement preparation. As a result, we will, for our financial reporting, depend on what these entities report to us, which could result in us adding monitoring and audit processes and increase the difficulty of implementing and maintaining adequate controls over our financial processes and reporting in the future. This may be particularly true where we are establishing such entities with commercial partners that do not have sophisticated financial accounting processes in place, or where we are entering into new relationships at a rapid pace, straining our integration capacity. Additionally, if we do not receive the information from the joint venture or variable interest entity on a timely basis, this could cause delays in our external reporting. Even if we conclude, and our independent registered public accounting firm concurs, that our internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or misstatements. Failure to implement required new or improved controls, or difficulties

encountered in their implementation, could harm our results of operations or cause us to fail to meet our reporting obligations. If we or our independent registered public accounting firm discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in our financial statements and harm our stock price. In addition, a delay in compliance with Section 404 could subject us to a variety of administrative sanctions, including SEC action, ineligibility for short form resale registration, the suspension or delisting of our common stock from the stock exchange on which it is listed and the inability of registered broker-dealers to make a market in our common stock, which would further reduce our stock price and could harm our business.

If the value of our goodwill or other intangible assets becomes impaired, it could materially reduce the value of our assets and reduce our net income for the year in which the related impairment charges occur.

We apply the applicable accounting principles set forth in the U.S. Financial Accounting Standards Board's Accounting Standards Codification to our intangible assets (including goodwill), which prohibits the amortization of intangible assets with indefinite useful lives and requires that these assets be reviewed for impairment at least annually. There are several methods that can be used to determine the estimated fair value of the IPR&D acquired in a business combination. We utilized the "income method," which applies a probability weighting that considers the risk of development and commercialization, to the estimated future net cash flows that are derived from projected sales revenues and estimated costs. These projections are based on factors such as relevant market size, pricing of similar products, and expected industry trends. The estimated future net cash flows are then discounted to the present value using an appropriate discount rate. These assets are treated as indefinite-lived intangible assets until completion or abandonment of the projects, at which time the assets will be amortized over the remaining useful life or written off, as appropriate. If the carrying amount of the assets is greater than the measures of fair value, impairment is considered to have occurred and a write-down of the asset is recorded. Any finding that the value of our intangible assets has been impaired would require us to write-down the impaired portion, which could reduce the value of our assets and reduce our net income for the year in which the related impairment charges occur. As of December 31, 2011, we recorded a net carrying value of approximately \$9.1 million in in-process research and development and goodwill associated with our acquisition of Draths Corporation.

Our ability to use our net operating loss carry forwards to offset future taxable income may be subject to certain limitations.

In general, under Section 382 of the Internal Revenue Code, or Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its pre-change net operating loss carry forwards, or NOLs, to offset future taxable income. If the Internal Revenue Service challenges our analysis that our existing NOLs are not subject to limitations arising from previous ownership changes, or if we undergo an ownership change, our ability to utilize NOLs could be limited by Section 382 of the Code. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change under Section 382 of the Code. Furthermore, our ability to utilize NOLs of companies that we may acquire in the future may be subject to limitations. For these reasons, we may not be able to utilize a material portion of the NOLs reflected on our balance sheet, even if we attain profitability.

Loss of our government grant funding could impair our research and development efforts.

In 2010, we were awarded a \$24.3 million "Integrated Bio-Refinery" grant from the U.S. Department of Energy, or DOE. The terms of this grant make the funds available to us to leverage and expand our existing Emeryville, California, pilot plant and support laboratories to develop U.S.-based production capabilities for renewable fuels and chemicals derived from sweet sorghum. Generally, government grant agreements have fixed terms and may be terminated, modified or recovered by the granting agency under certain conditions. For example, our grant requires us to implement substantial reporting, governance and other processes to comply with the grant contract, and we are subject to audits and reviews by government agencies with respect to such compliance. We have limited experience in complying with such government contract requirements, and any compliance failures can result in additional audits, burdensome corrective action plans, and significant penalties, up to and including termination, modification and recovery of the grant by the granting agency. Our first DOE audit was performed in 2011 for the year ended December 31, 2010, and as a result of the audit we were required to implement a corrective action plan with respect to certain administrative requirements. If the DOE terminates its grant agreement with us, our U.S.-based research and development activities could be impaired, which could harm our business.

Our headquarters and other facilities are located in an active earthquake zone, and an earthquake or other types of natural disasters affecting us or our suppliers could cause resource shortages and disrupt and harm our results of operations.

We conduct our primary research and development operations in the San Francisco Bay Area in an active earthquake zone, and certain of our suppliers conduct their operations in the same region or in other locations that are susceptible to natural disasters. In addition, California and some of the locations where certain of our suppliers are located have experienced shortages of water, electric power and natural gas from time to time. The occurrence of a natural disaster, such as an earthquake, drought or flood, or localized extended outages of critical utilities or transportation systems, or any critical resource shortages, affecting us or our suppliers could cause a significant interruption in our business, damage or destroy our facilities, production equipment or inventory or those of our suppliers and cause us to incur significant costs or result in limitations on the availability of our raw materials, any

of which could harm our business, financial condition and results of operations. The insurance we maintain against fires, earthquakes and other natural disasters may not be adequate to cover our losses in any particular case.

Risks Related to Ownership of Our Common Stock

Our stock price may be volatile.

The market price of our common stock has been, and we expect it to continue to be, subject to significant fluctuations. As of February 23, 2012, the reported closing price for our common stock on the NASDAQ Global Select Market was \$5.74. Market prices for securities of early stage companies have historically been particularly volatile. Such fluctuations could be in response to, among other things, the factors described in this “Risk Factors” section or elsewhere in this registration statement, or other factors, some of which are beyond our control, such as:

- fluctuations in our financial results or outlook or those of companies perceived to be similar to us;
- changes in estimates of our financial results or recommendations by securities analysts;
- changes in market valuations of similar companies;
- changes in the prices of commodities associated with our business such as sugar, ethanol and petroleum;
- changes in our capital structure, such as future issuances of securities or the incurrence of debt;
- announcements by us or our competitors of significant contracts, acquisitions or strategic alliances;
- regulatory developments in the U.S., Brazil, and/or other foreign countries;
- litigation involving us, our general industry or both;
- additions or departures of key personnel;
- investors' general perception of us; and
- changes in general economic, industry and market conditions.

Furthermore, the stock markets have experienced price and volume fluctuations that have affected, and continue to affect, the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market fluctuations, as well as general economic, political and market conditions, such as recessions, interest rate changes and international currency fluctuations, may negatively affect the market price of our common stock.

In the past, many companies that have experienced volatility in the market price of their stock have become subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

We are incurring increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could harm our results of operations.

As a public company, we are incurring significant additional accounting, legal and other expenses, including costs associated with public company reporting requirements. We also have incurred and will continue to incur costs associated with corporate governance requirements, including requirements under Section 404 and other provisions of the Sarbanes-Oxley Act, as well as rules implemented by the SEC and NASDAQ. The expenses incurred by public companies for reporting and corporate governance purposes have increased dramatically in recent years. We expect these rules and regulations to substantially increase our financial and legal compliance costs.

The concentration of our capital stock ownership with insiders will limit your ability to influence corporate matters.

As of December 31, 2011, our executive officers, directors, current ten percent or greater stockholders and entities affiliated with them together beneficially owned approximately 68% and a single stockholder-Total-held approximately 21.0% of our outstanding common stock, respectively. In addition, certain of our existing stockholders, including stockholders who held 5% or more of our common stock as of December 31, 2011, purchased additional shares in an offering completed in February 2012, resulting in an increase in the concentration of capital stock ownership by insiders. This significant concentration of share ownership may adversely affect the trading price for our common stock because investors often perceive disadvantages in owning stock in companies with controlling stockholders. Also, these stockholders, acting together, will be able to control our management and affairs and matters requiring stockholder approval, including the election of directors and the approval of significant corporate transactions, such as mergers, consolidations or the sale of substantially all of our assets. Consequently, this concentration of

ownership may have the effect of delaying or preventing a change of control, including a merger, consolidation or other business combination involving us, or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control, even if that change of control would benefit our other stockholders.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they change their recommendations regarding our stock adversely, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts may publish about us, our business, our market or our competitors. If any of the analysts who may cover us change their recommendation regarding our stock adversely, or provide more favorable relative recommendations about our competitors, our stock price would likely decline. If any analyst who may cover us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

We do not expect to declare any dividends in the foreseeable future.

We do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future. In addition, certain of our equipment leases and credit facilities currently restrict our ability to pay dividends. Consequently, investors may need to rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase our common stock.

Anti-takeover provisions contained in our certificate of incorporation and bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Our amended and restated certificate of incorporation and our amended and restated bylaws that became effective upon the completion of our initial public offering contain provisions that could delay or prevent a change in control of our company. These provisions could also make it more difficult for stockholders to elect directors and take other corporate actions. These provisions include:

- staggered board of directors;
- authorizing the board to issue, without stockholder approval, preferred stock with rights senior to those of our common stock;
- authorizing the board to amend our bylaws and to fill board vacancies until the next annual meeting of the stockholders;
- prohibiting stockholder action by written consent;
- limiting the liability of, and providing indemnification to, our directors and officers;
- not authorizing our stockholders to call a special stockholder meeting;
- eliminating the ability of our stockholders to call special meetings; and
- requiring advance notification of stockholder nominations and proposals.

Section 203 of the Delaware General Corporation Law prohibits, subject to some exceptions, “business combinations” between a Delaware corporation and an “interested stockholder,” which is generally defined as a stockholder who becomes a beneficial owner of 15% or more of a Delaware corporation's voting stock, for a three-year period following the date that the stockholder became an interested stockholder. We have agreed to opt out of Section 203 through our certificate of incorporation, but our certificate of incorporation contains substantially similar protections to our company and stockholders as those afforded under Section 203, except that we have agreed with Total that it and its affiliates will not be deemed to be “interested stockholders” under such protections.

In addition, we have an agreement with Total, which provides that, so long as Total holds at least 10% of our voting securities, we must inform Total of any offer to acquire us or any decision of our Board of Directors to sell our company, and we must provide Total with information about the contemplated transaction. In such events, Total will have an exclusive negotiating period of 15 business days in the event the Board of Directors authorizes us to solicit offers to buy Amyris, or five business days in the event that we receive an unsolicited offer to purchase us. This exclusive negotiation period will be followed by an additional restricted negotiation period of 10 business days, during which we are obligated to continue to negotiate with Total and will be prohibited from entering into an agreement with any other potential acquirer.

These and other provisions in our amended and restated certificate of incorporation and our amended and restated bylaws that became effective upon the completion of our initial public offering under Delaware law and in our agreement with Total could discourage potential takeover attempts, reduce the price that investors might be willing to pay in the future for shares of our common stock and result in the market price of our common stock being lower than it would be without these provisions.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following table provides the names, ages and offices of each of our executive officers as of February 23, 2012:

Name	Age	Position
Executive Officers:		
John Melo	45	Director, President and Chief Executive Officer
Jeryl Hilleman	54	Chief Financial Officer
Joel Cherry, Ph.D.	51	President of Research and Development
Paulo Diniz	54	Chief Executive Officer, Amyris Brasil Ltda.
Mario Portela	50	President of Global Operations
Neil Renninger, Ph.D.	37	Chief Technical Officer
Tamara Tompkins	47	Executive Vice President, General Counsel and Secretary
Key Employees:		
Jack Newman, Ph.D.	45	Chief Scientific Officer

John Melo

John Melo has served as our President and Chief Executive Officer and a director since January 2007 and our President since January 2008. Before joining Amyris, Mr. Melo served in various senior management positions at BP Plc (formerly British Petroleum), one of the world's largest energy firms, from 1997 to 2006, most recently as President of U.S. Fuels Operations from 2004 until December 2006, and previously as Chief Information Officer of the refining and marketing segment from 2001 to 2003, Senior Advisor for e-business strategy to Lord Browne, BP Chief Executive, from 2000 to 2001, and Director of Global Brand Development from 1999 to 2000. Before joining BP, Mr. Melo was with Ernst & Young, an accounting firm, from 1996 to 1997, and a member of the management teams of several startup companies, including Computer Aided Services, a management systems integration company, and Alldata Corporation, a provider of automobile repair software to the automotive service industry. Mr. Melo currently serves on the board of directors of U.S. Venture, Inc. and Renmatix Inc., and also serves as Vice Chairman of the Board of Directors of the Bay Area Biosciences Association (BayBio). Mr. Melo is an appointed member to the U.S. section of the U.S.-Brazil CEO Forum. Mr. Melo's experience as a senior executive at one of the world's largest energy companies provides critical leadership in designing the fuels value chain, shaping strategic direction and business transactions, and in building teams to drive innovation.

Jeryl Hilleman

Jeryl Hilleman has served as our Chief Financial Officer since January 2008. Before joining Amyris, from 1997 to June 2007, she was Executive Vice President and Chief Financial Officer of Symyx Technologies, Inc., a research and development infrastructure company providing scientific software and research services to technology companies. Before Symyx, Ms. Hilleman worked with two biotechnology companies, Geron Corporation, a biopharmaceutical company, as Vice President, Finance from 1992 to 1997, and Cytel Corporation, a biopharmaceutical company, as Chief Financial Officer from 1987 to 1992. Ms. Hilleman holds a Bachelor of Arts degree in History from Brown University and a Master of Business Administration degree from the Wharton Graduate School of Business.

Joel Cherry, Ph.D.

Dr. Joel Cherry has served as our President of Research and Development since July 2011 and previously as our Senior Vice President of Research Programs and Operations since November 2008. Before joining Amyris, Dr. Cherry was Senior Director of Bioenergy Biotechnology at Novozymes, a biotechnology company focusing on development and manufacture of industrial enzymes from 1992 to November 2008. At Novozymes, he served in a variety of R&D scientific and management positions, including membership in Novozymes' International R&D Management team, and as Principal Investigator and Director of the BioEnergy Project, a U.S. Department of Energy-funded \$18 million effort initiated in 2000. Dr. Cherry holds a Bachelor of Arts degree in Chemistry from Carleton College and a Doctor of Philosophy degree in Biochemistry from the University of New Hampshire.

Paulo Diniz

Paulo Diniz joined us as the CEO of Amyris Brasil in March 2011. Prior to joining Amyris, Mr. Diniz served as Chief Financial Officer of Bunge Brasil S.A., a wholly owned subsidiary of Bunge Ltd., an agribusiness and food company, from April 2009 to November 2010. From 2003 to April 2009, Mr. Diniz was Chief Financial Officer and a member of the board of directors of Cosan S.A., a renewable energy company. He received a Master of Business Administration degree from IMD in Switzerland, a B. of Sc. degree in Production Engineering from USP in Brazil, and did post graduate work in human resources at INSEAD in France.

Mario Portela

Mario Portela joined us as our Chief Operating Officer in December 2009 and has served as President of Global Operations since July 2011. He was Chief Executive Officer of Amyris Brasil until March 2011. He has worked since December 2008 as an advisor to TPG Capital on strategy, mergers and acquisitions. From December 2007 to December 2008, Mr. Portela was Vice President and Officer, Corporate Development, with LyondellBasell Industries, a leading manufacturer of polymers, petrochemicals, fuels and technology licensing. He held a similar position with Lyondell Chemical Company from 2003 until its merger with Basell in December 2007. Mr. Portela holds a degree in Mechanical Engineering from the IMPE Institute in Lisbon, Portugal.

Neil Renninger, Ph.D.

Dr. Neil Renninger is a co-founder of Amyris and has served as our Chief Technical Officer since January 2008, and has also served as our Vice President of Development from 2003 to March 2007 and as our Senior Vice President of Development from March 2007 to January 2008. Dr. Renninger holds a Bachelor of Science degree in Chemical Engineering from the Massachusetts Institute of Technology, a Master of Science degree in Environmental Engineering and a Doctor of Philosophy degree in Chemical Engineering from the University of California, Berkeley.

Tamara Tompkins

Tamara Tompkins has served as our General Counsel since February 2005 and as Secretary since November 2005. In addition, Ms. Tompkins has served as Executive Vice President since July 2011 and previously as and Senior Vice President since July 2007. Before joining Amyris, she practiced as an attorney at Morgan, Lewis & Bockius LLP, a law firm, from 2003 to February 2005. Previously, Ms. Tompkins worked as an attorney at Brobeck, Phleger & Harrison LLP, a law firm, from 1996 to 1999 and from 2000 to 2003, and Shearman & Stearling LLP, a law firm, from 1994 to 1996. From 1999 to 2000, she was the Director of the Berkeley Center for Law and Technology at the Boalt Hall School of Law. Ms. Tompkins holds a Bachelor of Arts degree in History from Middlebury College and a Juris Doctor degree from Georgetown University Law Center.

Key Employee

Jack Newman, Ph.D.

Dr. Jack Newman is a co-founder of Amyris and has served as our Chief Scientific Officer since July 2011 and previously as our Senior Vice President of Research since July 2007, and also served as our Director, Biology from 2004 to June 2007. Dr. Newman holds a Bachelor of Arts degree in Molecular and Cell Biology from the University of California, Berkeley and a Doctor of Philosophy degree from the University of Wisconsin-Madison in the field of microbial physiology and gene regulation.

Our executive officers are elected by, and serve at the discretion of, our Board of Directors. There are no family relationships among any of our directors and executive officers.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We lease approximately 136,000 square feet of space in two adjacent buildings in Emeryville, California, pursuant to two leases. Of this, we use approximately 113,000 square feet for general office purposes and lab space, and approximately 23,000

square feet comprise our pilot plant. In September 2010, our Board of Directors approved a plan to reoccupy the part of our headquarter facility that vacated in August 2009 as part of a restructuring effort. This reoccupied space is being used to meet our growth requirements. Our leases expire in May 2018 and we have an option to extend these leases for five years. We also lease approximately 19,375 square feet of space in North Carolina under a lease that expires in January 2013. This lease relates to manufacturing operations through Glycotech, one of our variable interest entities.

Amyris Brasil leases approximately 29,000 square feet of space in Campinas, Brazil, pursuant to two leases that will expire in May 2013 and November 2016. Of this, approximately 9,000 square feet comprise a pilot plant and demonstration facility, and the remainder is general office and lab space. Amyris Brasil has a right of first refusal to purchase the space if the landlord elects to sell it and an option to extend the lease for five additional years. Amyris Brasil also leases approximately 791,147 square feet of space at two different locations in Brazil, pursuant to two leases that will expire in January 2031 and March 2026. This space will be used for future manufacturing.

Amyris Fuels has secured the use of ethanol and gasoline storage tanks with an aggregate capacity of 25,500 barrels at various locations in Virginia, North Carolina, South Carolina, Georgia and Tennessee. Certain of these agreements have expired in December 2011 and were not renewed. The remaining agreements are set to expire between June 2012 and December 2012.

We have also secured the use of a Biofene storage tank with an aggregate capacity of 10,000 barrels in Illinois. This facility provides temporary storage of our renewable farnesene prior to further processing into one of our finished products. Our current agreement expires in September 2012.

We also use a small amount of office space in Oakbrook Terrace, Illinois.

We believe that our current facilities are suitable and adequate to meet our needs and that suitable additional space will be available to accommodate the foreseeable expansion of our operations.

ITEM 3. LEGAL PROCEEDINGS

We are not involved in any legal proceedings that management believes will have a material adverse effect on our business, results of operations, financial position or cash flows. We may, however, be involved, from time to time, in legal proceedings and claims arising in the ordinary course of our business. Such matters are subject to many uncertainties and there can be no assurance that legal proceedings arising in the ordinary course of business or otherwise will not have a material adverse effect on our business, results of operations, financial position or cash flows.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information for Common Stock

Our common stock commenced trading on the NASDAQ Global Market on September 28, 2010 under the symbol "AMRS" and currently trades on the NASDAQ Global Select Market under the same symbol. The following table sets forth the high and low per share sale prices of our common stock as reported on the NASDAQ Global Select Market during each of the previous six quarters.

	Price Range Per Share	
	High	Low
Fiscal 2011		
Fourth quarter	\$ 20.86	\$ 9.90
Third quarter	\$ 28.75	\$ 17.57
Second quarter	\$ 30.78	\$ 24.01
First quarter	\$ 33.99	\$ 26.57
Fiscal 2010		
Fourth quarter	\$ 27.50	\$ 16.91
Third quarter (commencing September 28, 2010)	\$ 17.44	\$ 16.48

Holders

As of February 23, 2012, there were approximately 95 holders of record (not including beneficial holders of stock held in street names) of our common stock.

Dividend Policy

We have never declared or paid cash dividends on our capital stock. We currently intend to retain any future earnings and do not expect to declare or pay any dividends in the foreseeable future. Any further determination to pay dividends on our capital stock will be at the discretion of our Board of Directors and will depend on our financial condition, results of operations, capital requirements and other factors that our Board of Directors considers relevant. In addition, our equipment lease with TriplePoint Capital LLC currently restricts our ability to pay dividends.

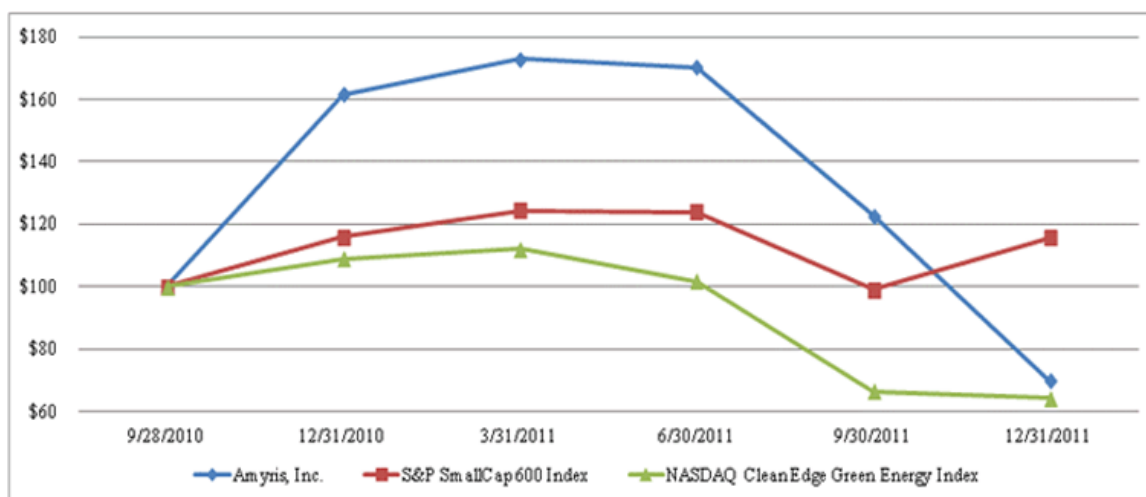
Securities Authorized for Issuance Under Equity Compensation Plans

See Item 12 of Part III of this Report regarding information about securities authorized for issuance under our equity compensation plans.

Performance Graph⁽¹⁾

The following graph shows a comparison from September 28, 2010 through December 31, 2011 of cumulative total return on assumed investment of \$100.00 in cash in our common stock, the S&P SmallCap 600 Index and the NASDAQ Clean Edge Green Energy Index. Such returns are based on historical results and are not intended to suggest future performance. Data for the S&P SmallCap 600 Index and the NASDAQ Clean Edge Green Energy Index assume reinvestment of dividends.

COMPARISON OF 15 MONTH CUMULATIVE TOTAL RETURN
Among Amyris, Inc., the S&P SmallCap 600 Index, and the NASDAQ Clean Edge Green Energy Index



	9/28/2010	12/31/2010	3/31/2011	6/30/2011	9/30/2011	12/31/2011
Amyris, Inc.	\$ 100	\$ 162	\$ 173	\$ 170	\$ 123	\$ 70
S&P SmallCap 600 Index	\$ 100	\$ 116	\$ 124	\$ 124	\$ 99	\$ 116
NASDAQ Clean Edge Green Energy Index	\$ 100	\$ 109	\$ 112	\$ 102	\$ 66	\$ 64

(1) This performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that Section, and shall not be deemed incorporated by reference into any filing of Amyris, Inc. under the Securities Act of 1933, as amended.

Recent Sales of Unregistered Securities

In March 2011, (i) Advanced Equities, Inc. exercised warrants to purchase approximately 117,210 shares of our common stock (based on conversion ratios applicable to the underlying preferred stock originally subject to the warrants) at an as-converted exercise price of approximately \$22.53 per share of common stock and 49,157 shares of our common stock at an exercise price of \$12.46 per share, and (ii) TriplePoint Capital LLC exercised warrants to purchase 24,103 shares of our common stock at an exercise price of \$12.46 per share. Both parties net exercised the warrants in full (paid the full exercise price by forfeiting a number of shares of our common stock subject to the warrant with a fair market value equal to the exercise price on the date of exercise), which resulted in a net issuance of 62,450 shares to Advanced Equities, Inc. and 14,637 shares to TriplePoint Capital LLC.

In October 2011, as partial consideration for our acquisition of substantially all the assets of Draths, we issued 362,319 shares of our common stock to Draths, of which 41,408 shares were withheld in escrow as security of indemnification obligations of Draths. The fair value of the shares issued to Draths is approximately \$7.0 million.

In December 2011, we issued a warrant to purchase 21,087 shares of our common stock at an exercise price of \$10.67 per share to Atel in connection with a capital lease agreement.

No underwriters were involved in the foregoing sales of securities. These shares were issued in private transactions pursuant to Section 4(2) of the Securities Act. The recipients of these shares of common stock acquired the shares for investment purposes only and without intent to resell, were able to fend for themselves in these transactions, and were accredited investors as defined in Rule 501 of Regulation D promulgated under Section 3(b) of the Securities Act, and appropriate restrictions were set out in the agreements for, and stock certificates issued in, these transactions. These security holders had adequate access, through their relationships with us, to information about us.

Use of Proceeds

Our initial public offering of common stock was effected through a Registration Statement on Form S-1 (File No. 333-164593) that was declared effective by the SEC on September 27, 2010. The net offering proceeds to us, after deducting underwriting discounts and commissions and offering costs, were approximately \$85.5 million. Of the net proceeds, as of December 31, 2011, approximately \$79.8 million has been used for capital expenditures, including deposits on capital expenditures, and approximately \$5.7 million has been used for debt reduction and payment of capital lease obligations. Our use of the net proceeds from the initial public offering conformed to the intended use of proceeds as described in our initial public offering prospectus dated September 27, 2010.

ITEM 6. SELECTED FINANCIAL DATA

The selected consolidated statement of operations data for the years ended December 31, 2011, 2010 and 2009 and the selected consolidated balance sheet data as of December 31, 2011 and 2010 are derived from our audited Consolidated Financial Statements, appearing elsewhere in this report. The historical results presented below are not necessarily indicative of financial results to be achieved in future periods. You should read the following selected financial data in conjunction with “Management’s Discussion Analysis of Financial Condition and Results of Operations” and our Consolidated Financial Statements and related Notes included in Item 8 of this report.

	Years Ended December 31,				
	2011	2010	2009	2008	2007
(In Thousands, Except share and Per Share Amounts)					
Consolidated Statement of Operations Data:					
Revenues					
Product sales	\$ 129,837	\$ 68,664	\$ 61,689	\$ 10,680	\$ —
Grants and collaborations revenue	17,154	11,647	2,919	3,212	6,184
Total revenues	146,991	80,311	64,608	13,892	6,184
Cost and operating expenses					
Cost of product sales	155,615	70,515	60,428	10,364	—
Research and development ⁽¹⁾	87,317	55,249	38,263	30,306	8,662
Sales, general and administrative ⁽¹⁾	83,231	40,393	23,558	16,622	10,522
Restructuring and asset impairment (income) charges	—	(2,061)	5,768	—	—
Total cost and operating expenses	326,163	164,096	128,017	57,292	19,184
Loss from operations	(179,172)	(83,785)	(63,409)	(43,400)	(13,000)
Other income (expense):					
Interest income	1,542	1,540	448	1,378	1,178
Interest expense	(1,543)	(1,443)	(1,218)	(377)	(28)
Other income (expense), net	214	898	(621)	(144)	76
Total other income (expense)	213	995	(1,391)	857	1,226
Loss before income taxes	(178,959)	(82,790)	(64,800)	(42,543)	(11,774)
Income tax benefit (provision)	(552)	—	—	207	—
Net loss	\$ (179,511)	\$ (82,790)	\$ (64,800)	\$ (42,336)	\$ (11,774)
Loss attributable to noncontrolling interest	641	920	341	472	—
Net loss attributable to Amyris, Inc.	\$ (178,870)	\$ (81,870)	\$ (64,459)	\$ (41,864)	\$ (11,774)
Deemed dividend related to a beneficial conversion feature	—	(42,009)	—	—	—
Net loss attributable to Amyris, Inc. common stockholders	\$ (178,870)	\$ (123,879)	\$ (64,459)	\$ (41,864)	\$ (11,774)
Net loss per share attributable to common stockholders, basic and diluted	\$ (3.99)	\$ (8.35)	\$ (13.56)	\$ (9.91)	\$ (3.28)
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	44,799,056	14,840,253	4,753,085	4,223,533	3,592,932

(1) Includes stock-based compensation expense.

As of December 31,

	2011	2010	2009	2008	2007
	(In Thousands)				
Consolidated Balance Sheet Data:					
Cash, cash equivalents, investments and restricted cash	\$ 103,592	\$ 257,933	\$ 71,716	\$ 52,888	\$ 45,862
Working capital	\$ 47,205	\$ 242,818	\$ 51,062	\$ 32,356	\$ 31,045
Total assets	\$ 320,111	\$ 357,453	\$ 122,159	\$ 98,823	\$ 50,889
Total indebtedness ⁽¹⁾	\$ 47,660	\$ 12,590	\$ 20,608	\$ 6,747	\$ 655
Convertible preferred stock warrant liability	\$ —	\$ —	\$ 2,740	\$ 2,132	\$ —
Convertible preferred stock	\$ —	\$ —	\$ 179,651	\$ 121,436	\$ 58,126
Redeemable noncontrolling interest	\$ —	\$ —	\$ 5,506	\$ —	\$ —
Total equity (deficit)	\$ 160,812	\$ 307,548	\$ (113,745)	\$ (52,143)	\$ (13,301)

(1) Total indebtedness as of December 31, 2011 and 2010 includes \$6.3 million and \$5.9 million, respectively, in capital lease obligations, \$3.1 million and \$5.7 million, respectively, in notes payable, \$19.4 million and \$1.0 million, respectively, in loan payable, and \$18.9 million and zero, respectively, in credit facility (see Note 5 and Note 6 to our Consolidated Financial Statements).

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are building an integrated renewable products company to provide sustainable alternatives to a broad range of petroleum-sourced products used in specialty chemical and transportation fuel markets worldwide. We do this by applying our industrial synthetic biology technology platform to modify microorganisms, primarily yeast, to function as living factories in established fermentation processes to convert plant-sourced sugars into a variety of hydrocarbon molecules that can serve as flexible building blocks to be used in a wide range of products.

We were incorporated in 2003 and commenced research, development, marketing and administrative activities in 2005. To further develop our business we have established two subsidiaries, Amyris Brasil Ltda. (formerly Amyris Brasil S.A.), which oversees the establishment and expansion of our production in Brazil, and Amyris Fuels LLC, which we believe will help us develop fuel distribution capabilities in the U.S. Amyris Fuels currently generates revenue from the sale of ethanol and ethanol blended gasoline to wholesale customers through a network of terminals primarily in the southeastern U.S.

While our technology enables us to design yeast and other microorganisms to produce many different kinds of molecules, our current priority is the commercialization and production of Biofene, and its derivatives for sale in a range of specialty chemical applications within the following six identified markets: cosmetics, lubricants, flavors and fragrances, polymers, consumer products and transportation fuels.

In April 2010 we entered into a definitive agreement with Usina São Martinho, one of the largest sugar and ethanol producers in Brazil, to establish a joint venture entity that intends to construct and operate the first commercial plant dedicated to the production of Amyris renewable products. Usina São Martinho will share a portion of the costs associated with this construction. In March 2011, we entered into an agreement with Paraíso Bioenergia headquartered in São Paulo State, Brazil where we will construct a fermentation and separation facility to produce our products and Paraíso Bioenergia will supply sugar cane juice and certain utilities. In addition to these agreements, we have entered into non-binding letters of intent with various other Brazilian sugar and ethanol producers, including Alvorada, Cosan, ETH and Açúcar Guarani, to produce our products. Usina São Martinho also has the right to produce Amyris products at a second facility. We expect to work with these producers to build new, "bolt-on" facilities adjacent to their existing mills instead of building entirely new "greenfield" facilities, thereby reducing the capital required to establish and scale our production.

In June 2010, we entered into a collaboration agreement with Total. This agreement provides for joint collaboration on the development of products through the use of our synthetic biology platform. In connection with this agreement, Total invested \$133.2 million in our equity, which represented approximately 21.0% of our outstanding shares as of December 31, 2011. In

addition, Total received the right to appoint a Total representative to our Board of Directors. In November 2010, Philippe Boisseau, President of Total's Gas & Power division, joined our Board of Directors. At the end of the second quarter of 2010, we recorded a deferred charge asset of \$27.9 million associated with the Total investment. This deferred charge asset resulted from the difference between a third party valuation of our stock and the price paid by Total. This deferred charge asset will be offset against future revenue earned under arrangements with Total. As of December 31, 2011, we recognized a cumulative reduction of \$9.1 million against the deferred charge asset.

In November 2011, we entered into an amendment of the collaboration agreement to establish a diesel development program. The amendment provides for an exclusive strategic collaboration for the development of renewable diesel products and contemplates that the parties will establish a joint venture, or JV, for the production and commercialization of such renewable diesel products on an exclusive, worldwide basis. It also provides that commercialization and production of jet fuel, already under development pursuant to the collaboration agreement, would be conducted on an exclusive, worldwide basis through the same JV. In addition, the amendment provides the JV with the right to produce and commercialize certain other chemical products on a non-exclusive basis. The amendment provides that definitive agreements to form the JV must be in place by March 31, 2012 (or another date as agreed to by the parties) or the renewable diesel program, including any further collaboration payments by Total related to the renewable diesel program, will terminate. Total has an option, upon completion of the renewable diesel program, to notify us that it does not wish to pursue production or commercialization of renewable diesel under the amendment. If Total exercises this right, all of Total's intellectual property rights that were developed during the renewable diesel program would terminate and would be assigned to us, and we would be obligated to pay Total specified royalties based on the Company's net income. Such royalty payments would also include a share of net proceeds received by us from any sale of its renewable diesel business.

Pursuant to the amendment, Total has agreed to solely fund the following amounts: (i) the first \$30.0 million in research and development costs related to the renewable diesel program which have been incurred since August 1, 2011, which amount shall be in addition to the \$50.0 million in research and development funding contemplated by the collaboration, and (ii) for any research and development costs incurred following the JV formation date that are not covered by the initial \$30.0 million, up to an additional \$10 million in 2012 and up to an additional \$10.0 million in 2013, which amounts will be considered part of the \$50.0 million contemplated by the collaboration agreement. In addition to these payments, Total has further agreed to fund 50% of all remaining research and development costs for the renewable diesel program under the amendment. The parties have separately agreed that, if the JV is formed, Total will fund additional amounts with respect to JV expenditures.

To support our goal of commencing commercial production of Biofene in 2011, we entered into contract manufacturing agreements in June 2010 with Biomin in Brazil and in November 2010 with Tate & Lyle in the U.S. In addition, in March 2011, we entered into an agreement with Antibióticos for the production of Biofene at its facilities in León, Spain. We are providing certain equipment to these producers to enable their production of Biofene.

We have also established contract manufacturing relationships to support conversion of Biofene into finished chemical products. In January 2011, we entered into a production service agreement with Glycotech under which Glycotech will perform finishing steps to convert Biofene into squalane, diesel, base oils for industrial lubricants, and other products. In July 2011, we entered into a contract manufacturing agreement with Albemarle under which Albemarle will provide toll manufacturing services at its facility in South Carolina and we are obligated to reimburse Albemarle for capital expenditures related to facility modifications required for the services. In February 2012, we entered into a new toll manufacturing agreement with Albemarle that supersedes the July 2011 original agreement. The term of the agreement continues through December 31, 2019. The agreement includes certain obligations for us to pay fixed costs totaling \$7.5 million, of which \$3.5 million and \$4.0 million are payable in 2012 and 2014, respectively. In addition, fixed costs of \$2.0 million is payable per quarter in 2013 if we exercise our option to have product manufactured in the facility in 2013. The agreement also includes variable pricing during the contract term. In September 2011, we entered into a service agreement with Dottikon for the production of squalane and Biofene-derived molecules for use as oxygen scavengers in PET polymers at a facility in Switzerland (pending completion of process development work). We may seek to enter into additional contract manufacturing arrangements. We expect to work with third parties specializing in particular industries to convert Biofene by simple chemical processes and to sell it initially primarily in the forms of squalane, diesel, base oils for industrial lubricants, and other products.

During the twelve months ended December 31, 2011, we incurred \$25.5 million of scale-up production costs to support our renewable products. These scale-up production costs include the contract manufacturing cost related to production of farnesene-derived products and the finishing of farnesene into finished products. In the year ended December 31, 2011 the Company incurred substantial losses totaling \$15.4 million as a result of applying the lower-of-cost-or-market inventory rules. We continue to commit significant resources to our production process in advance of our achieving full commercial production volume. As only a portion of our production costs varies with our revenue, our production costs will be greater than our revenue until we achieve significant product volume and revenue. We anticipate that our scale-up production costs will decrease as we continue to improve our

processes and increase throughput.

To commercialize our initial product, squalane, for sale to cosmetics companies for use as a moisturizing ingredient in the cosmetics and other personal care products, we entered into a marketing and distribution agreement with Soliance, a leading provider of ingredients to the cosmetics industry based in the Champagne-Ardenne region of France, in June 2010. As an early step toward selling diesel, in addition to the Total collaboration described above, we have entered into an arrangements with Petrobras under which we sell diesel produced from Biofene to Petrobras, which blends our diesel in fuel sold to city bus fleets in São Paulo and Rio de Janeiro, Brazil. For the industrial lubricants market, in June 2011 we established a joint venture with Cosan for the worldwide development, production and commercialization of renewable base oils. In September 2011, for development and commercialization of isoprene for use in tires, we entered into a development agreement with Michelin.

We have also entered into agreements for the sale of Biofene and its derivatives directly to customers, including with P&G for use in cleaning products, with M&G for use in plastics, with Kuraray for use in production of polymers, with Firmenich and Givaudan for ingredients for the flavors and fragrances market, with Method for use in home and personal care products, and with Wilmar for use as a surfactant. Production and sale of our products pursuant to any of these relationships will depend on the achievement of contract-specific technical, development and commercial milestones.

In December 2011, we received loans from Brazilian banks totaling approximately \$30.6 million based on the exchange rate at December 31, 2011 (R\$57.4 million reais) to fund capital and other expenditures relating to the production facilities we are establishing at Paraíso Bioenergia and Biomin. We secured these loans to allow us to continue construction and process development at these plants, and expect to seek additional loans from these banks and others in order to be able to fund the establishment of other plants in Brazil and elsewhere. There remains significant uncertainty regarding the timing and availability of such additional loans and, if we are unable to obtain necessary financing in a timely manner, among other things, we may be forced to curtail our operations, including delays or stoppages in construction or process development at production sites.

On February 17, 2012, we entered into a supplemental agreement with Banco Pine S.A. under which the parties agreed to extend the maturity date for the repayment of the original loan entered into on December 22, 2011 (see Note 6) from February 17, 2012 to May 17, 2012. In connection with the extension, we are obligated to pay R\$129,150 reais (approximately US\$75,000 based on the exchange rate as of February 17, 2012) as tax on the financial transaction as required by Brazilian law.

On February 23, 2012, we sold 10,160,325 shares of our common stock in a private placement for aggregate offering proceeds of \$58.7 million.

On February 24, 2012, we entered into a security purchase agreement to sell \$25.0 million in principal amount of unsecured senior convertible promissory notes due in 2017. The notes have a 3.0% annual interest rate and are convertible into shares of the Company's common stock at a conversion price of \$7.0682 (an 18.0% premium to market value determined under the governance rules of The NASDAQ Stock Market), subject to adjustment for proportional adjustments to outstanding common stock and anti-dilution provisions in case of dividends and distributions. The note holders have a right to require repayment of 101% of the principal amount of the notes in an acquisition of the Company, and the notes provide for payment of unpaid interest on conversion following such an acquisition if the note holders do not require such repayment. The securities purchase agreement and notes include covenants regarding payment of interest, maintaining our listing status, limitations on debt, maintenance of corporate existence, and filing of SEC reports. The notes include standard events of default resulting in acceleration of indebtedness, including failure to pay, bankruptcy and insolvency, cross-defaults, and breaches of the covenants in the securities purchase agreement and notes, with default interest rates and associated cure periods applicable to the covenant regarding SEC reporting.

Since inception through December 31, 2011, we have recognized \$318.8 million in revenue, primarily from the sale of ethanol and reformulated ethanol-blended gasoline by our Amyris Fuels subsidiary. As of December 31, 2011, we had an accumulated deficit of \$381.2 million. We expect to fund operations for the foreseeable future with cash and investments currently on hand, with cash inflows from collaboration and grant funding and potential cash contributions from product sales, and with new debt and equity financing to provide additional working capital and to cover portions of our capital expenditures. Our anticipated working capital needs and our planned operating and capital expenditures for 2012 and 2013 will require significant inflows of cash from credit facilities and similar sources of indebtedness, as well as funding from collaboration partners. Some of these necessary financing resources are not yet subject to definitive agreements or have not committed to funding arrangements. In addition, our anticipated working capital needs and strategic plans in 2012 and beyond will depend on our ability to identify and secure additional sources of funding beyond those we have currently identified. Such sources of funding may include equity or debt offerings, in addition to collaboration revenue and other forms of debt. If we fail to secure such funding, we may be forced to curtail our operations, which could include reductions or delays of planned capital expenditures or scaling back our operations. We have had to adjust the timing for construction projects relating to the São Martinho plant due to financing constraints, and the

projected completion date for São Martinho is being assessed and could be subject to further delays and adjustment based on the timing and success of our financing activities. If we are forced to curtail our operations, we may be unable to proceed with construction of certain planned production facilities, enter into definitive agreements for supply of feedstock and associated production arrangements that are currently subject to letters of intent, commercialize our products within the timeline we expect, or otherwise continue our business as currently contemplated.

If, to support our planned operations, we seek additional types of funding that involve the issuance of equity securities, our existing stockholders would suffer dilution. For example, in February 2012, we completed a private placement of our common stock that resulted in the issuance of approximately 10.2 million shares and entered into a securities purchase agreement that resulted in the issuance of \$25.0 million in unsecured senior convertible promissory notes that are convertible into common stock at an initial conversion price of \$7.0682. The convertible notes contain various covenants, including restrictions on the amount of debt we are permitted to incur. We may conduct additional financings if they become available on appropriate terms and we deem them to be consistent with our financing strategy. If we raise additional debt financing, we may be subject to additional restrictive covenants that limit our ability to conduct our business. We may not be able to raise sufficient additional funds on terms that are favorable to us, if at all. If we fail to raise sufficient funds and continue to incur losses, our ability to fund our operations, take advantage of strategic opportunities, develop and commercialize products or technologies, or otherwise respond to competitive pressures could be significantly limited. If this happens, we may be forced to delay or terminate research and development programs or the commercialization of products resulting from our technologies, curtail or cease operations, or obtain funds through collaborative and licensing arrangements that may require us to relinquish commercial rights, or grant licenses on terms that are not favorable to us. If adequate funds are not available, we will not be able to successfully execute our business plan or continue our business.

As part of our operating plan for 2012, we intend to reduce our cost structure by improving efficiency in our operations and reducing non-critical expenditures. We expect these efforts to include reductions to our workforce and adjustments to the timing and scope of planned capital expenditures in the coming quarters.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the U.S. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. We base our estimates and assumptions on historical experience and on various other factors that we believe to be reasonable under the circumstances. We evaluate our estimates and assumptions on an ongoing basis. The results of our analysis form the basis for making assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies involve significant areas of management's judgments and estimates in the preparation of our financial statements.

Revenue Recognition

We currently recognize revenues from the sale of ethanol and reformulated ethanol-blended gasoline, from the sale of farnesene-derived products, from the delivery of collaborative research services and from government grants. Revenues are recognized when all of the following criteria are met: persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the fee is fixed or determinable and collectability is reasonably assured.

If sales arrangements contain multiple elements, we evaluate whether the components of each arrangement represent separate units of accounting. We have determined that all of our revenue arrangements should be accounted for as a single unit of accounting. Application of revenue recognition standards requires subjective determination and requires management to make judgments about the fair values of each individual element and whether it is separable from other aspects of the contractual relationship.

For each source of revenues, we apply the above revenue recognition criteria in the following manner:

Product Sales

We sell ethanol and reformulated ethanol-blended gasoline under short-term agreements and in spot transactions at prevailing market prices. Starting in the second quarter of 2011, the Company commenced sales of farnesene-derived products. Revenues

are recognized, net of discounts and allowances, once passage of title and risk of loss have occurred, provided all other revenue recognition criteria have also been met.

Shipping and handling costs charged to customers are recorded as revenues. Shipping costs are included in cost of product revenues. Such charges were not significant in any of the periods presented.

Grants and Collaborative Research Services

Revenues from collaborative research services are recognized as the services are performed consistent with the performance requirements of the contract. In cases where the planned levels of research services fluctuate over the research term, we recognize revenues using the proportionate performance method based upon actual efforts to date relative to the amount of expected effort to be incurred by us. When up-front payments are received and the planned levels of research services do not fluctuate over the research term, revenues are recorded on a ratable basis over the arrangement term, up to the amount of cash received. When up-front payments are received and the planned levels of research services fluctuate over the research term, revenues are recorded using the proportionate performance method, up to the amount of cash received. Where arrangements include milestones that are determined to be substantive and at risk at the inception of the arrangement, revenues are recognized upon achievement of the milestone and is limited to those amounts whereby collectability is reasonably assured.

Government grants are made pursuant to agreements that generally provide cost reimbursement for certain types of expenditures in return for research and development activities over a contractually defined period. Revenues from government grants are recognized in the period during which the related costs are incurred, provided that the conditions under which the government grants were provided have been met and only perfunctory obligations are outstanding.

Consolidations

We have interests in certain joint venture entities that are variable interest entities or VIEs. Determining whether to consolidate a variable interest entity may require judgment in assessing (i) whether an entity is a variable interest entity and (ii) if we are the entity's primary beneficiary and thus required to consolidate the entity. To determine if we are the primary beneficiary of a VIE, we evaluate whether we have (i) the power to direct the activities that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. Our evaluation includes identification of significant activities and an assessment of our ability to direct those activities based on governance provisions and arrangements to provide or receive product and process technology, product supply, operations services, equity funding and financing and other applicable agreements and circumstances. Our assessment of whether we are the primary beneficiary of our VIEs requires significant assumptions and judgment.

Impairment of Long-Lived Assets

We assess impairment of long-lived assets, which include property and equipment and test long-lived assets for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to, significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; or expectations that the asset will more likely than not be sold or disposed of significantly before the end of its estimated useful life.

Recoverability is assessed based on the fair value of the asset, which is calculated as the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset. An impairment loss is recognized in the consolidated statements of operations when the carrying amount is determined to be not recoverable and exceeds fair value, which is determined on a discounted cash flow basis.

We make estimates and judgments about future undiscounted cash flows and fair values. Although our cash flow forecasts are based on assumptions that are consistent with our plans, there is significant exercise of judgment involved in determining the cash flow attributable to a long-lived asset over its estimated remaining useful life. Our estimates of anticipated cash flows could be reduced significantly in the future. As a result, the carrying amounts of our long-lived assets could be reduced through impairment charges in the future.

Goodwill and Intangible Assets

Goodwill represents the excess of the cost over the fair value of net assets acquired from our business combinations. Intangible

assets are comprised primarily of in-process research and development ("IPR&D"). We make significant judgments in relation to the valuation of goodwill and intangible assets resulting from business combinations and asset acquisitions.

There are several methods that can be used to determine the estimated fair value of the IPR&D acquired in a business combination. We utilized the "income method," which applies a probability weighting that considers the risk of development and commercialization, to the estimated future net cash flows that are derived from projected sales revenues and estimated costs. These projections are based on factors such as relevant market size, pricing of similar products, and expected industry trends. The estimated future net cash flows are then discounted to the present value using an appropriate discount rate. These assets are treated as indefinite-lived intangible assets until completion or abandonment of the projects, at which time the assets will be amortized over the remaining useful life or written off, as appropriate.

Goodwill and intangible assets with indefinite lives are assessed for impairment using fair value measurement techniques on an annual basis or more frequently if facts and circumstance warrant such a review. When required, a comparison of fair value to the carrying amount of assets is performed to determine the amount of any impairment.

We evaluate our intangible assets with finite lives for indications of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Intangible assets consist of purchased licenses and permits and are amortized on a straight-line basis over their estimated useful lives. Factors that could trigger an impairment review include significant under-performance relative to expected historical or projected future operating results, significant changes in the manner of our use of the acquired assets or the strategy for our overall business or significant negative industry or economic trends. If this evaluation indicates that the value of the intangible asset may be impaired, we make an assessment of the recoverability of the net carrying value of the asset over its remaining useful life. If this assessment indicates that the intangible asset is not recoverable, based on the estimated undiscounted future cash flows of the technology over the remaining amortization period, we reduce the net carrying value of the related intangible asset to fair value and may adjust the remaining amortization period. Any such impairment charge could be significant and could have a material adverse effect on our reported financial results. We have not recognized any impairment charges on our intangible assets through December 31, 2011.

Stock-Based Compensation

We recognize compensation expense related to stock-based transactions, including the awarding of employee stock options, based on the grant date estimated fair value. We amortize the fair value of the employee stock options on a straight-line basis over the requisite service period of the award, which is generally the vesting period. We account for restricted stock units issued to employees based on the fair market value of our common stock.

We account for stock options issued to nonemployees based on the fair value of the awards using the Black-Scholes option pricing model. We account for restricted stock units issued to nonemployees based on the estimated fair value of our common stock. The measurement of stock-based compensation is subject to periodic adjustments as the underlying equity instruments vest, and the resulting change in value, if any, is recognized in our consolidated statements of operations during the period the related services are rendered. There is inherent uncertainty in these estimates and if different assumptions had been used, the fair value of the equity instruments issued to nonemployee consultants could have been significantly different.

In future periods, our stock-based compensation expense is expected to increase as a result of our existing unrecognized stock-based compensation still to be recognized and as we issue additional stock-based awards in order to attract and retain employees and nonemployee consultants.

Significant Factors, Assumptions and Methodologies Used In Determining Fair Value

We utilize the Black-Scholes option pricing model to estimate the fair value of our share-based payment awards. The Black-Scholes option pricing model requires inputs such as the expected term of the grant, expected volatility and risk-free interest rate. Further, the forfeiture rate also affects the amount of aggregate compensation that we are required to record as an expense. These inputs are subjective and generally require significant judgment.

The fair value of employee stock options was estimated using the following weighted-average assumptions:

	Years Ended December 31,		
	2011	2010	2009
Expected dividend yield	—%	—%	—%
Risk-free interest rate	2.3%	2.5%	2.8%
Expected term (in years)	5.8	6	6
Expected volatility	86%	96%	97%

Our expected term is derived from a comparable group of publicly listed companies that has a similar industry, life cycle, revenue, and market capitalization and the historical data on employee exercises.

Our expected volatility is derived from the historical volatilities of comparable group of publicly listed companies within our industry over a period equal to the expected term of our options because we do not yet have a long trading history to use for calculating the volatility of our own common stock.

Our risk-free interest rate is the market yield currently available on United States Treasury securities with maturities approximately equal to the option's expected term.

Our expected dividend yield was assumed to be zero as we have not paid, and do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future.

We estimate our forfeiture rate based on an analysis of our actual forfeitures and will continue to evaluate the appropriateness of the forfeiture rate based on actual forfeiture experience, analysis of employee turnover and other factors. Quarterly changes in the estimated forfeiture rate can have a significant effect on reported stock-based compensation expense, as the cumulative effect of adjusting the rate for all expense amortization is recognized in the period the forfeiture estimate is changed. If a revised forfeiture rate is higher than the previously estimated forfeiture rate, an adjustment is made that will result in a decrease to the stock-based compensation expense recognized in the consolidated financial statements. If a revised forfeiture rate is lower than the previously estimated forfeiture rate, an adjustment is made that will result in an increase to the stock-based compensation expense recognized in the consolidated financial statements.

We will continue to use judgment in evaluating the expected term, volatility and forfeiture rate related to our own stock-based compensation on a prospective basis and incorporating these factors into the Black-Scholes option pricing model.

Each of these inputs is subjective and generally requires significant management and director judgment to determine. If, in the future, we determine that another method for calculating the fair value of our stock options is more reasonable, or if another method for calculating these input assumptions is prescribed by authoritative guidance, and, therefore, should be used to estimate expected volatility or expected term, the fair value calculated for our employee stock options could change significantly. Higher volatility and longer expected terms generally result in an increase to stock-based compensation expense determined at the date of grant.

Income Taxes

We are subject to income taxes in both the U.S. and foreign jurisdictions, and we use estimates in determining our provisions for income taxes. We use the liability method of accounting for income taxes, whereby deferred tax assets or liability account balances are calculated at the balance sheet date using current tax laws and rates in effect for the year in which the differences are expected to affect taxable income.

Recognition of deferred tax assets is appropriate when realization of such assets is more likely than not. We recognize a valuation allowance against our net deferred tax assets if it is more likely than not that some portion of the deferred tax assets will not be fully realizable. This assessment requires judgment as to the likelihood and amounts of future taxable income by tax jurisdiction. At December 31, 2011, we had a full valuation allowance against all of our deferred tax assets.

We apply the provisions of FASB's guidance on accounting for uncertainty in income taxes. We assess all material positions taken in any income tax return, including all significant uncertain positions, in all tax years that are still subject to assessment or challenge by relevant taxing authorities. Assessing an uncertain tax position begins with the initial determination of the position's sustainability and the tax benefit to be recognized is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. As of each balance sheet date, unresolved uncertain tax positions must be reassessed, and we will determine whether (i) the factors underlying the sustainability assertion have changed and (ii) the amount of the recognized tax benefit is still appropriate. The recognition and measurement of tax benefits requires significant judgment. Judgments

concerning the recognition and measurement of a tax benefit might change as new information becomes available.

Results of Operations

Comparison of Year Ended December 31, 2011 to Year Ended December 31, 2010

Revenues

	Years Ended December 31,		Year-to Year Change	Percentage Change
	2011	2010		
(Dollars in thousands)				
Revenues				
Product sales	\$ 129,837	\$ 68,664	\$ 61,173	89%
Grants and collaborations revenue	17,154	11,647	5,507	47%
Total revenues	\$ 146,991	\$ 80,311	\$ 66,680	83%

Our total revenue increased by \$66.7 million to \$147.0 million in 2011 from \$80.3 million in 2010 primarily as a result of increases in product sales. Revenue from product sales increased by \$61.2 million to \$129.8 million primarily from sales of ethanol and reformulated ethanol-blended gasoline purchased from third parties in 2011, resulting primarily from an increase in average selling price per gallon and an increase in gallons sold over 2010 due primarily to an increase in demand from existing customers. We sold 10.1 million gallons of ethanol and 36.4 million gallons of reformulated ethanol-blended gasoline in the 2011 compared to 20.6 million gallons of ethanol and 12.4 million gallons of reformulated ethanol-blended gasoline sales in the comparable period of the prior year. We recognized product sales from farnesene-derived products for the first time in the quarter ended June 30, 2011, which have not been significant to date. The increase of \$5.5 million in grants and collaborations revenue was primarily the result of higher revenue generated from collaborative research offset in part by lower grant revenue in 2011 compared to the prior year.

Cost and Operating Expenses

	Years Ended December 31,		Year-to Year Change	Percentage Change
	2011	2010		
	(Dollars in thousands)			
Cost of product sales	\$ 155,615	\$ 70,515	\$ 85,100	121 %
Research and development	87,317	55,249	32,068	58 %
Sales, general and administrative	83,231	40,393	42,838	106 %
Restructuring and asset impairment (income) charges	—	(2,061)	2,061	(100)%
Total cost and operating expenses	\$ 326,163	\$ 164,096	\$ 162,067	99 %

Cost of Product Sales

Our cost of product sales increased by \$85.1 million to \$155.6 million in 2011 compared to the prior year. The increase was primarily the result of an increase of \$59.6 million in costs of ethanol and reformulated ethanol-blended gasoline purchased from third parties, which was based on an increase in product cost per gallon and higher product volume. We also incurred \$25.5 million of cost of renewable products, of which \$15.4 million is associated with inventory write down resulting from applying the lower-of-cost-or-market inventory rules. Cost of renewable products also included some costs related to the scale-up in production of such products and had no corresponding charge in the prior year.

Research and Development Expenses

Our research and development expenses increased by \$32.1 million in 2011 over the prior year, primarily the result of an \$11.3 million increase in personnel-related expenses associated with headcount growth and higher stock-based compensation, a \$10.0 million increase in outside consulting expenses associated with increased development activities and \$5.8 million in higher overhead costs associated with increased headcount and development activities. Research and development expenses included

stock-based compensation expense of \$6.3 million in 2011 compared to \$2.2 million in 2010.

Sales, General and Administrative Expenses

Our sales, general and administrative expenses increased by \$42.8 million in 2011 over the prior year, primarily as a result of increased personnel-related expenses of \$24.1 million, higher consulting fees of \$8.4 million and higher professional fees of \$2.0 million associated with higher legal and auditing fees. The increase in consulting and professional fees was due primarily to success fee of \$5.0 million owed to a chemical conversion contract manufacturer and a termination penalty of \$1.0 million owed to terminate a research and development contract related to production development. Sales, general and administrative expenses included stock-based compensation expense of \$19.1 million and \$8.3 million during 2011 and 2010, respectively.

Restructuring and Asset Impairment Charges (Income)

In June 2009, we initiated a restructuring plan to reduce our cost structure. The restructuring plan resulted in the consolidation of our headquarter facility located in Emeryville, California, which is under an operating lease. We ceased using a certain part of our headquarter facility in August 2009. We recorded approximately \$5.4 million of restructuring charges associated with the facility lease costs after the operations ceased. In addition, as a result of the consolidation of the headquarter facility, we recorded approximately \$3.1 million related to asset impairments and reversed \$2.7 million related to deferred rent associated with the leased facility.

In September 2010, our Board of Directors approved our plan to reoccupy the part of our headquarter facility that previously was the subject of the 2009 restructuring. This reoccupied space was used to meet our expansion requirements. As a result, we reversed approximately \$4.6 million of our restructuring liability that had been accrued in connection with the 2009 restructuring and recognized income from restructuring of \$2.1 million during the year ended December 31, 2010.

Other Income (Expense)

	Years Ended December 31,		Year-to Year Change	Percentage Change
	2011	2010		
	(Dollars in thousands)			
Other income (expense):				
Interest income	\$ 1,542	\$ 1,540	\$ 2	— %
Interest expense	(1,543)	(1,443)	(100)	7 %
Other income, net	214	898	(684)	(76)%
Total other income	<u>\$ 213</u>	<u>\$ 995</u>	<u>\$ (782)</u>	<u>(79)%</u>

Total other income decreased by approximately \$0.8 million to \$0.2 million in 2011 compared to the prior year. The decrease is related primarily to a decline in other income, net of approximately \$0.7 million and to higher interest expense of \$0.1 million associated with higher debt balances. We expect interest expense to be larger in 2012 than in 2011 due to increased amounts of debt incurred to fund our operations, including capital expenditures for the coming year. The \$0.7 million decrease in other income, net is primarily the result of our having recorded \$0.9 million in income for the change in fair value of our convertible preferred stock warrants in 2010. These warrants converted into warrants to purchase our common stock on completion of our initial public offering, or IPO, in September 2010.

Deemed Dividend

We recognized a deemed dividend in 2010 related to the charges incurred with the one-time beneficial conversion feature of the Series D convertible preferred stock of \$39.3 million and to the one-time beneficial conversion feature related to the conversion of Amyris Brasil S.A. shares of \$2.7 million, each of which converted into Amyris Inc. common stock upon the consummation of our IPO. The deemed dividend was recorded at the closing of the IPO and impacted earnings and earnings per share in 2010.

Comparison of Year Ended December 31, 2010 to Year Ended December 31, 2009

Revenues

	Years Ended December 31,		Year-to Year Change	Percentage Change
	2010	2009		
(Dollars in thousands)				
Revenues				
Product sales	\$ 68,664	\$ 61,689	\$ 6,975	11%
Grants and collaborations revenue	11,647	2,919	8,728	299%
Total revenues	\$ 80,311	\$ 64,608	\$ 15,703	24%

Our total revenue increased by \$15.7 million to \$80.3 million in 2010 from \$64.6 million in 2009. The increase of \$8.7 million in grants and collaborative revenue was primarily the result of \$9.5 million in revenue recognized from our DOE grant in 2010 compared to no revenue from government grants in the prior year, partially offset by \$0.8 million decline in collaborations revenue over the prior year. Revenue from product sales increased by \$7.0 million to \$68.7 million in sales of ethanol and reformulated ethanol-blended gasoline purchased from third parties in year ended December 31, 2010, resulting primarily from an increase in gallons sold over the prior year and from an increase in average selling price per gallon. We sold 20.6 million gallons of ethanol in 2010 compared to 29.9 million gallons in 2009 and 12.4 million gallons of reformulated ethanol-blended gasoline in 2010 compared to no reformulated ethanol-blended gasoline sales in the prior year.

Cost and Operating Expenses

	Years Ended December 31,		Year-to Year Change	Percentage Change
	2010	2009		
	(Dollars in thousands)			
Cost of product sales	\$ 70,515	\$ 60,428	\$ 10,087	17 %
Research and development	55,249	38,263	16,986	44 %
Sales, general and administrative	40,393	23,558	16,835	71 %
Restructuring and asset impairment (income) charges	(2,061)	5,768	(7,829)	(136)%
Total cost and operating expenses	\$ 164,096	\$ 128,017	\$ 36,079	28 %

Cost of Product Sales

Our cost of product sales of ethanol and reformulated gasoline purchased from third parties increased by \$10.1 million to \$70.5 million in 2010 compared to the prior year resulting from higher product volume and an increase in product cost per gallon.

Research and Development Expenses

Our research and development expenses increased by \$17.0 million to \$55.2 million in 2010 compared to the prior year, primarily the result of an \$8.7 million increase in personnel-related expenses associated with headcount growth, bonus expenses and higher stock-based compensation, a \$3.8 million increase in outside consulting expenses associated with increased development activities and \$3.5 million in higher overhead costs associated with increased headcount and development activities. Research and development expenses included stock-based compensation expense of \$2.2 million in 2010 compared to \$0.8 million in 2009.

Sales, General and Administrative Expenses

Our sales, general and administrative expenses increased by \$16.8 million to \$40.4 million in 2010 compared to the prior year, primarily the result of a \$10.9 million increase in personnel-related costs associated with higher stock-based compensation, headcount growth and higher bonus expenses, a \$1.8 million increase in professional service expense related primarily to higher legal cost to support business development and higher accounting fees and a \$1.0 million increase in recruitment and relocation expenditures associated with headcount increase. Sales, general and administrative expenses included stock-based compensation of \$8.3 million compared to \$2.5 million in 2009.

Restructuring and Asset Impairment (Income) Charges

In June 2009, we initiated a restructuring plan to reduce our cost structure. The restructuring plan resulted in the consolidation of our headquarter facility located in Emeryville, California, which is under an operating lease. We ceased using a certain part of our headquarter facility in August 2009. We recorded approximately \$5.4 million of restructuring charges associated with the facility lease costs after the operations ceased. In addition, as a result of the consolidation of the headquarter facility, we recorded approximately \$3.1 million related to asset impairments and reversed \$2.7 million related to deferred rent associated with the leased facility.

In September 2010, our Board of Directors approved our plan to reoccupy the part of our headquarter facility that previously was the subject of the 2009 restructuring. This reoccupied space was used to meet our expansion requirements. As a result, we reversed approximately \$4.6 million of our restructuring liability that had been accrued in connection with the 2009 restructuring and recognized income from restructuring of \$2.1 million during the year ended December 31, 2010.

Other Income (Expense)

	Years Ended December 31,		Year-to Year Change	Percentage Change
	2010	2009		
(Dollars in thousands)				
Other income (expense):				
Interest income	\$ 1,540	\$ 448	\$ 1,092	244 %
Interest expense	(1,443)	(1,218)	(225)	18 %
Other income (expense), net	898	(621)	1,519	(245)%
Total other income (expense)	\$ 995	\$ (1,391)	\$ 2,386	(172)%

Total other income (expense) increased by approximately \$2.4 million to \$1.0 million in 2010 compared to the prior year. The increase related primarily to an increase in other income, net of approximately \$1.5 million and to higher interest income of \$1.1 million associated with higher cash and investment balances, partially offset by higher interest expense of \$0.2 million associated with higher debt balances. The \$1.5 million increase in other income, net is primarily the result of \$1.6 million gain in fair value of our convertible preferred stock warrants which was reclassified to stockholders' equity in the third quarter of 2010 upon conversion at the time of our IPO to common stock warrants.

Deemed Dividend

We recognized a deemed dividend in the year ended December 31, 2010 related to the charges incurred with the one-time beneficial conversion feature of the Series D convertible preferred stock of \$39.3 million and to the one-time beneficial conversion feature related to the conversion of Amyris Brasil S.A. shares of \$2.7 million, each of which converted into Amyris Inc. common stock at the time of our IPO. The deemed dividend was recorded at the closing of the IPO and impacted earnings and earnings per share for the year ended December 31, 2010.

Liquidity and Capital Resources

	December 31,	
	2011	2010
(Dollars in thousands)		
Working capital	\$ 47,205	\$ 242,818
Cash and cash equivalents and short-term investments	\$ 103,592	\$ 257,933

	Years Ended December 31,		
	2011	2010	2009
	(Dollars in thousands)		
Net cash used in operating activities	\$ (92,496)	\$ (64,577)	\$ (45,718)
Net cash provided by (used in) investing activities	\$ 5,853	\$ (79,405)	\$ (25,422)
Net cash provided by financing activities	\$ 41,052	\$ 266,687	\$ 71,473

As of December 31, 2011, we had cash, cash equivalents and short-term investments of \$103.6 million compared to \$257.9 million as of December 31, 2010. As of December 31, 2011, we had total debt, including capital lease obligations, of \$47.7 million. In addition, we had total borrowing capacity of \$7.2 million substantially all of which was under our uncommitted facility letter, or Credit Agreement, which we currently utilize in connection with our Amyris Fuels business.

Working Capital. Working capital was \$47.2 million at December 31, 2011, a decrease of \$195.6 million from working capital as of December 31, 2010. This decrease was primarily attributable to:

- a decline of \$154.3 million in cash, cash equivalents and short-term marketable securities;
- an increase of \$35.5 million in accounts payable and accrued and other current liabilities;
- an increase of \$26.1 million in the current portion of debt.

The decrease was partially offset by an increase of \$17.0 million in prepaid assets and \$5.1 million increase in inventory.

In February 2012, we entered into securities purchase agreements for private placements resulting in aggregate offering proceeds of \$83.7 million, as described below.

To support production of our products in contract manufacturing and dedicated production facilities, we have incurred, and we expect to continue to incur, capital expenditures as we invest in these facilities. Additionally, we have incurred and expect to continue to incur capital expenditures for research and scale-up equipment and tenant improvements. We plan to secure external debt financing from U.S. and Brazilian sources to offset our investment in these contract manufacturing and dedicated production facilities.

The Company believes that its existing cash, cash equivalents and short-term investments at December 31, 2011 and amounts raised subsequent to December 31, 2011, cash inflows from collaboration, grants and product sales, as well as reduction in cash outflows as a result of planned actions, will be sufficient to fund its operations and other capital expenditures for at least the next twelve months.

The timing and amount of capital expenditures for additional production facilities at least in the near term will depend on our ability to access external sources of financing as well as our business and financial outlook and the specifics of the opportunity. For example, we believe that the amount of financing that we agree to provide for the construction of bolt-on, or other, production facilities may influence the other terms of the arrangements that we establish with the facility owner, and, accordingly, expect to evaluate the optimal amount of capital expenditures that we agree to fund on a case-by-case basis. We may also consider additional strategic investments or acquisitions. These events may require us to access additional capital through equity or debt offerings. If we are unable to access additional capital, our growth may be limited due to the inability to invest in additional production facilities.

If, to support our planned operations, we seek additional types of funding that involve the issuance of equity securities, our existing stockholders would suffer dilution. For example, in February 2012, we completed a private placement of our common stock that resulted in approximately 10.2 million shares and entered into a security purchase agreement that resulted in the issuance of \$25.0 million in unsecured senior convertible promissory notes that are convertible into our common stock at an initial conversion price of \$7.0682. The convertible notes contain various covenants, including restrictions on the amount of debt we are permitted to incur. We may conduct additional financings if they become available on appropriate terms and we deem them to be consistent with our financing strategy. If we raise additional debt financing, we may be subject to additional restrictive covenants that limit our ability to conduct our business. We may not be able to raise sufficient additional funds on terms that are favorable to us, if at all. If we fail to raise sufficient funds and continue to incur losses, our ability to fund our operations, take advantage of strategic opportunities, develop and commercialize products or technologies, or otherwise respond to competitive pressures could be significantly limited. If this happens, we may be forced to delay or terminate research and development programs or the commercialization of products resulting from our technologies, curtail or cease operations, or obtain funds through collaborative and licensing arrangements that may require us to relinquish commercial rights, or grant licenses on terms that are not favorable to us. If adequate funds are not available, we will not be able to successfully execute our business plan or continue our business.

Convertible Note Offering. On February 24, 2012, we entered into a securities purchase agreement to sell \$25.0 million in principal amount of unsecured senior convertible promissory notes due in 2017. The notes have a 3.0% annual interest rate and are convertible into shares of our common stock at a conversion price of \$7.0682 (an 18.0% premium to market value determined under the governance rules of The NASDAQ Stock Market), subject to adjustment for proportional adjustments to outstanding common stock and anti-dilution provisions in case of dividends and distributions. The note holders have a right to require repayment of 101% of the principal amount of the notes in an acquisition of the Company, and the notes provide for payment of unpaid interest on conversion following such an acquisition if the note holders do not require such repayment. The securities purchase agreement and notes include covenants regarding payment of interest, maintaining our listing status, limitations on debt, maintenance of corporate existence, and filing of SEC reports. The notes include standard events of default resulting in acceleration of indebtedness, including failure to pay, bankruptcy and insolvency, cross-defaults, and breaches of the covenants in the securities purchase agreement and notes, with default interest rates and associated cure periods applicable to the covenant regarding SEC reporting.

Common Stock Offering. On February 23, 2012, we sold 10,160,325 shares of our common stock in a private placement for aggregate offering proceeds of \$58.7 million.

Bridge Loan from Banco Pine. In December 2011, we entered into a loan agreement with Banco Pine S.A. under which Banco Pine S.A. provided us with a short term loan of up to R\$35.0 million reais (approximately US\$18.7 million based on the exchange rate at December 31, 2011). The loan was an advance on anticipated 2012 financing from Nossa Caixa Desenvolvimento (“Nossa Caixa”), the Sao Paulo State development bank, and the Lender, under which the Lender and Nossa Caixa may provide us with loans of up to approximately R\$52.0 million reais (approximately US\$27.7 million based on the exchange rate at December 31, 2011) as financing for capital expenditures relating to the Paraíso Bioenergia manufacturing facility in Brazil. The interest rate for the loan is 119.2% of Brazilian interbank lending rate (approximately 12.8% on an annualized basis). The principal and interest of loans under the loan agreement mature and are required to be repaid on May 17, 2012 based on the supplemental agreement entered into with Banco Pine S.A. under which the parties agreed to extend the maturity date for the repayment of the original loan, subject to extension by the Lender. Under the agreement, we would owe a prepayment penalty if we repay the loan prior to the maturity date based on the net value of the loan to Banco Pine S.A. if the Bridge Loan were repaid on the maturity date.

BNDES Credit Facility. In December 2011, we entered into a credit facility in the amount of R\$22.4 million reais (approximately US\$11.9 million based on the exchange rate at December 31, 2011) with Banco Nacional de Desenvolvimento Econômico e Social, or BNDES, a government owned bank headquartered in Brazil. This BNDES facility was extended as project financing for a production site in Brazil. The credit line is divided into an initial tranche for up to approximately R\$19.1 million reais and an additional tranche of approximately R\$3.3 million reais that becomes available upon delivery of additional guarantees. The credit line is available for 12 months from the date of the credit agreement, subject to extension by the lender.

The principal of loans under the BNDES credit facility is required to be repaid in 60 monthly installments, with the first installment due in January 2013 and the last due in December 2017. Interest will be due initially on a quarterly basis with the first installment due in March 2012. From and after January 2013, interest payments will be due on a monthly basis together with principal payments. The loaned amounts carry interest of 7% per year. Additionally, a credit reserve charge of 0.1% on the unused balance from each credit installment from the day immediately after it is made available through its date of use, when it is paid.

The credit line is collateralized by first priority security interest in certain of our equipment and other tangible assets with an original purchase price of R\$24.9 million reais. We are a parent guarantor for the payment of the outstanding balance under the BNDES credit facility. Additionally, we are required to provide a bank guarantee equal to 10% of all the approved amount (R\$22.4 million reais in total debt) under the credit agreement. For advances in the second tranche (above R\$19.1 million reais), we are required to provide additional bank guarantees equal to 90% of each such advance, plus additional Amyris guarantees equal to at least 130% of such advance. The credit agreement contains customary events of default, including payment failures, failure to satisfy other obligations under the Credit Agreement or related documents, defaults in respect of other indebtedness, bankruptcy, insolvency and inability to pay debts when due, material judgments, and changes in control of Amyris Brasil. If any event of default under the credit agreement occurs, the lender may terminate its commitments and declare immediately due all borrowings under the facility. As of December 31, 2011 we had \$19.1 million reais (approximately US\$10.2 million based on the exchange rate at December 31, 2011) in outstanding advances under the BNDES credit facility.

FINEP Credit Facility. In November 2010, we entered into a credit facility with Financiadora de Estudos e Projetos, or

FINEP, a state-owned company subordinated to the Brazilian Ministry of Science and Technology. This FINEP Credit Facility was extended to partially fund expenses related to our research and development project on sugarcane-based biodiesel, or the FINEP Project, and provides for loans of up to an aggregate principal amount of R\$6.4 million reais (approximately US\$3.4 million based on the exchange rate at December 31, 2011) which is guaranteed by a chattel mortgage on certain of our equipment as well as bank letters of guarantee. The first disbursement of approximately R\$1.8 million reais was received on February 11, 2011 and the next three disbursements will each be approximately R\$1.6 million reais. Subject to compliance with certain terms and conditions under the FINEP Credit Facility, the three remaining disbursements of the loan will become available to us for withdrawal.

Interest on loans drawn under this credit facility is fixed at 5.0% per annum. In case of default under or non-compliance with the terms of the agreement the interest on loans will be dependent on the long-term interest rate as published by the Central Bank of Brazil, or TJLP. If the TJLP at the time of default is greater than 6%, then the interest will be 5.0% + a TJLP adjustment factor otherwise the interest will be at 11.0% per annum. In addition, a fine of up to 10.0% will apply to the amount of any obligation in default. Interest on late balances will be 1.0% interest per month, levied on the overdue amount. Payment of the outstanding loan balance will be made in 81 monthly installments which will commence in July 2012 and extend through March 2019. Interest on loans drawn and other charges are paid on a monthly basis commencing in March 2011. As of December 31, 2011 and December 31, 2010, there were R\$1.8 million reais (approximately US\$1.0 million based on the exchange rate at December 31, 2011) and zero amount outstanding, respectively, under this FINEP Credit Facility.

The FINEP Credit Facility contains the following significant terms and conditions:

- We will share with FINEP the costs associated with the FINEP Project. At a minimum, we will contribute approximately R\$14.5 million Brazilian reais (US\$7.7 million based on the exchange rate at December 31, 2011) of which R\$11.1 million reais to be contributed prior to the release of the second disbursement, which is expected to occur in 2012;
- After the release of the first disbursement, prior to any subsequent drawdown from the FINEP Credit Facility, we are required to provide letters of guarantee of up to R\$3.3 million reais in aggregate (approximately US\$1.8 million based on the exchange rate at December 31, 2011);
- Amounts released from the FINEP Credit Facility must be completely used by us towards the FINEP Project within 30 months after the contract execution.

Revolving Credit Facility. In December 2010 we established a revolving credit facility which provides for loans and standby letters of credit of up to an aggregate principal amount of \$10.0 million with a sublimit of \$5.0 million on the standby letters of credit. Interest on loans drawn under this revolving credit facility will be equal to (i) the Eurodollar Rate plus 3.0%; or (ii) the Prime Rate plus 0.5%. In case of default or non-compliance with the terms of the agreement, the interest on loans will be Prime Rate plus 2.0%. The credit facility is collateralized by a first priority security interest in certain of our present and future assets. It has a \$5,000 annual loan fee and contains financial and non-financial covenants (see Note 6 to our Consolidated Financial Statements) including a required liquidity of at least \$10.0 million plus two times our quarterly "Net Cash Used in Operating Activities" calculated using our Condensed Consolidated Statements of Cash Flows reflected in our most recent periodic report filed with the SEC. In addition, as of the end of each fiscal quarter, we must maintain a current ratio (current assets to current liabilities) equal to or greater than 2:1. As of December 31, 2011, we were not in compliance with the current ratio covenant. The non-compliance was caused in part by the additional short term debt proceeds received by us and in part by and cash outflows. Following the funding from the equity and convertible debt financings in February 2012, our current ratio was returned to a level equal to or greater than 2:1. Events of default under the credit facility provides the lender various rights, including the right to require immediate repayment or foreclose on collateral.

On February 10, 2011, we borrowed \$3.3 million under this revolving credit facility to pay off certain notes payable balances of approximately the same amount. As a result of the payoff, \$1.0 million of the \$4.1 million outstanding letters of credit under the revolving credit facility was canceled.

On March 29, 2011, we borrowed an additional \$3.2 million under this revolving credit facility to finance capital expenditures. On December 22, 2011, we borrowed an additional \$1.2 million under this credit facility to finance capital expenditures. Under this facility, there were \$7.7 million in loans outstanding and one letter of credit outstanding totaling \$2.3 million as of December 31, 2011. The outstanding letter of credit serves as security for a facility lease and expires November 2012 and may be automatically extended for another one-year period.

Credit Agreement. In November 2008, we entered into a Credit Agreement with a financial institution to secure letters of credit and to finance short term advances for the purchase of ethanol and associated margin requirements as needed. In October 2009, the agreement was amended to decrease the maximum amount that we may borrow under such facility. The Credit Agreement, as amended, provides for an aggregate maximum availability of up to the lower of \$20.0 million or the borrowing base as defined

in the agreement to secure letters of credit and to finance short term advances for the purchase of ethanol and associated margin requirements as needed. We may use this line to secure letters of credit for product purchases in an aggregate amount up to \$5.7 million. In addition, we may borrow cash for the purchase of product, which is determined by our borrowing base. As of December 31, 2011 we had sufficient borrowing base levels to draw up to a total of \$7.2 million in short-term cash advances and had \$0.7 million available for letters of credit in addition to those then outstanding. As of December 31, 2011 and December 31, 2010 we had no outstanding advances and had \$5.0 million and \$4.6 million, respectively in outstanding letters of credit under the Credit Agreement which are guaranteed by Amyris, Inc. and payable on demand. The Credit Agreement is collateralized by a first priority security interest in certain of our present and future assets.

Government Grants. In 2010, we were awarded a \$24.3 million “Integrated Bio-Refinery” grant from the U.S. Department of Energy, or DOE. Under this grant, we are required to fund an additional \$10.6 million in cost sharing expenses. According to the terms of the DOE grant, we are required to maintain a cash balance of \$8.7 million, calculated as a percentage of the total project costs, to cover potential contingencies and cost overruns. These funds are not legally restricted but they must be available and unrestricted during the term of the project. Our obligation for this cost share is contingent on reimbursement for project costs incurred. During 2011, we recognized \$7.3 million in revenue under this grant, of which \$6.7 million was received during the year ended December 31, 2011.

In August 2010, we were appointed as a subcontractor to National Renewable Energy Laboratory, or NREL, under a DOE grant awarded to NREL. We have the right to be reimbursed for up to \$3.9 million and are required to fund an additional \$1.5 million in cost sharing expenses. During 2011, we recognized \$447,000 in revenue under this grant, of which \$269,000 was received during the year ended December 31, 2011.

Auction Rate Securities. Our investment portfolio included ARS, which were issued principally by student loan entities and rated AAA by a major credit rating agency. In February 2008, auctions failed for \$12.95 million in par value of ARS that we held because sell orders exceeded buy orders. During the year ended December 31, 2009, a total of \$250,000 of the ARS held by us were called at par by the issuer. As of December 31, 2010 and 2009, we owned zero and \$12.7 million par value of these securities, respectively. We received the \$12.7 million par value upon liquidation of our ARS holdings during the second and third quarters of 2010.

In October 2008, UBS AG, or UBS, offered to repurchase all of the ARS that we purchased from them. We formally accepted the settlement offer and entered into a repurchase agreement with UBS in November 2008. By accepting the agreement, we received the right (“Put Option”) to sell our ARS at par value to UBS between June 30, 2010 and July 2, 2012. The Put Option was exercised on June 30, 2010 to sell the remaining auction rate securities at par value and was settled in the third quarter of 2010 (see Note 3 to our Consolidated Financial Statements).

Cash Flows during the Years Ended December 31, 2011, 2010, and 2009

Cash Flows from Operating Activities

Our primary uses of cash from operating activities are cost of product sales and personnel related expenditures offset by cash received from product sales. Cash used in operating activities was \$92.5 million, \$64.6 million, and \$45.7 million for the years ended December 31, 2011, 2010, and 2009.

Net cash used in operating activities of \$92.5 million in 2011 reflected a net loss of \$179.5 million partially offset by non-cash charges of \$52.9 million and a \$34.1 million net change in our operating assets and liabilities. Net change in operating assets and liabilities of \$34.1 million primarily consists of a \$53.9 million increase in accrued and other long term liabilities of which \$31.9 million is due to the contingently repayable advance from Total, a \$15.6 million increase in accounts payable and a \$5.5 million increase in deferred revenue partially offset by a \$20.7 million increase in inventory, a \$17.3 million increase in prepaid expenses and other assets, a \$2.0 million increase in accounts receivable and a \$1.1 million reduction in deferred rent. Non-cash charges primarily included \$25.5 million of stock-based compensation, a \$15.4 million inventory write down to its net realizable value, and an \$11.1 million of depreciation and amortization expenses.

Cash used in operating activities of \$64.6 million in 2010 reflected a net loss of \$82.8 million partially offset by non-cash charges of \$16.6 million and a \$1.6 million net change in our operating assets and liabilities. Non-cash charges primarily included \$10.4 million of stock-based compensation and \$7.3 million of depreciation and amortization.

Cash used in operating activities of \$45.7 million in 2009 reflected a net loss of \$64.8 million, partially offset by aggregate non-cash charges of \$10.4 million and a net change of \$8.7 million in our net operating assets and liabilities. Non-cash charges

primarily included \$5.8 million of depreciation and amortization and \$3.3 million of stock-based compensation. The net change in our operating assets and liabilities was primarily a result of our restructuring activity of \$5.1 million, the increase in accrued and other liabilities of \$4.5 million and the decrease in prepaid and other assets of \$1.0 million, partially offset by the increase in inventory of \$0.9 million and the decrease in accounts payable of \$1.0 million.

Cash Flows from Investing Activities

Our investing activities consist primarily of net investment purchases, maturities and sales and capital expenditures.

In 2011, cash provided by investing activities was \$5.9 million as a result of \$105.6 million in net investment securities maturities and \$0.3 million in acquisition of cash in noncontrolling interest offset by a \$97.0 million of capital expenditures and deposits on property and equipment and a \$2.9 million payment to Draths Corporation in relation to business acquisition.

In 2010, cash used in investing activities was \$79.4 million as a result of \$68.4 million in net investment purchases and \$15.5 million of capital expenditures and deposits on property and equipment, offset by the release of \$4.5 million in restricted cash.

In 2009, cash used in investing activities was \$25.4 million as a result of \$16.0 million in net investment purchases and \$7.6 million of capital expenditures, and a \$1.8 million increase in restricted cash.

Cash Flows from Financing Activities

In 2011, cash provided by financing activities was \$41.1 million, primarily the result of the net receipt of \$38.0 million from debt financing, the receipt of \$8.4 million in proceeds from option exercises, and the receipt of \$3.0 million in equipment financing. These cash receipts were offset in part by principal payments on debt of \$5.0 million, principal payments on capital leases of \$2.8 million, and \$0.5 million in costs related to the initial public offering of our common stock.

In 2010 cash provided by financing activities was \$266.7 million, primarily the result of the net receipt of \$132.9 million from our sale of Series D convertible preferred stock, the receipt of the net proceeds of \$86.0 million from the initial public offering of our common stock, the net receipt of \$47.8 million from our sale of Series C-1 convertible preferred stock, the net receipt of \$3.7 million from our sale of Series C convertible preferred stock, the receipt of \$7.1 million from investors in Amyris Brasil and \$1.4 million in proceeds from equipment financing. These cash receipts were offset in part by principal payments on debt of \$9.7 million and principal payments on capital leases of \$2.7 million.

In 2009, cash provided by financing activities was \$71.5 million, primarily as a result of the net receipt of \$56.5 million from our sale of Series C convertible preferred stock, the net receipt of \$1.8 million from our sale of Series B-1 convertible preferred stock, the receipt of \$9.6 million from debt, primarily from an advance on student loan auction rate securities held at UBS, \$4.8 million in proceeds from equipment financing and the receipt of \$3.1 million from investors for their noncontrolling interest in Amyris Brasil, partially offset by our purchase of the noncontrolling interest in Amyris Brasil for \$2.3 million, our principal payments on our equipment financing facilities of \$1.1 million and principal repayments on our debt of \$1.0 million.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any material off-balance sheet arrangements, as defined under SEC rules, such as relationships with unconsolidated entities or financial partnerships, which are often referred to as structured finance or special purpose entities, established for the purpose of facilitating financing transactions that are not required to be reflected on our consolidated financial statements.

Contractual Obligations

The following is a summary of our contractual obligations as of December 31, 2011 (in thousands):

	Total	2012	2013	2014	2015	2016	Thereafter
Principal payments on long-term debt	\$ 41,324	\$ 28,050	\$ 2,981	\$ 2,453	\$ 2,480	\$ 2,510	\$ 2,850
Interest payments on long-term debt, fixed rate ⁽¹⁾	4,073	1,455	909	716	510	343	140
Interest payments on long-term debt, variable rate ⁽²⁾	252	252	—	—	—	—	—
Operating leases	44,981	6,807	6,519	6,598	6,776	6,905	11,376
Principal payments on capital leases	6,336	3,717	1,365	956	298	—	—
Interest payments on capital leases	558	382	124	51	1	—	—
Terminal storage costs	399	399	—	—	—	—	—
Purchase obligations ⁽³⁾⁽⁴⁾	35,819	31,609	210	4,000	—	—	—
Total	\$ 133,742	\$ 72,671	\$ 12,108	\$ 14,774	\$ 10,065	\$ 9,758	\$ 14,366

(1) For fixed rate facilities, the interest rates are more fully described in Note 6 of our consolidated financial statements.

(2) For variable rate facilities, amounts are based on weighted average interest rate which was 3.5% as of December 31, 2011.

(3) Purchase obligations include \$33.8 million in non-cancelable contractual obligations and construction commitments.

(4) On February 24, 2012, the Company entered into a toll manufacturing agreement with Albemarle. This agreement supersedes the original agreement with Albemarle dated July 2011. The term of the agreement continues through December 31, 2019. The agreement includes certain contractually binding fixed costs totaling \$7.5 million, which are payable in 2012 and 2014 and fixed costs of \$2.0 million per quarter in 2013 if the Company exercises its option to have product manufactured in the facility in 2013. The agreement also includes variable pricing during the contract term.

This table does not reflect that portion of the expenses that we expect to incur from 2011 through 2012 in connection with research activities under the DOE Integrated Bio-Refinery grant and the DOE grant to NREL, with respect to which we are a subcontractor, for which we will not be reimbursed. We have the right to be reimbursed for up to \$24.3 million of a total of up to \$34.9 million of expenses for research activities that we undertake under the DOE Integrated Bio-Refinery grant. We have the right to be reimbursed for up to \$3.9 million of a total of \$5.4 million of expenses for research activities that we undertake under the NREL grant.

Recent Accounting Pronouncements

The information contained in Note 2 to the Consolidated Financial Statements under the heading "Recent Accounting Pronouncements" is hereby incorporated by reference into this Part II, Item 8.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to financial market risks, primarily changes in interest rates, currency exchange rates and commodity prices. On a limited basis we use derivative financial instruments primarily to manage commodity price risk.

Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to our investment portfolio and our outstanding debt obligations. We generally invest our cash in investments with short maturities or with frequent interest reset terms. Accordingly, our interest income fluctuates with short-term market conditions. As of December 31, 2011, our investment portfolio consisted primarily of money market funds, and certificates of deposit, all of which are highly liquid investments. Due to the short-term nature of our investment portfolio, our exposure to interest rate risk is minimal. Additionally, as of December 31, 2011, 81% of our debt portfolio was comprised of fixed-rate debt and the balance was variable-rate debt. As of December 31, 2011, our weighted average borrowing rate on the revolving credit facility was 3.5%. If interest had increased by 100 basis points to the outstanding borrowings under our revolving credit facility as of December 31, 2011, our interest expense would have increased by \$77,000 on an annual basis. Because our average borrowings under our revolving credit facility are not substantial, changes in the interest rate will not have a significant impact on our interest expense.

Foreign Currency Risk

Most of our sales contracts are principally denominated in U.S. dollars and, therefore, our revenues are not currently subject to significant foreign currency risk. We do incur certain of our production costs, primarily sugar feedstocks and manufacturing service fees, operating expenses and capital expenditures in currencies other than the U.S. dollar and, therefore, are subject to volatility in cash flows due to fluctuations in foreign currency exchange rates, particularly changes in the Brazilian reais and the Euro. To date, we have not entered into any foreign exchange hedging contracts.

Commodity Price Risk

Our exposure to market risk for changes in commodity prices currently relates to our purchases of ethanol and reformulated ethanol-blended gasoline and to purchases of sugar feedstocks. When possible, we manage our exposure to this risk primarily through the use of supplier pricing agreements. We also, at times, use standard derivative commodity instruments to hedge the price volatility of ethanol and reformulated ethanol-blended gasoline, principally through futures contracts. The changes in fair value of these contracts are recorded on the balance sheet and recognized immediately in cost of product sales. We recognized a loss of \$2.4 million, \$2.2 million and \$1.9 million, as the change in fair value for the years ended December 31, 2011, 2010 and 2009, respectively (see Note 3 to our Consolidated Financial Statements).

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

AMYRIS, INC.

Index to Financial Statements and Financial Statement Schedules

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Amyris, Inc.:

In our opinion, the consolidated financial statements listed in the accompanying index present fairly, in all material respects, the financial position of Amyris, Inc. and its subsidiaries at December 31, 2011 and December 31, 2010, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2011 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our audits (which was an integrated audit in 2011). We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP
San Jose, California
February 28, 2012

Amyris, Inc.
Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Amounts)

	December 31,	
	2011	2010
Assets		
Current assets:		
Cash and cash equivalents	\$ 95,703	\$ 143,060
Short-term investments	7,889	114,873
Accounts receivable, net of allowance of \$245 and zero, respectively	6,936	5,215
Inventories	9,070	4,006
Prepaid expenses and other current assets	19,873	2,905
Total current assets	139,471	270,059
Property and equipment, net	128,101	54,847
Other assets	43,001	32,547
Goodwill and intangible assets	9,538	—
Total assets	\$ 320,111	\$ 357,453
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 26,379	\$ 7,116
Deferred revenue	3,139	565
Accrued and other current liabilities	30,982	14,795
Capital lease obligation, current portion	3,717	2,854
Debt, current portion	28,049	1,911
Total current liabilities	92,266	27,241
Capital lease obligation, net of current portion	2,619	3,091
Long-term debt, net of current portion	13,275	4,734
Deferred rent, net of current portion	9,957	11,186
Deferred revenue, net of current portion	4,097	1,130
Other liabilities	37,085	2,523
Total liabilities	159,299	49,905
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Preferred stock - \$0.0001 par value, 5,000,000 shares authorized, none issued and outstanding	—	—
Common stock - \$0.0001 par value, 100,000,000 shares authorized as of December 31, 2011 and 2011; 45,933,138 and 43,847,425 shares issued and outstanding as of December 31, 2011 and 2010, respectively	5	4
Additional paid-in capital	548,159	506,988
Accumulated other comprehensive income (loss)	(5,924)	2,872
Accumulated deficit	(381,188)	(202,318)
Total Amyris, Inc. stockholders' equity	161,052	307,546
Noncontrolling interest	(240) 2,000	2
Total stockholders' equity	160,812	307,548
Total liabilities and stockholders' equity	\$ 320,111	\$ 357,453

See the accompanying notes to the consolidated financial statements.

Amyris, Inc.
Consolidated Statements of Operations
(In Thousands, Except Share and Per Share Amounts)

	Years Ended December 31,		
	2011	2010	2009
Revenues			
Product sales	\$ 129,837	\$ 68,664	\$ 61,689
Grants and collaborations revenue	17,154	11,647	2,919
Total revenues	146,991	80,311	64,608
Cost and operating expenses			
Cost of product sales	155,615	70,515	60,428
Research and development	87,317	55,249	38,263
Sales, general and administrative	83,231	40,393	23,558
Restructuring and asset impairment (income) charges	—	(2,061)	5,768
Total cost and operating expenses	326,163	164,096	128,017
Loss from operations	(179,172)	(83,785)	(63,409)
Other income (expense):			
Interest income	1,542	1,540	448
Interest expense	(1,543)	(1,443)	(1,218)
Other income (expense), net	214	898	(621)
Total other income (expense)	213	995	(1,391)
Loss before income taxes	(178,959)	(82,790)	(64,800)
Provision for income taxes	(552)	—	—
Net loss	\$ (179,511)	\$ (82,790)	\$ (64,800)
Net loss attributable to noncontrolling interest	641	920	341
Net loss attributable to Amyris, Inc.	\$ (178,870)	\$ (81,870)	\$ (64,459)
Deemed dividend related to a beneficial conversion feature	—	(42,009)	—
Net loss attributable to Amyris, Inc. common stockholders	\$ (178,870)	\$ (123,879)	\$ (64,459)
Net loss per share attributable to common stockholders, basic and diluted	\$ (3.99)	\$ (8.35)	\$ (13.56)
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	44,799,056	14,840,253	4,753,085

See the accompanying notes to the consolidated financial statements.

Amyris, Inc.
Consolidated Statements of Comprehensive Loss
(In Thousands)

	Years Ended December 31,		
	2011	2010	2009
Comprehensive loss:			
Net loss	\$ (179,511)	\$ (82,790)	\$ (64,800)
Change in unrealized loss on investments	(5)	2	(84)
Foreign currency translation adjustment, net of tax	(8,761)	1,751	1,888
Total comprehensive loss	(188,277)	(81,037)	(62,996)
Loss attributable to noncontrolling interest	641	920	341
Foreign currency translation adjustment attributable to noncontrolling interest	(30)	(217)	—
Comprehensive loss attributable to Amyris, Inc.	<u>\$ (187,666)</u>	<u>\$ (80,334)</u>	<u>\$ (62,655)</u>

See the accompanying notes to the consolidated financial statements.

Amyris, Inc.

Consolidated Statements of Convertible Preferred Stock, Redeemable Noncontrolling Interest and Equity (Deficit)

(In Thousands, Except Share and Per Share Amounts)	Convertible Preferred Stock		Redeemable Noncontrolling Interest	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity (Deficit)
	Shares	Amount		Shares	Amount					
December 31, 2008	13,681,658	\$ 121,436	\$ —	5,015,576	\$ 1	\$ 3,164	\$ (55,989)	\$ (468)	\$ 1,149	\$ (52,143)
Issuance of Series B-1 convertible preferred stock at \$25.26 per share for cash, net of issuance costs of \$103	76,880	1,840	—	—	—	—	—	—	—	—
Issuance of Series C convertible preferred stock at \$12.46 per share for cash, net of issuance costs of \$956	4,606,684	56,443	—	—	—	—	—	—	—	—
Issuance of warrants in connection with issuance of Series B-1 convertible preferred stock	—	(68)	—	—	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options, net of restricted stock	—	—	—	127,515	—	284	—	—	—	284
Repurchase of common stock	—	—	—	(28,886)	—	(9)	—	—	—	(9)
Stock-based compensation	—	—	—	—	—	3,299	—	—	—	3,299
Proceeds from redeemable noncontrolling interest	—	—	5,626	—	—	—	—	—	—	—
Purchase of noncontrolling interest	—	—	—	—	—	(1,372)	—	—	(928)	(2,300)
Change in unrealized loss on investments	—	—	—	—	—	—	—	(84)	—	(84)
Foreign currency translation adjustment	—	—	—	—	—	—	—	1,888	—	1,888
Net loss	—	—	(120)	—	—	—	(64,459)	—	(221)	(64,680)
December 31, 2009	<u>18,365,222</u>	<u>\$ 179,651</u>	<u>\$ 5,506</u>	<u>5,114,205</u>	<u>\$ 1</u>	<u>\$ 5,366</u>	<u>\$ (120,448)</u>	<u>\$ 1,336</u>	<u>\$ —</u>	<u>\$ (113,745)</u>

Amyris, Inc.

Consolidated Statements of Convertible Preferred Stock, Redeemable Noncontrolling Interest and Equity (Deficit)—(Continued)

(In Thousands, Except Share and Per Share Amounts)	Convertible Preferred Stock			Common Stock						
	Shares	Amount	Redeemable Noncontrolling Interest	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity (Deficit)
December 31, 2009	18,365,222	\$179,651	\$ 5,506	5,114,205	\$ 1	\$ 5,366	\$ (120,448)	\$ 1,336	\$ —	\$(113,745)
Issuance of Series C convertible preferred stock at \$12.46 per shares for cash, net of issuance costs of \$5	295,981	3,683	—	—	—	—	—	—	—	—
Issuance of Series C-1 convertible preferred stock at \$17.56 per shares for cash, net of issuance costs of \$68	2,724,766	47,779	—	—	—	—	—	—	—	—
Issuance of Series D convertible preferred stock at \$18.75 per shares for cash and deferred charge asset of \$27,909, net of issuance costs of \$258	7,101,548	160,805	—	—	—	—	—	—	—	—
Issuance of warrants in connection with issuance of Series C convertible preferred stock	—	(507)	—	—	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options, net of restricted stock	—	—	—	60,883	—	277	—	—	—	277
Repurchase of common stock	—	—	—	(10,367)	—	—	—	—	—	—
Shares issued from restricted stock unit settlement	—	—	—	176,272	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	—	10,432	—	—	—	10,432
Proceeds from noncontrolling interest	—	—	7,041	—	—	—	—	—	28	28
Common stock issuance in public offering, net of issuance costs (Note 10)	—	—	—	6,095,000	—	85,534	—	—	—	85,534
Conversion of convertible preferred stock to common stock	(28,487,517)	(391,411)	—	31,550,277	3	391,408	—	—	—	391,411
Conversion of convertible preferred stock warrants to common stock warrants	—	—	—	—	—	2,318	—	—	—	2,318
Conversion of shares of Amyris Brasil S.A. shares into common stock	—	—	(11,870)	861,155	—	11,653	—	—	—	11,653
Beneficial conversion feature on issuance of Series D convertible preferred stock	—	—	—	—	—	39,292	—	—	—	39,292

Deemed dividend related to the beneficial conversion feature of Series D convertible preferred stock	—	—	—	—	—	(39,292)	—	—	—	(39,292)
Beneficial conversion feature on conversion of Amyris Brasil S.A. shares	—	—	—	—	—	2,717	—	—	—	2,717
Deemed dividend related to the beneficial conversion feature of Amyris Brasil S.A. shares	—	—	—	—	—	(2,717)	—	—	—	(2,717)
Change in unrealized loss on investments	—	—	—	—	—	—	—	2	—	2
Foreign currency translation adjustment, net of tax	—	—	217	—	—	—	—	1,534	—	1,534
Net loss	—	—	(894)	—	—	—	(81,870)	—	(26)	(81,896)
December 31, 2010	<u>—</u>	<u>\$ —</u>	<u>\$ —</u>	<u>43,847,425</u>	<u>\$ 4</u>	<u>\$ 506,988</u>	<u>\$ (202,318)</u>	<u>\$ 2,872</u>	<u>\$ 2</u>	<u>\$ 307,548</u>

Amyris, Inc.

Consolidated Statements of Convertible Preferred Stock, Redeemable Noncontrolling Interest and Equity (Deficit)—(Continued)

(In Thousands, Except Share and Per Share Amounts)	Convertible Preferred Stock		Redeemable Noncontrolling Interest	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity (Deficit)
	Shares	Amount		Shares	Amount					
December 31, 2010	—	\$ —	\$ —	43,847,425	\$ 4	\$ 506,988	\$ (202,318)	\$ 2,872	\$ 2	\$ 307,548
Issuance of common stock upon exercise of stock options, net of restricted stock	—	—	—	1,641,439	1	8,491	—	—	—	8,492
Issuance of common stock upon net exercise of warrants	—	—	—	77,087	—	—	—	—	—	—
Issuance of common stock warrants in connection with equipment financing	—	—	—	—	—	193	—	—	—	193
Issuance of common stock in connection with Draths business acquisition	—	—	—	362,319	—	7,000	—	—	—	7,000
Shares issued from restricted stock unit settlement	—	—	—	6,005	—	—	—	—	—	—
Repurchase of common stock	—	—	—	(1,137)	—	(5)	—	—	—	(5)
Stock-based compensation	—	—	—	—	—	25,492	—	—	—	25,492
Fair value of assets and liabilities assigned to noncontrolling interest	—	—	—	—	—	—	—	—	369	369
Change in unrealized loss on investments	—	—	—	—	—	—	—	(5)	—	(5)
Foreign currency translation adjustment, net of tax	—	—	—	—	—	—	—	(8,791)	30	(8,761)
Net loss	—	—	—	—	—	—	(178,870)	—	(641)	(179,511)
December 31, 2011	—	\$ —	\$ —	45,933,138	\$ 5	\$ 548,159	\$ (381,188)	\$ (5,924)	\$ (240)	\$ 160,812

See the accompanying notes to the consolidated financial statements.

Amyris, Inc.
Consolidated Statements of Cash Flows
(In Thousands)

	Years Ended December 31,		
	2011	2010	2009
Operating activities			
Net loss	\$ (179,511)	\$ (82,790)	\$ (64,800)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	11,077	7,280	5,775
Inventory write-down to net realizable value	15,353	—	—
Loss on disposal of property and equipment	52	205	12
Stock-based compensation	25,492	10,432	3,299
Amortization of premium on investments	630	1,557	191
Provision for doubtful accounts	245	—	—
Change in fair value of convertible preferred stock warrant liability	—	(929)	445
Restructuring and asset impairment (income) charges	—	(2,061)	356
Other noncash expenses	40	116	281
Changes in assets and liabilities:			
Accounts receivable	(1,975)	(3,565)	(585)
Inventories	(20,680)	(1,708)	(878)
Prepaid expenses and other assets	(17,250)	1,133	972
Accounts payable	15,648	3,478	(997)
Restructuring	—	(511)	5,078
Accrued and other long-term liabilities	53,894	1,175	4,470
Deferred revenue	5,542	1,316	378
Deferred rent	(1,053)	295	285
Net cash used in operating activities	(92,496)	(64,577)	(45,718)
Investing activities			
Purchase of short-term investments	(67,556)	(189,486)	(47,996)
Maturities of short-term investments	105,000	100,711	31,690
Sales of short-term investments	68,106	28,374	250
Purchases of long-term investments	—	(7,998)	—
Change in restricted cash	—	4,506	(1,758)
Payments for business acquisitions	(2,934)	—	—
Acquisition of cash in noncontrolling interest	344	—	—
Investment in unconsolidated joint venture	(83)	—	—
Purchase of property and equipment, net of disposals	(81,917)	(10,906)	(7,608)
Deposits on property and equipment	(15,107)	(4,606)	—
Net cash provided by (used in) investing activities	5,853	(79,405)	(25,422)
Financing activities			
Proceeds from issuance of convertible preferred stock, net	—	184,360	58,283
Proceeds from issuance of common stock, net of repurchases	8,445	231	113
Purchase of noncontrolling interest	—	—	(2,300)
Proceeds from equipment financing	3,000	1,445	4,763
Principal payments on capital leases	(2,835)	(2,728)	(1,134)
Proceeds from debt	37,957	—	9,643
Principal payments on debt	(5,018)	(9,722)	(985)
Proceeds from issuance of common stock in initial public offering, net	(497)	86,032	—
Proceeds from sale of noncontrolling interest	—	7,069	3,090
Net cash provided by financing activities	41,052	266,687	71,473
Effect of exchange rate changes on cash and cash equivalents	(1,766)	1,167	956
Net increase (decrease) in cash and cash equivalents	(47,357)	123,872	1,289
Cash and cash equivalents at beginning of period	143,060	19,188	17,899
Cash and cash equivalents at end of period	\$ 95,703	\$ 143,060	\$ 19,188

Amyris, Inc.
Consolidated Statements of Cash Flows—(Continued)
(In Thousands)

	Years Ended December 31,		
	2011	2010	2009
Supplemental disclosures of cash flow information:			
Cash paid for interest	\$ 1,412	\$ 1,378	\$ 1,204
Cash paid for income taxes, net of refunds	\$ —	\$ —	\$ 27
Supplemental disclosures of noncash investing and financing activities:			
Stock receivable for noncontrolling interest	\$ —	\$ —	\$ 2,536
Additions to property and equipment under notes payable	\$ —	\$ 2,647	\$ 1,038
Acquisitions of assets under accounts payable and accrued liabilities	\$ 3,177	\$ 5,631	\$ 20
Financing of equipment	\$ 3,420	\$ —	\$ —
Warrants issued in connection with equipment financing	\$ 193	\$ —	\$ —
Financing of insurance premium under notes payable	\$ —	\$ 101	\$ 378
Change in unrealized gain (loss) on investments	\$ (5)	\$ 3	\$ (84)
Change in unrealized gain (loss) on foreign currency	\$ (7,905)	\$ (623)	\$ —
Asset retirement obligation	\$ 174	\$ 115	\$ —
Warrants issued in connection with the issuance of convertible preferred stock	\$ —	\$ 507	\$ 68
Accrued deferred offering costs	\$ —	\$ 496	\$ —
Financing of rent payments under notes payable	\$ —	\$ 239	\$ —
Deferred charge asset related to the issuance of Series D preferred stock	\$ —	\$ 27,909	\$ —
Receivable from stock option exercises	\$ —	\$ 11	\$ —
Issuance of common stock upon exercise of warrants	\$ 3,554	\$ —	\$ —
Issuance of common stock related to business acquisition	\$ 7,000	\$ —	\$ —
Conversion of convertible preferred stock to common stock	\$ —	\$ 391,411	\$ —
Conversion of preferred stock warrants to common stock warrants	\$ —	\$ 2,318	\$ —
Conversion of shares of Amyris Brasil S.A. held by third parties into Amyris, Inc. common stock	\$ —	\$ 11,653	\$ —
Deemed dividend related to a beneficial conversion feature	\$ —	\$ 42,009	\$ —
Transfer of fixed assets to current assets	\$ 886	\$ —	\$ —
Transfer of long term deposits to fixed assets	\$ 50	\$ —	\$ —
Acquisition of net assets in noncontrolling interest	\$ 25	\$ —	\$ —
Reclassification of long-term investments to short-term investments	\$ —	\$ 7,998	\$ —

See the accompanying notes to the consolidated financial statements.

Amyris, Inc.

Notes to Consolidated Financial Statements

1. The Company

Amyris, Inc. (the “Company”) was incorporated in California on July 17, 2003 and reincorporated in Delaware on June 10, 2010 for the purpose of leveraging breakthroughs in synthetic biology to develop and provide renewable compounds for a variety of markets. The Company is currently building and applying its industrial synthetic biology platform to provide alternatives to select petroleum-sourced products used in specialty chemical and transportation fuel markets worldwide. The Company’s first commercialization efforts have been focused on a molecule called farnesene, which forms the basis for a wide range of products varying from specialty chemical applications to transportation fuels, such as diesel. While the Company’s platform is able to use a wide variety of feedstocks, the Company has focused initially on Brazilian sugarcane. The Company intends to secure access to this feedstock and to expand its production capacity by working with existing sugar and ethanol mill owners to build new, adjacent bolt-on facilities at their existing mills in return for a share of the higher gross margin the Company believes it will realize from the sale of renewable products. In addition, the Company has entered into various contract manufacturing agreements to support commercial production. The Company has established two principal operating subsidiaries, Amyris Brasil Ltda. (formerly Amyris Brasil S.A., “Amyris Brasil”) for production in Brazil, and Amyris Fuels, LLC for fuel distribution capabilities in the U.S.

On June 21, 2010, the name of the Company was changed from Amyris Biotechnologies, Inc. to Amyris, Inc.

On September 30, 2010, the Company closed its initial public offering (“IPO”) of 5,300,000 shares of common stock at an offering price of \$16.00 per share, resulting in net proceeds to the Company of approximately \$73.7 million, after deducting underwriting discounts of \$5.9 million and offering costs of \$5.2 million and in October 2010, the Company subsequently sold an additional 795,000 shares to the underwriters pursuant to the over-allotment option raising an additional \$11.8 million of net proceeds. Upon the closing of the IPO, the Company’s outstanding shares of convertible preferred stock were automatically converted into 31,550,277 shares of common stock and the outstanding convertible preferred stock warrants were automatically converted into common stock warrants to purchase a total of 195,604 shares of common stock and shares of Amyris Brasil held by third party investors were automatically converted into 861,155 shares of the Company’s common stock.

The Company has incurred significant losses since its inception. As of December 31, 2011, the Company had an accumulated deficit of \$381.2 million. The Company continues to incur substantial losses and cash outflows from operations since December 31, 2011 and management believes that it will continue to do so for the foreseeable future. The Company’s plans for reducing cash outflows from operations in 2012 include reducing its cost structure by improving efficiency in its operations and reducing non-critical expenditures. The Company expects these efforts to include reductions in workforce and adjustments to the timing and scope of planned capital expenditures.

The Company’s strategy is to focus on direct commercialization of higher-value, lower-volume markets while moving lower-margin, higher-volume commodity products into joint venture arrangements with established industry partners. To commercialize its products, the Company must be successful in using its technology to manufacture its products at commercial scale and on an economically viable basis. The Company has a limited experience producing its products at the commercial scale and in 2011 the Company encountered significant operational challenges that decreased production efficiency, created delays and increased production costs. As a result, the Company’s prospects are subject to risks, expenses and uncertainties frequently encountered by companies in this stage of development. These risks include, but are not limited to, the Company’s ability to achieve substantially higher production efficiencies than it has to date, timely completion of the construction and the commencement of operations at its Paraíso and São Martinho production facilities, and its ability to secure additional collaborations and establish joint ventures on acceptable terms.

The Company expects to fund its operations for the foreseeable future with cash and investments currently on hand, with cash inflows from collaboration and grant funding and potential cash contributions from product sales, and with new debt and equity financing to provide additional working capital and to cover portions of its capital expenditures. For example, in February 2012, the Company completed a private placement of 10.2 million shares of common stock for total proceeds of \$58.7 million and raised \$25.0 million through convertible promissory notes. The Company believes that its existing cash, cash equivalents and short-term investments at December 31, 2011 and amounts raised subsequent to December 31, 2011, cash inflows from collaboration, grants and product sales, as well as reduction in cash outflows as a result of planned actions, will be sufficient to fund its operations and other capital expenditures for at least the next twelve months.

The Company’s anticipated working capital needs and its planned operating and capital expenditures for 2012 and 2013 will require significant inflows of cash from credit facilities and similar sources of indebtedness, as well as funding from collaboration partners, some of which are not yet subject to definitive agreements or have not committed to funding

arrangements. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of such securities would result in ownership dilution to existing stockholders and the Company may be subject to restrictive covenants that may limit Company's ability to conduct its business.

Failure to significantly reduce losses and cash outflows from operations, raise additional capital and reduce discretionary spending or to remain in compliance with the covenants, could have a material adverse effect on the Company's ability to achieve its intended business objectives. If this happens, the Company may be forced to curtail or cease operations and delay or terminate research and development programs or the commercialization of products resulting from its technologies. The Company may be unable to proceed with construction of certain planned production facilities, enter into definitive agreements for supply of feedstock and associated production arrangements that are currently subject to letters of intent, commercialize its products within the timeline it expects, or otherwise continue its business as currently contemplated.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America ("GAAP") and with the instructions for Form 10-K and Regulations S-X statements. The consolidated financial statements include the accounts of the Company and its consolidated subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Principles of Consolidations

The Company has interests in joint venture entities that are variable interest entities ("VIEs"). Determining whether to consolidate a variable interest entity may require judgment in assessing (i) whether an entity is a VIE and (ii) if the Company is the entity's primary beneficiary and thus required to consolidate the entity. To determine if the Company is the primary beneficiary of a VIE, the Company evaluates whether it has (i) the power to direct the activities that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The Company's evaluation includes identification of significant activities and an assessment of its ability to direct those activities based on governance provisions and arrangements to provide or receive product and process technology, product supply, operations services, equity funding and financing and other applicable agreements and circumstances. The Company's assessment of whether it is the primary beneficiary of its VIEs requires significant assumptions and judgment.

The consolidated financial statements of the Company include the accounts of Amyris, Inc., its subsidiaries and two consolidated VIEs with respect to which the Company is considered the primary beneficiary, after elimination of intercompany accounts and transactions. Disclosure regarding the Company's participation in the VIEs is included in Note 8.

Use of Estimates

In preparing the consolidated financial statements, management must make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents, short-term investments, accounts receivable and derivative commodity financial instruments. The Company places its cash equivalents and investments with high credit quality financial institutions and, by policy, limits the amount of credit exposure with any one financial institution. Deposits held with banks may exceed the amount of insurance provided on such deposits. The Company has not experienced any losses on its deposits of cash and cash equivalents and short-term investments.

The Company's accounts receivable are primarily derived from customers located in the United States. The Company performs ongoing credit evaluation of its customers, does not require collateral, and maintains allowances for potential credit losses on customer accounts when deemed necessary.

Customers representing 10% or greater of accounts receivable were as follows:

Customers	December 31,	
	2011	2010
Customer A	**	36%
Customer C	**	28%
Customer D	20%	**
Customer G	10%	*

* No outstanding balance

** Less than 10%

(1) [Prior year customers representing 10% or greater of accounts receivable now includes grants and collaboration customers to conform with current period presentation. Such reclassification did not change previously reported consolidated financial statements.](#)

Customers representing 10% or greater of revenues were as follows:

Customers	Years Ended December 31,		
	2011	2010	2009
Customer A	**	12%	*
Customer B	**	**	31%
Customer C	14%	23%	*
Customer D	11%	**	**
Customer E	*	10%	21%
Customer F	**	10%	*

* Not a customer

** Less than 10%

(1) Prior year customers representing 10% or greater of revenues now includes grants and collaboration customers to conform with current period presentation. Such reclassification did not change previously reported consolidated financial statements.

The Company is exposed to counterparty credit risk on all of its derivative commodity instruments. The Company has established and maintains strict counterparty credit guidelines and enters into agreements only with counterparties that are investment grade or better. The Company does not require collateral under these agreements.

Fair Value of Financial Instruments

The Company measures certain financial assets and liabilities at fair value based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. Financial instruments are primarily comprised of money market funds, certificates of deposit, commercial paper and U.S. government agency securities. Where available, fair value is based on or derived from observable market prices or other observable inputs. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the instruments or market and the instruments' complexity.

The carrying amounts of the Company's financial instruments, including cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate fair value due to their relatively short maturities, and low market interest rates if applicable. Based on the borrowing rates currently available to the Company for debt with similar terms, and after considering nonperformance and credit risk, the carrying value of the notes payable and credit facility approximates its fair value.

Cash and Cash Equivalents

All highly liquid investments purchased with an original maturity date of 90 days or less at the date of purchase are considered to be cash equivalents. Cash and cash equivalents consist of money market funds, certificates of deposit, commercial paper, U.S. Government agency securities and various deposit accounts. Certificates of deposit that have maturities less than 90 days from the consolidated balance sheet date are classified as cash and cash equivalents.

Accounts Receivable

The Company maintains an allowance for doubtful accounts receivable for estimated losses resulting from the inability of its customers to make required payments. The Company determines this allowance based on specific doubtful account identification and management judgment on estimated exposure. The Company writes off accounts receivable against the allowance when it determines a balance is uncollectible and no longer actively pursues collection of the receivable.

Investments

Investments with original maturities greater than 90 days that mature less than one year from the consolidated balance sheet date are classified as short-term investments. The Company classifies investments as short-term or long-term based upon whether such assets are reasonably expected to be realized in cash or sold or consumed during the normal cycle of business. The Company invests its excess cash balances primarily in certificates of deposit, short-term investment grade commercial paper and corporate bonds, U.S. Government agency securities and notes, and auction rate securities ("ARS"). Certificates of deposits that have maturities greater than 90 days that mature less than one year from the consolidated balance sheet date are classified as short term investments. The Company classifies all of its investments, other than ARS, as available-for-sale and records such assets at estimated fair value in the consolidated balance sheets, with unrealized gains and losses, if any, reported as a component of accumulated other comprehensive income (loss) in stockholders' equity (deficit). Debt securities are adjusted for amortization of premiums and accretion of discounts and such amortization and accretion are reported as a component of interest income. Realized gains and losses and declines in value that are considered to be other than temporary are recognized in the statements of operations. The cost of securities sold is determined on the specific identification method. There were no significant realized gains or losses from sales of debt securities during the years ended December 31, 2011, 2010 and 2009. As of December 31, 2011 and 2010, the Company did not have any other-than-temporary declines in the fair value of its debt securities.

The Company classified the ARS as trading securities and recorded all changes in fair value as component of other income (expense), net. The underlying securities had stated or contractual maturities that were generally greater than one year. The Company estimated the fair value of the ARS using a discounted cash flow model incorporating assumptions that market participants would use in their estimates of fair value. The Company had a put option to sell its ARS at par value. The Company accounted for the put option as a freestanding financial instrument and elected to record it at fair value with changes in fair value recorded as a component of other income (expense), net. As of December 31, 2011 and 2010, the Company did not hold any ARS due to the liquidation of ARS during the second and third quarters of 2010.

Inventories

Inventories, which consist of ethanol and reformulated ethanol-blended gasoline and farnesene-derived products, are stated at the lower of cost or market and categorized as finished goods, work-in-process or raw material inventories. Cost is computed on a first-in, first-out basis. Inventory costs include transportation costs incurred in bringing the inventory to its existing location.

In the year ended December 31, 2011 the Company incurred losses totaling \$15.4 million as a result of applying the lower-of-cost-or-market inventory rules.

Derivative Instruments

The Company is exposed to market risks related to price volatility of ethanol and reformulated ethanol-blended gasoline. The Company makes limited use of derivative instruments, which include futures positions on the New York Mercantile Exchange and the CME/Chicago Board of Trade. The Company does not engage in speculative derivative activities, and the purpose for its activity in derivative commodity instruments is to manage the financial risk posed by physical transactions and inventory. Changes in the fair value of the derivative contracts are recognized currently in the consolidated statements of operations as specific hedge accounting criteria are not met.

Asset Retirement Obligations

The fair value of an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. In addition, asset retirement cost is added to the carrying amount of the associated asset and this additional carrying amount is amortized over the life of the asset. The Company's asset retirement obligations are associated with its commitment to return property subject to an operating lease in Brazil to its original condition upon lease termination.

As of December 31, 2011 and 2010, the Company recorded asset retirement obligations of \$1.1 million and \$984,000

respectively. The related leasehold improvements are being amortized to depreciation expense over the term of the lease or the useful life of the assets, whichever is shorter. Related amortization expense was \$193,000, \$229,000 and \$175,000 for the years ended December 31, 2011, 2010 and 2009, respectively.

The change in the asset retirement obligation is summarized below (in thousands):

Balance at December 31, 2009	\$	746
Additions		141
Foreign currency impacts and other adjustments		5
Accretion expenses recorded during the period		92
Balance at December 31, 2010		984
Additions		166
Foreign currency impacts and other adjustments		(133)
Accretion expenses recorded during the period		112
Balance at December 31, 2011	\$	1,129

Property and Equipment, net

Property and equipment, net are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the related assets. Maintenance and repairs are charged to expense as incurred, and improvements and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the balance sheet and any resulting gain or loss is reflected in operations in the period realized.

Depreciation and amortization periods for the Company's property and equipment are as follows:

Machinery and equipment	7-15 years
Computers and software	3-5 years
Furniture and office equipment	5 years
Vehicles	5 years

Leasehold improvements are amortized on a straight-line basis over the terms of the lease, or the useful life of the assets, whichever is shorter.

Computers and software includes internal-use software that is acquired, internally developed or modified to meet the Company's internal needs. Amortization commences when the software is ready for its intended use and the amortization period is the estimated useful life of the software, generally three to five years. Capitalized costs primarily include contract labor and payroll costs of the individuals dedicated to the development of internal-use software. Capitalized software additions totaled approximately \$1.1 million, and \$1.3 million and \$1.1 million for the years ended December 31, 2011, 2010 and 2009, respectively, related to software development costs pertaining to the installation of a new financial reporting system. For the years ended December 31, 2011, 2010 and 2009, \$0.4 million, \$0.3 million and zero, respectively, of amortization expense was recorded and as of December 31, 2011 the total unamortized cost of capitalized software was \$2.8 million.

Impairment of Long-Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable or the estimated useful life is no longer appropriate. If indicators of impairment exist and the undiscounted projected cash flows associated with such assets are less than the carrying amount of the asset, an impairment loss is recorded to write the asset down to their estimated fair values. Fair value is estimated based on discounted future cash flows. There were zero, zero and \$3.1 million impairment charges recorded during the years ended December 31, 2011, 2010 and 2009, respectively.

Goodwill and Intangible Assets

Goodwill represents the excess of the cost over the fair value of net assets acquired from our business combinations. Intangible

assets are comprised primarily of in-process research and development ("IPR&D"). The Company makes significant judgments in relation to the valuation of goodwill and intangible assets resulting from business combinations.

There are several methods that can be used to determine the estimated fair value of the IPR&D acquired in a business combination. We utilized the "income method," which applies a probability weighting that considers the risk of development and commercialization, to the estimated future net cash flows that are derived from projected sales revenues and estimated costs. These projections are based on factors such as relevant market size, pricing of similar products, and expected industry trends. The estimated future net cash flows are then discounted to the present value using an appropriate discount rate. These assets are treated as indefinite-lived intangible assets until completion or abandonment of the projects, at which time the assets will be amortized over the remaining useful life or written off, as appropriate.

Goodwill and intangible assets with indefinite lives are assessed for impairment using fair value measurement techniques on an annual basis or more frequently if facts and circumstance warrant such a review. When required, a comparison of fair value to the carrying amount of assets is performed to determine the amount of any impairment.

The Company evaluates its intangible assets with finite lives for indications of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Intangible assets consist of purchased licenses and permits and are amortized on a straight-line basis over their estimated useful lives. Factors that could trigger an impairment review include significant under-performance relative to expected historical or projected future operating results, significant changes in the manner of our use of the acquired assets or the strategy for our overall business or significant negative industry or economic trends. If this evaluation indicates that the value of the intangible asset may be impaired, we make an assessment of the recoverability of the net carrying value of the asset over its remaining useful life. If this assessment indicates that the intangible asset is not recoverable, based on the estimated undiscounted future cash flows of the technology over the remaining amortization period, we reduce the net carrying value of the related intangible asset to fair value and may adjust the remaining amortization period. Any such impairment charge could be significant and could have a material adverse effect on our reported financial results. The Company has not recognized any impairment charges on our intangible assets through December 31, 2011.

In-Process Research and Development

During 2011, we recorded IPR&D of \$8.6 million related to the acquisition of Draths. Amounts recorded as IPR&D will begin being amortized upon first sales of the product over the estimated useful life of the technology. In accordance with authoritative guidance, as the technology has not yet been proven, the amortization of the acquired IPR&D has not begun. We expect that it will take between two to three years before we will have viable products resulting from the acquired technology.

Convertible Preferred Stock Warrant Liability

The Company accounted for its freestanding warrants for shares of the Company's convertible preferred stock that were contingently redeemable as liabilities at fair value on the consolidated balance sheets. The warrants were subject to re-measurement at each balance sheet date and the change in fair value, if any, is recognized as other income (expense), net. The Company continued to adjust the liability for changes in fair value until the Company's initial public offering in September 2010 when the convertible preferred stock warrants were converted into warrants to purchase common stock. Upon conversion, the convertible preferred stock warrant liability was reclassified to additional paid-in capital.

Noncontrolling Interest and Redeemable Noncontrolling Interest

As of January 1, 2009, the Company adopted the new accounting standard which establishes accounting and reporting standards for noncontrolling interests in consolidated financial statements. These provisions require that the carrying value of noncontrolling interests to be removed from the mezzanine equity section of the consolidated balance sheets and reclassified as equity, and that consolidated net income be recast to include net income attributable to the noncontrolling interests. The standard requires retrospective presentation and disclosure of existing noncontrolling interests. Accordingly, the Company presented noncontrolling interests as a separate component of equity (deficit) and has also presented net loss attributable to the noncontrolling interest in the consolidated statements of operations. Upon adoption, the noncontrolling interest of \$1.1 million was reclassified to a component of total equity (deficit) in the consolidated balance sheets from the mezzanine equity section.

In accordance with accounting and reporting standards for redeemable equity instruments, a noncontrolling interest with redemption features ("redeemable noncontrolling interest"), such as a put option, that is not solely within the control of the Company, is required to be reported in the mezzanine equity section of the consolidated balance sheets.

Changes in noncontrolling interest ownership that do not result in a change of control and where there is a difference between fair value and carrying value are accounted for as equity transactions.

On April 14, 2010, the Company entered into a joint venture with Usina São Martinho. The carrying value of the noncontrolling interest from this joint venture is recorded in the equity section of the consolidated balance sheets (see Note 8).

On January 3, 2011, the Company entered into a production service agreement with Glycotech, Inc. ("Glycotech"). The Company has determined that the arrangement with Glycotech qualifies as a VIE. The Company determined that it is the primary beneficiary. The carrying value of the noncontrolling interest from this VIE is recorded in the equity section of the consolidated balance sheets (see Note 8).

Revenue Recognition

The Company recognizes revenue from the sale of ethanol and reformulated ethanol-blended gasoline and farnesene-derived products, delivery of research and development services, and governmental grants. Revenue is recognized when all of the following criteria are met: persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the fee is fixed or determinable, and collectability is reasonably assured.

If sales arrangements contain multiple elements, the Company evaluates whether the components of each arrangement represent separate units of accounting. To date the Company has determined that all revenue arrangements should be accounted for as a single unit of accounting.

Product Sales

The Company sells ethanol and reformulated ethanol-blended gasoline under short-term agreements at prevailing market prices. Ethanol and reformulated ethanol-blended gasoline sales consists of sales to customers through purchases from third-party suppliers in which the Company takes physical control of the ethanol and reformulated ethanol-blended gasoline and accepts risk of loss. Starting in the second quarter of 2011, the Company began to sell farnesene-derived products, which are procured from contracted third parties. Our renewable product sales do not include rights of return. Returns are only accepted if the product does not meet product specifications and such non conformity is communicated to the Company within a set number of days of delivery. Revenues are recognized, net of discounts and allowances, once passage of title and risk of loss has occurred and contractually specified acceptance criteria have been met, provided all other revenue recognition criteria have also been met.

Grants and Collaborative Revenue

Revenue from collaborative research services is recognized as the services are performed consistent with the performance requirements of the contract. In cases where the planned levels of research services fluctuate over the research term, the Company recognizes revenue using the proportionate performance method based upon actual efforts to date relative to the amount of expected effort to be incurred by the Company. When up-front payments are received and the planned levels of research services do not fluctuate over the research term, revenue is recorded on a ratable basis over the arrangement term, up to the amount of cash received. When up-front payments are received and the planned levels of research services fluctuate over the research term, revenue is recorded using the proportionate performance method, up to the amount of cash received. Where arrangements include milestones that are determined to be substantive and at risk at the inception of the arrangement, revenue is recognized upon achievement of the milestone and is limited to those amounts whereby collectability is reasonably assured.

Government grants are agreements that generally provide cost reimbursement for certain types of expenditures in return for research and development activities over a contractually defined period. Revenues from government grants are recognized in the period during which the related costs are incurred, provided that the conditions under which the government grants were provided have been met and only perfunctory obligations are outstanding.

Cost of Product Sales

Cost of product sales consists primarily of cost of purchased ethanol and reformulated ethanol-blended gasoline, terminal fees paid for storage and handling, transportation costs between terminals and changes in the fair value of the derivative commodity instruments. Starting in the second quarter of 2011, cost of product sales also includes production costs of farnesene-derived products, which include cost of raw materials, amounts paid to our contract manufacturers and period costs including inventory write-downs resulting from applying the lower-of-cost-or-market inventory rules. Cost of renewable products also included some costs related to the scale-up in production of such products and had no corresponding charge in the prior year.

Shipping and handling costs charged to customers are recorded as revenues. Shipping costs are included in cost of product revenues. Such charges were not significant in any of the periods presented.

Costs of Start-Up Activities

Start-up activities are defined as those one-time activities related to opening a new facility, introducing a new product or service, conducting business in a new territory, conducting business with a new class of customer or beneficiary, initiating a new process in an existing facility, commencing some new operation or activities related to organizing a new entity. All the costs associated with a potential site are expensed and recorded within the selling, general and administrative expenses until the site is considered viable by management, at which time costs would be considered for capitalization based on authoritative accounting literature.

Research and Development

Research and development costs are expensed as incurred and include costs associated with research performed pursuant to collaborative agreements and government grants. Research and development costs consist of direct and indirect internal costs related to specific projects as well as fees paid to other entities that conduct certain research activities on the Company's behalf.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires, among other things, that deferred income taxes be provided for temporary differences between the tax basis of the Company's assets and liabilities and their financial statement reported amounts. In addition, deferred tax assets are recorded for the future benefit of utilizing net operating losses and research and development credit carryforwards. A valuation allowance is provided against deferred tax assets unless it is more likely than not that they will be realized.

The Company recognizes and measures uncertain tax positions in accordance with the Income Taxes subtopic 05-6 of ASC 740, which prescribes a recognition threshold and measurement process for recording uncertain tax positions taken, or expected to be taken in a tax return, in the consolidated financial statements. Additionally, the guidance also prescribes new treatment for the derecognition, classification, accounting in interim periods and disclosure requirements for uncertain tax positions. The Company accrues for the estimated amount of taxes for uncertain tax positions if it is more likely than not that the Company would be required to pay such additional taxes. An uncertain tax position will not be recognized if it has a less than 50% likelihood of being sustained.

Currency Translation

The Brazilian real is the functional currency of the Company's wholly-owned subsidiary in Brazil and also of the Company's joint venture with Usina São Martinho. Accordingly, asset and liability accounts of those operations are translated into United States dollars using the current exchange rate in effect at the balance sheet date and equity accounts are translated into United States dollars using historical rates. The revenues and expenses are translated using the exchange rates in effect when the transactions occur. Gains and losses from foreign currency translation adjustments are included as a component of accumulated other comprehensive income (loss) in the consolidated balance sheets.

Stock-Based Compensation

The Company accounts for stock-based compensation arrangements with employees using a fair value method which requires the recognition of compensation expense for costs related to all stock-based payments including stock options. The fair value method requires the Company to estimate the fair value of stock-based payment awards on the date of grant using an option pricing model. The Company uses the Black-Scholes pricing model to estimate the fair value of options granted that are expensed on a straight-line basis over the vesting period. The Company accounts for restricted stock units issued to employees based on the fair market value of the Company's common stock.

The Company accounts for stock options issued to nonemployees based on the estimated fair value of the awards using the Black-Scholes option pricing model. The Company accounts for restricted stock units, issued to nonemployees based on the fair market value of the Company's common stock. The measurement of stock-based compensation is subject to periodic adjustments as the underlying equity instruments vest, and the resulting change in value, if any, is recognized in the Company's consolidated statements of operations during the period the related services are rendered.

Comprehensive Income (Loss)

Comprehensive income (loss) represents all changes in stockholders' equity (deficit) except those resulting from investments or contributions by stockholders. The Company's unrealized gains and losses on available-for-sale securities and foreign currency translation adjustments represent the components of comprehensive income (loss) excluded from the Company's net loss and have been disclosed in the consolidated statements of comprehensive loss for all periods presented.

The components of accumulated other comprehensive income (loss) are as follows (in thousands):

	December 31,	
	2011	2010
Foreign currency translation adjustment, net of tax	\$ (5,924)	\$ 2,867
Accumulated unrealized gain on investment	—	5
Total accumulated other comprehensive income (loss)	\$ (5,924)	\$ 2,872

Net Loss Attributable to Common Stockholders and Net Loss per Share

The Company computes net loss per share in accordance with ASC 260, "Earnings per Share." Basic net loss per share of common stock is computed by dividing the Company's net loss attributable to Amyris, Inc. common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share of common stock is computed by giving effect to all potentially dilutive securities, including stock options, restricted stock units, common stock warrants, convertible preferred stock and convertible preferred stock warrants using the treasury stock method or the as converted method, as applicable. Basic and diluted net loss per share of common stock attributable to Amyris, Inc. stockholders was the same for all periods presented as the inclusion of all potentially dilutive securities outstanding was anti-dilutive. As such, the numerator and the denominator used in computing both basic and diluted net loss are the same for each period presented.

The following table presents the calculation of basic and diluted net loss per share of common stock attributable to Amyris, Inc. common stockholders (in thousands, except share and per share amounts):

	Years Ended December 31,		
	2011	2010	2009
<i>Numerator:</i>			
Net loss attributable to Amyris, Inc. common stockholders	\$ (178,870)	\$ (123,879)	\$ (64,459)
<i>Denominator:</i>			
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	44,799,056	14,840,253	4,753,085
Net loss per share attributable to common stockholders, basic and diluted	\$ (3.99)	\$ (8.35)	\$ (13.56)

The following outstanding shares of potentially dilutive securities were excluded from the computation of diluted net loss per share of common stock for the periods presented because including them would have been antidilutive:

	Years Ended December 31,		
	2011	2010	2009
Convertible preferred stock (as converted basis)•	—	—	18,878,526
Period-end stock options to purchase common stock	8,377,016	7,274,637	4,446,894
Period-end common stock subject to repurchase	7,929	33,396	132,038
Convertible preferred stock warrants (as converted basis)•	—	—	146,447
Period-end common stock warrants	26,223	195,604	—
Period-end restricted stock units	375,189	—	50,000
Total	8,786,357	7,503,637	23,653,905

- The convertible preferred stock and convertible preferred stock warrants were computed on an as converted basis using the conversion

ratios in effect as of September 30, 2010, the date of the IPO Closing, for all periods presented in 2009 and 2010. The common stock warrants at December 31, 2011 includes 21,087 warrants issued in 2011 and 5,136 common stock warrants converted from preferred stock warrants computed on an as converted basis using the conversion ratios in effect as of September 30, 2010, the date of the IPO Closing.

Recent Accounting Pronouncements

In October 2009, the FASB issued a new accounting standard that changes the accounting for arrangements with multiple deliverables. Specifically, the new accounting standard requires an entity to allocate arrangement consideration at the inception of an arrangement to all of its deliverables based on their relative selling prices. In addition, the new standard eliminates the use of the residual method of allocation and requires the relative-selling-price method in all circumstances in which an entity recognizes revenue for an arrangement with multiple deliverables. The standard became effective for the Company on January 1, 2011. The adoption of the updated guidance did not have an impact on the Company's consolidated financial position, results of operations or cash flows for the year ended December 31, 2011 and did not change the units of accounting for its revenue transactions. The new accounting standard, if applied to the year ended December 31, 2010, would not have an impact on revenue for that year.

In January 2010, the FASB issued an amendment to an accounting standard which requires new disclosures for fair value measures and provides clarification for existing disclosure requirements. Specifically, this amendment requires an entity to disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and to describe the reasons for the transfers; and to disclose separately information about purchases, sales, issuances and settlements in the reconciliation for fair value measurements using significant unobservable inputs, or Level 3 inputs. The amendment also clarifies existing disclosure requirements for the level of disaggregation used for classes of assets and liabilities measured at fair value and requires disclosure about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements using Level 2 and Level 3 inputs. The updated guidance is effective for interim or annual reporting periods beginning after December 15, 2009, except for the disclosures regarding the reconciliation of Level 3 fair value measurements, which are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In April 2010, the FASB issued an accounting standard update related to revenue recognition under the milestone method. The standard provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research or development transactions. Research or development arrangements frequently include payment provisions whereby a portion or all of the consideration is contingent upon milestone events such as successful completion of phases in a study or achieving a specific result from the research or development efforts. The amendments in these standards provide guidance on the criteria that should be met for determining whether the milestone method of revenue recognition is appropriate. The standard is effective for fiscal years and interim periods within those years beginning on or after June 15, 2010, with early adoption permitted, and applies to milestones achieved on or after that time. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In May 2011, the FASB issued an amendment to an accounting standard related to fair value measurement. This amendment is intended to result in convergence between U.S. GAAP and International Financial Reporting Standards ("IFRS") requirements for measurement of and disclosures about fair value. This guidance clarifies the application of existing fair value measurements and disclosures, and changes certain principles or requirements for fair value measurements and disclosures. The amended guidance is effective for interim and annual periods beginning after December 15, 2011. The Company is currently assessing the potential impact, if any, this amendment may have on its consolidated financial position, results of operations and cash flows.

In June 2011, the FASB issued an amendment to an accounting standard related to the presentation of the Statement of Comprehensive Income. This amendment requires companies to present the components of net income and other comprehensive income either as one continuous statement or as two consecutive statements. It eliminates the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity. The amended guidance is effective for interim and annual periods beginning after December 15, 2011 with full retrospective application required. Early adoption is permitted. The Company chose early adoption of this guidance effective its year ended December 31, 2011 through a separate presentation of its Consolidated Statement of Comprehensive Income for the years ended December 31, 2011, 2010 and 2009. The adoption did not have any impact on its consolidated financial position, results of operations or cash flows.

In September 2011, the FASB approved a revised accounting standard update intended to simplify how an entity tests goodwill for impairment. The amendment will allow an entity to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. An entity no longer will be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. This accounting standard update is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The Company is currently assessing the potential, if any, this revised

accounting standard update may have on the Company's consolidated financial statements.

In December 2011, the International Accounting Standards Board ("IASB") and the FASB issued common disclosure requirements that are intended to enhance comparability between financial statements prepared on the basis of U.S. GAAP and those prepared in accordance with IFRS. This new guidance affects all entities with financial instruments or derivatives that are either presented on a net basis on the balance sheet or subject to an enforceable master netting arrangement or similar arrangement. While this guidance does not change existing offsetting criteria in U.S. GAAP or the permitted balance sheet presentation for items meeting the criteria, it requires an entity to disclose both net and gross information about assets and liabilities that have been offset and the related arrangements. Required disclosures under this new guidance should be provided retrospectively for all comparative periods presented. This new guidance is effective for fiscal years beginning on or after January 1, 2013, and interim periods within those years, which would be the Company's first quarter of fiscal 2013. The Company does not expect that the adoption of this new guidance will have an impact on its financial position, results of operations or cash flows as it is disclosure only in nature.

3. Fair Value of Financial Instruments

The following tables set forth the Company's financial instruments that were measured at fair value on a recurring basis by level within the fair value hierarchy. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability. As of December 31, 2011, the Company's fair value hierarchy for its financial assets and financial liabilities that are carried at fair value was as follows (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2011
Financial Assets				
Money market funds	\$ 57,127	\$ —	\$ —	\$ 57,127
Certificates of Deposit	27,384	—	—	27,384
US Government agency securities	—	—	—	—
Total financial assets	<u>\$ 84,511</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 84,511</u>
Financial Liabilities				
Derivative liabilities	\$ 18	\$ —	\$ —	\$ 18
Total financial liabilities	<u>\$ 18</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 18</u>

As of December 31, 2010, the Company's fair value hierarchy for its financial assets and financial liabilities that are carried at fair value was as follows (in thousands):

	Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Balance as of December 31, 2010
Financial Assets				
Money market funds	\$ 124,228	\$ —	\$ —	\$ 124,228
Certificates of Deposit ⁽¹⁾	9,238	—	—	9,238
US Government agency securities	—	105,635	—	105,635
Total financial assets	<u>\$ 133,466</u>	<u>\$ 105,635</u>	<u>\$ —</u>	<u>\$ 239,101</u>
Financial Liabilities				
Derivative liabilities	\$ 324	\$ —	\$ —	\$ 324
Total financial liabilities	<u>\$ 324</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 324</u>

⁽¹⁾ Prior year fair value hierarchy now includes certificates of deposits to conform with current period presentation. Such reclassification did not change previously reported consolidated financial statements.

The change in the fair value of the Level 3 investments is summarized below (in thousands):

	Auction Rate Securities	Put Option
Fair value as of December 31, 2009	\$ 11,235	\$ 1,465
Redemption at par	(12,700)	—
Change in fair value recorded in other income (expense), net	1,465	(1,465)
Fair value as of December 31, 2010	—	—
Redemption at par	—	—
Change in fair value recorded in other income (expense), net	—	—
Fair value as of December 31, 2011	\$ —	\$ —

The change in the fair value of the convertible preferred stock warrant liability is summarized below (in thousands):

Fair value as of December 31, 2009	\$ 2,740
Fair value of warrants issued	507
Fair value of cancelled award	(929)
Change in fair value recorded in other income (expense), net	(2,318)
Fair value as of December 31, 2010	\$ —

The Company's investment portfolio included ARS, which were issued principally by student loan entities and rated AAA by a major credit rating agency. ARS are structured to provide liquidity via an auction process that resets the applicable interest rate at predetermined calendar intervals, usually every 28 days. The underlying securities have stated or contractual maturities that are generally greater than one year. Typically, the carrying value of ARS approximates fair value due to the frequent resetting of the interest rates. In February 2008, auctions failed for \$12.95 million in par value of ARS that the Company held because sell orders exceeded buy orders. These failures are not believed to be a credit issue, but rather caused by a lack of liquidity. The funds associated with these failed auctions may not be accessible until the issuer calls the security, a successful auction occurs, a buyer is found outside of the auction process, or the security matures.

During 2008, the Company received notification from UBS AG ("UBS"), issued in connection with a settlement entered into between UBS and certain regulatory agencies, offering to repurchase all of the Company's ARS holdings at par value. The Company formally accepted the settlement offer and entered into a repurchase agreement with UBS in November 2008. By accepting the agreement, the Company (1) received the right ("Put Option") to sell its ARS at par value to UBS between June 30, 2010 and July 2, 2012; and (2) gave UBS the right to purchase the ARS from the Company any time after the acceptance date as long as the Company receives the full par value.

As of December 31, 2011 and 2010, the Company had \$0 par value and fair value of ARS. During 2010 and 2009, a total of \$12.7 million and \$250,000, respectively, of the ARS held by the Company were called at par by the issuer; therefore no realized losses were recognized on these securities. The Put Option was exercised on June 30, 2010 to sell the remaining ARS of \$4.8 million at par value and was subsequently settled in the third quarter of 2010. During 2010, the Company received the \$12.7 million par value upon liquidation of its ARS holdings during the second and third quarter of 2010.

The Company estimated the fair value of the ARS using a discounted cash flow model incorporating assumptions that market participants would use in their estimates of fair value. Some of these assumptions included estimates for interest rates, timing and amount of cash flows and expected holding periods of the ARS. The Company estimated the fair value of the Put Option using the expected value that the Company would receive from UBS which was calculated as the difference between the fair value and the par value of the ARS as of the option exercise date. This value was discounted by using UBS's credit default swap rate to account for the credit considerations of the counterparty risk. The Company reassessed the fair values in future reporting periods based on several factors, including continued failure of auctions, failure of investments to be redeemed, deterioration of credit ratings of investments, market risk and other factors.

Derivative Instruments

The Company utilizes derivative financial instruments to mitigate its exposure to certain market risks associated with its ongoing operations. The primary objective for holding derivative financial instruments is to manage commodity price risk. The Company's derivative instruments principally include Chicago Board of Trade (CBOT) ethanol futures and Reformulated

Blendstock for Oxygenate Blending (RBOB) gasoline futures. All derivative commodity instruments are recorded at fair value on the consolidated balance sheets. None of the Company's derivative instruments are designated as a hedging instrument. Changes in the fair value of these non-designated hedging instruments are recognized in cost of product sales in the consolidated statements of operations.

Derivative instruments measured at fair value as of December 31, 2011 and 2010, and their classification on the consolidated balance sheets and consolidated statements of operations, are presented in the following tables (in thousands) except contract amounts:

Type of Derivative Contract	Asset/Liability as of			
	December 31, 2011		December 31, 2010	
	Quantity of Short Contracts	Fair Value	Quantity of Short Contracts	Fair Value
Regulated fixed price futures contracts, included as asset in prepaid expenses and other current assets	—	\$ —	—	\$ —
Regulated fixed price futures contracts, included as liability in accounts payable	22	\$ 18	92	\$ 324

Type of Derivative Contract	Income Statement Classification	Years Ended December 31,		
		2011	2010	2009
		Gain (Loss) Recognized		
Regulated fixed price futures contracts	Cost of product sales	\$(2,365)	\$ (2,225)	\$ (1,910)

4. Balance Sheet Components

Investments

The following table summarizes the Company's investments as of December 31, 2011 (in thousands):

	December 31, 2011		
	Amortized Cost	Unrealized Gain (Loss)	Fair Value
Short-Term Investments			
Certificates of Deposit	7,889	—	7,889
Total short-term investments	\$ 7,889	\$ —	\$ 7,889

The following table summarizes the Company's investments as of December 31, 2010 (in thousands):

	December 31, 2010		
	Amortized Cost	Unrealized Gain (Loss)	Fair Value
Short-Term Investments			
US Government agency securities	\$ 105,630	\$ 5	\$ 105,635
Certificates of Deposit	9,238	—	9,238
Total short-term investments	\$ 114,868	\$ 5	\$ 114,873

Inventories

Inventories, net is comprised of the following (in thousands):

	December 31,	
	2011	2010
Raw materials	\$ 2,191	\$ —
Work-in-process	1,237	—
Finished goods	5,642	4,006
Inventories, net	\$ 9,070	\$ 4,006

Prepaid and Other Current Assets

Prepaid and other current assets is comprised of the following (in thousands):

	December 31,	
	2011	2010
Advances to contract manufacturers ⁽¹⁾	\$ 10,748	\$ —
Manufacturing catalysts	3,929	—
Interest receivable	—	744
Recoverable VAT and other taxes	2,193	24
Margin deposits on derivative instruments	—	373
Other	3,003	1,764
Prepaid and other current assets	<u>\$ 19,873</u>	<u>\$ 2,905</u>

⁽¹⁾ At December 31, 2011, this amount includes \$748,000 of the current unamortized portion of equipment costs funded by the Company to a contract manufacturer. The related amortization is being offset against purchases of inventory.

Property and Equipment, net

Property and equipment, net is comprised of the following (in thousands):

	December 31,	
	2011	2010
Leasehold improvements	\$ 40,011	\$ 29,445
Machinery and equipment	59,657	22,115
Computers and software	6,491	5,225
Furniture and office equipment	2,223	1,486
Vehicles	596	493
Construction in progress	45,318	12,431
	<u>\$ 154,296</u>	<u>71,195</u>
Less: accumulated depreciation and amortization	(26,195)	(16,348)
Property and equipment, net	<u>\$ 128,101</u>	<u>\$ 54,847</u>

Property and equipment includes \$13.7 million and \$9.4 million of machinery and equipment and furniture and office equipment under capital leases as of December 31, 2011 and 2010, respectively. Accumulated amortization of assets under capital leases totaled \$4.7 million and \$3.0 million as of December 31, 2011 and 2010, respectively.

Depreciation and amortization expense, including amortization of assets under capital leases, was \$10.7 million, \$7.3 million and \$5.8 million for the years ended December 31, 2011, 2010 and 2009, respectively.

Other Assets

Other assets are comprised of the following (in thousands):

	December 31,	
	2011	2010
Deferred charge asset ⁽¹⁾	\$ 18,792	\$ 27,631
Deposits on property and equipment, including taxes	17,455	4,556
Advances to contract manufacturers, net of current portion ⁽²⁾	2,866	—
Recoverable taxes on purchased property and equipment	2,075	—
Other	1,813	360
Total other assets	<u>\$ 43,001</u>	<u>\$ 32,547</u>

- (1) The deferred charge asset relates to the collaboration agreement between the Company and Total (see Note 9).
- (2) At December 31, 2011, the amount of \$2.9 million relates to the non-current unamortized portion of equipment costs funded by the Company to a contract manufacturer. The related amortization is being offset against purchases of inventory.

Accrued and Other Current Liabilities

Accrued and other current liabilities are comprised of the following (in thousands):

	December 31,	
	2011	2010
Professional services	\$ 4,384	\$ 3,552
Accrued vacation	2,761	1,996
Payroll and related expenses	6,343	2,729
Construction in progress	4,992	2,227
Tax-related liabilities	2,180	1,273
Deferred rent, current portion	1,274	1,099
Customer advances	3,667	—
Refundable exercise price on early exercise of stock options	30	70
Other	5,351	1,849
Total accrued and other current liabilities	<u>\$ 30,982</u>	<u>\$ 14,795</u>

Other Liabilities

Other liabilities are comprised of the following (in thousands):

	December 31,	
	2011	2010
Contingently repayable advance from related party collaborator ⁽¹⁾	\$ 31,922	\$ —
Bonus payable to contract manufacturer, non-current	2,500	—
Deferred rent obligation (See Note 6)	—	1,088
Asset retirement obligations	1,129	984
Other	1,534	451
Total other liabilities	<u>\$ 37,085</u>	<u>\$ 2,523</u>

- (1) The contingently repayable advance from related party collaborator relates to the collaboration agreement between the Company and Total.

In November 2011, the Company and Total Gas & Power USA SAS (“Total”) entered into an amendment of their Technology License, Development, Research and Collaboration Agreement (the “Amendment”). The Amendment provides for an exclusive strategic collaboration for the development of renewable diesel products and contemplates that the parties will establish a joint venture (the “JV”) for the production and commercialization of such renewable diesel products on an exclusive, worldwide basis. In addition, the Amendment also provides the JV with the right to produce and commercialize certain other chemical products on a non-exclusive basis. The Amendment further provides that definitive agreements to form the JV must be in place by March 31, 2012 or other date as agreed to by the parties or the renewable diesel program, including any further collaboration payments by Total related to the renewable diesel program, will terminate. The continuation of the renewable diesel program and the formation of the JV are also subject to certain mutual intellectual property due diligence conditions. Under the Amendment, each party retains certain rights to independently produce and sell renewable diesel under specified circumstances subject to paying royalties to the other party.

Pursuant to the Amendment, Total has agreed to solely fund the following amounts: (i) the first \$30.0 million in research and development costs related to the renewable diesel program which have been incurred since August 1, 2011, which amount

shall be in addition to the \$50.0 million in research and development funding contemplated by the Collaboration Agreement, and (ii) for any research and development costs incurred following the JV formation date that are not covered by the initial \$30.0 million, an additional \$10.0 million in 2012 and up to an additional \$10.0 million in 2013, which amounts will be considered part of the \$50.0 million contemplated by the Collaboration Agreement. In addition to these payments, Total has further agreed to fund 50% of all remaining research and development costs for the renewable diesel program under the Amendment.

Total has an option for a period of 90 days, following the completion of the renewable diesel program on December 31, 2013 (or any other date as determined by the management committee to achieve the end-project milestone), to notify the Company that it does not wish to pursue production or commercialization of renewable diesel under the Amendment. If Total exercises this right, all of Total's intellectual property rights that were developed during the renewable diesel program would terminate and would be assigned to the Company, and the Company would be obligated to pay Total specified royalties based on the Company's net income in consideration of the benefits the Company derived from the technology and intellectual property developed during the renewable diesel development project. Such royalty payments commence on the royalty notification date and would end on the date when the Company had paid Total an aggregate amount equal to \$150.0 million. The Company will pay Total a royalty of twenty percent (20%) of Net Income on a yearly basis derived from (i) any licenses under or sales of the Diesel Collaboration IP by the Company or any of its Affiliates to third parties, but not to the extent such licenses or sale relate to the use of the Diesel Collaboration IP for the Initial Non-Exclusive JV Products, and (ii) the Net Income (as defined in the Agreement) of the Company on a consolidated basis other than that derived from a Product resulting from the Biojet Development Program and the Non-Exclusive JV Products (the "Total Diesel IP Royalty").

In addition, in the event the Company sells all or substantially all of its renewable diesel business prior to the time the aggregate royalty amount has been paid, the Company shall pay Total fifty percent (50%) of the net proceeds from such sale up to the then-remaining unpaid amount of the aggregate royalty amount. Net income shall be calculated in accordance with generally accepted accounting principles consistently applied by the Company and in the event that the foregoing net income is negative for a given fiscal quarter, the Company shall not be required to pay any royalty for such fiscal quarter). Beginning on the sixth year from the royalty notification date, the aforementioned royalty in section shall be additionally derived from the non-exclusive JV products.

The Company concluded that there is a significant amount of risk associated with the development of these products and therefore the arrangement is within the scope of ASC 730-20 Research and Development. The Company also determined that until Total exercises its royalty option, it is uncertain that financial risk involved with research and development is transferred from the Company to Total. Accordingly, the funds received from Total for the diesel product R&D activities were recorded as contingently repayable advance from the collaborator as part of other liabilities as of December 31, 2011. Depending on the resolution of Total's royalty option contingency, the Company will record this arrangement as a contract to perform research and development services or as an obligation to repay the funds.

5. Commitments and Contingencies

Capital Leases

In March 2008, the Company executed an equipment financing agreement intended to cover certain qualifying research and laboratory hardware and software. In January 2009, the agreement was amended to increase the financing amount. During the years ended December 31, 2011, 2010 and 2009, the Company financed certain purchases of hardware equipment and software of approximately zero, \$1.4 million and \$4.8 million, respectively. Pursuant to the equipment financing agreement, the Company financed the equipment with the transactions representing capital leases. Accordingly, fixed assets and capital lease liabilities were recorded at the present values of the future lease payments of \$3.1 million and \$5.9 million at December 31, 2011 and 2010. The incremental borrowing rates used to determine the present values of the future lease payments was 9.5%. The capital lease obligations expire at various dates, with the latest maturity in March 2013. In connection with the agreement entered into in 2008, the Company issued a warrant to purchase shares of the Company's convertible preferred stock (see Note 11).

In December 2011, the Company executed an equipment financing agreement intended to cover certain qualifying research and laboratory hardware. During the year ended December 31, 2011, the company financed certain purchases of hardware equipment of \$3.0 million. Pursuant to the equipment financing agreement, the Company financed the equipment with transactions representing capital leases. This sales/leaseback transaction resulted in a \$1.3 million unrealized loss which is being amortized over the life of the assets under lease. Accordingly, a capital lease liability was recorded at the present value of the future lease payments of \$3.4 million during the year ended December 31, 2011. The incremental borrowing rate used to determine the present values of the future lease payments was 6.5%. Capital lease obligations expire on January 1, 2015. In connection with the capital

lease entered into in 2011, the Company issued a warrant to purchase shares of the Company's common stock (see Note 11). Future minimum payments under this sales/leaseback agreement as of December 31, 2011 are as follows (in thousands):

Years ending December 31:	Sales/Leaseback
2012	\$ 1,190
2013	1,098
2014	1,006
2015	300
2016	—
Thereafter	—
Total future minimum lease payments	3,594
Less: amount representing interest	(349)
Present value of minimum lease payments	3,245
Less: current portion	(1,010)
Long-term portion	\$ 2,235

The Company recorded interest expense in connection with its capital leases of \$559,000, \$821,000 and \$751,000 for the years ended December 31, 2011, 2010 and 2009, respectively. Future minimum payments under capital leases, including the sales/leaseback, as of December 31, 2011 are as follows (in thousands):

Years ending December 31:	Capital Leases
2012	\$ 4,099
2013	1,489
2014	1,006
2015	300
2016	—
Thereafter	—
Total future minimum lease payments	6,894
Less: amount representing interest	(558)
Present value of minimum lease payments	6,336
Less: current portion	(3,717)
Long-term portion	\$ 2,619

Operating Leases

The Company has noncancelable operating lease agreements for office, research and development and manufacturing space in the United States that expire at various dates, with the latest expiration in May 2018 with an estimated annual rent payment of approximately \$6.0 million. In addition, the Company leases facilities in Brazil pursuant to noncancelable operating leases that expires at various dates, with the latest expiration in November 2016 with an estimated annual rent payment of approximately \$456,000.

In 2007, the Company entered into an operating lease for its headquarters in Emeryville, California, with a term of ten years commencing in May 2008. As part of the operating lease agreement, the Company received a tenant improvements allowance of \$11.4 million. The Company recorded the allowance as deferred rent and associated expenditures as leasehold improvements that are being amortized over the shorter of their useful life or the term of the lease. In connection with the operating lease, the Company elected to defer a portion of the monthly base rent due under the lease and entered into notes payable agreements with the lessor for the purchase of certain tenant improvements. In October 2010, the Company amended its lease agreement with the lessor of its headquarters, to lease up to approximately 22,000 square feet of research and development and office space. In return for the removal of the early termination clause in its amended lease agreement, the Company received approximately \$1.0 million from the lessor in December 2010.

The Company recognizes rent expense on a straight-line basis over the noncancelable lease term and records the difference

between cash rent payments and the recognition of rent expense as a deferred rent liability. Where leases contain escalation clauses, rent abatements, and/or concession, such as rent holidays and landlord or tenant incentives or allowances, the Company applies them in the determination of straight-line rent expense over the lease term. Rent expense was \$4.8 million, \$3.3 million and \$3.6 million for the years ended December 31, 2011, 2010 and 2009, respectively.

The Company has terminalling agreements with terminal storage facility vendors for the storage and handling of products. As of December 31, 2011 the Company had \$0.4 million in outstanding commitments under these terminalling agreements which are expected to be paid in 2012.

In January 2011, the Company entered into a right of first refusal agreement with respect to a facility and site in Leland, North Carolina leased by Glycotech covering a two year period commencing in January 2011. Under the right of first refusal agreement, the lessor agrees not to sell the facility and site leased by Glycotech during the term of the production service agreement. If the lessor is presented with an offer to sell, or decides to sell, an adjacent parcel, the Company has a right of first refusal to acquire the adjacent parcel or leased property.

In February 2011, the Company commenced payment of rent related to an operating lease on a real property owned by Usina São Martinho in Brazil. In conjunction with a joint venture agreement (see Note 7) with the same entity, the real property will be used by the joint venture entity, SMA Indústria Química S.A. ("SMA"), for the construction of a production facility. This lease has a term of 20 years commencing in February 2011 with an estimated annual rent payment of approximately \$59,000.

In February 2011, the Company entered into an operating lease for certain equipment owned by GEA Engenharia de Processos e Sistemas Industriais Ltda ("GEA") in Brazil. The equipment under this lease will be used by the Company in its production activities in Brazil. This lease has a term of one year commencing in March 2011 with an estimated annual rent payment of approximately \$96,000 and is renewable for up to two years from the end of the initial term.

In March 2011, the Company entered into an operating lease on a real property owned by Paraíso Bioenergia S.A. ("Paraíso Bioenergia") in Brazil. In conjunction with a supply agreement (see Note 9) with the same entity, the real property will be used by the Company for the construction of an industrial facility. This lease has a term of 15 years commencing in March 2011 with an estimated annual rent payment of approximately \$147,000.

In August 2011, the Company notified the lessor of its leased office facilities in Brazil of the Company's termination of its existing lease effective November 30, 2011. At the same time, the Company entered into an operating lease for new office facilities in Campinas, Brazil. The new lease has a term of 5 years commencing in November 2011 with an estimated annual rent payment of approximately \$456,000.

Future minimum payments under operating leases as of December 31, 2011, are as follows (in thousands):

Years ending December 31:	Operating Leases - Facilities	Operating Leases - Land	Operating Leases - Equipment	Total Operating Leases
2012	\$ 6,590	\$ 201	\$ 16	\$ 6,807
2013	6,318	201	—	6,519
2014	6,397	201	—	6,598
2015	6,575	201	—	6,776
2016	6,704	201	—	6,905
Thereafter	9,238	2,138	—	11,376
Total future minimum lease payments	\$ 41,822	\$ 3,143	\$ 16	\$ 44,981

Guarantor Arrangements

The Company has agreements whereby it indemnifies its officers and directors for certain events or occurrences while the officer or director is, or was, serving at the Company's request in such capacity. The term of the indemnification period is for the officer or director's lifetime. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited; however, the Company has a director and officer insurance policy that limits its exposure and enables the Company to recover a portion of any future amounts paid. As a result of its insurance policy coverage, the Company believes the estimated fair value of these indemnification agreements is minimal. Accordingly, the Company had

no liabilities recorded for these agreements as of December 31, 2011 and 2010.

The Company has an uncommitted facility letter (“Credit Agreement”) with a financial institution to finance the purchase and sale of fuel and for working capital requirements, as needed. The Company is a parent guarantor for the payment of the outstanding balance under the Credit Agreement. As of December 31, 2011, the Company had \$5.0 million in outstanding letters of credit under the Credit Agreement which are guaranteed by the Company and payable on demand. The Credit Agreement is collateralized by a first priority security interest in certain of the Company’s present and future assets.

The Company has a credit facility (“BNDES Credit Facility.”) with a financial institution to finance a production site in Brazil. This credit facility is collateralized by first priority security interest in certain of the Company’s equipment and other tangible assets totaling R\$24.9 million reais (approximately US\$13.3 million based on the exchange rate at December 31, 2011). The Company is a parent guarantor for the payment of the outstanding balance under the BNDES Credit Facility. As of December 31, 2011, the Company had \$10.2 million outstanding under the agreement which is guaranteed by the Company. Additionally, the Company is required to provide a bank guarantees under the BNDES Credit Facility.

The Company has a facility (“FINEP Credit Facility”) with a financial institution to finance a research and development project on sugarcane-based biodiesel (see Note 6). The FINEP Credit Facility provides for loans of up to an aggregate principal amount of R\$6.4 million reais (approximately US\$3.4 million based on the exchange rate at December 31, 2011) which is guaranteed by a chattel mortgage on certain equipment of the Company. The Company’s total acquisition cost for the equipment under this guarantee is approximately R\$6.0 million reais (approximately US\$3.2 million based on the exchange rate at December 31, 2011). Subject to compliance with certain terms and conditions under the FINEP Credit Facility, four disbursements of the loan will become available to the Company for withdrawal, as described in more detail in Note 6. After the release of the first disbursement, prior to any subsequent drawdown from the FINEP Credit Facility, the Company also needs to provide bank letters of guarantee of up to R\$3.3 million reais (approximately US\$1.8 million based on the exchange rate at December 31, 2011).

The Company has a terminalling agreement with a terminal storage facility vendor for storing and handling of products. The Company is a parent guarantor for the payment of the outstanding balance under the terminalling Agreement. As of December 31, 2011, the Company had \$62,000 in outstanding commitments under the terminalling Agreement which are guaranteed by the Company and payable on demand.

Under an operating lease agreement for its office facilities in Brazil, which commenced on November 15, 2011, the Company is required to maintain restricted cash or letters of credit equal to three months rent of approximately R\$191,000 reais (approximately US\$102,000 based on the exchange rate at December 31, 2011) as guarantee that the Company will meet its performance obligations under such operating lease agreement.

Other Matters

The Company is not involved in any legal proceedings that management believes will have a material adverse effect on its business, results of operations, financial position or cash flows. The Company may be involved, from time to time, in legal proceedings and claims arising in the ordinary course of its business. Such matters are subject to many uncertainties and outcomes are not predictable with assurance. The Company accrues amounts, to the extent they can be reasonably estimated, that it believes are adequate to address any liabilities related to legal proceedings and other loss contingencies that the Company believes will result in a probable loss.

6. Debt

Debt is comprised of the following (in thousands):

	December 31,	
	2011	2010
Credit facilities	\$ 18,852	\$ —
Notes payable	3,113	5,668
Loans payable	19,359	977
Total debt	41,324	6,645
Less: current portion	(28,049)	(1,911)
Long-term debt	\$ 13,275	\$ 4,734

Credit Facility

In January 2009, the Company entered into a credit facility with UBS associated with student loan auction rate securities holdings. In March and April 2009, the Company drew down \$8.1 million and \$0.5 million on the credit facility, respectively. The credit facility was collateralized by the ARS held with the bank. The credit facility had a variable interest rate of LIBOR plus 1.25%. As of December 31, 2009, the total amount outstanding under the credit facility was \$8.3 million and the weighted average borrowing rate was 1.32%. In conjunction with the liquidation of the Company's ARS holdings during the second and third quarter of 2010 (see Note 3), this credit facility was terminated.

In November 2010, the Company entered into the FINEP Credit Facility with Financiadora de Estudos e Projetos ("FINEP"), a state-owned company subordinated to the Brazilian Ministry of Science and Technology. This FINEP Credit Facility was extended to partially fund expenses related to the Company's research and development project on sugarcane-based biodiesel ("FINEP Project") and provides for loans of up to an aggregate principal amount of R\$6.4 million reais (approximately US\$3.4 million based on the exchange rate at December 31, 2011) which is guaranteed by a chattel mortgage on certain equipment of the Company as well as bank letters of guarantee. Subject to compliance with certain terms and conditions under the FINEP Credit Facility, four disbursements of the loan will become available to the Company for withdrawal. The first disbursement received in February 2011 was approximately R\$1.8 million reais and the next three disbursements will each be approximately R\$1.6 million reais. As of December 31, 2011 and 2010, there were R\$1.8 million reais (approximately \$1.0 million based on the exchange rate at December 31, 2011) and no amount outstanding, respectively, under this FINEP Credit Facility.

Interest on loans drawn under this credit facility is fixed at 5.0% per annum. In case of default under or non-compliance with the terms of the agreement the interest on loans will be dependent on the long-term interest rate as published by the Central Bank of Brazil ("TJLP"). If the TJLP at the time of default is greater than 6.0%, then the interest will be 5.0% + a TJLP adjustment factor, otherwise the interest will be at 11.0% per annum. In addition, a fine of up to 10.0% shall apply to the amount of any obligation in default. Interest on late balances will be 1.0% interest per month, levied on the overdue amount. Payment of the outstanding loan balance will be made in 81 monthly installments which will commence in July 2012 and extend through March 2019. Interest on loans drawn and other charges are paid on a monthly basis commencing in March 2011.

The FINEP Credit Facility contains the following significant terms and conditions

- The Company will share with FINEP the costs associated with the FINEP Project. At a minimum, the Company will contribute from its own funds approximately R\$14.5 million reais (US\$7.7 million based on the exchange rate at December 31, 2011) of which the Company expects R\$11.1 million reais to be contributed prior to the release of the second disbursement, which is expected to occur in 2012;
- After the release of the first disbursement, prior to any subsequent drawdown from the FINEP Credit Facility, the Company is required to provide bank letters of guarantee of up to R\$3.3 million reais in aggregate (approximately US\$1.8 million based on the exchange rate at December 31, 2011);
- Amounts released from the FINEP Credit Facility must be completely used by the Company towards the FINEP Project within 30 months after the contract execution.

Notes Payable

During the period between May 2008 and October 2008, the Company entered into notes payable agreements with the lessor of its headquarters under which it borrowed a total of \$3.3 million for the purchase of tenant improvements, bearing an interest rate of 9.5% per annum and to be repaid over a period of 55 to 120 months. As of December 31, 2011 and 2010, a principal amount of \$2.0 million and \$2.4 million, respectively, was outstanding under these notes payable.

During the period between January 2009 and December 2009, the Company entered into notes payable agreements with a service provider in connection with its software implementation under which it borrowed a total of \$1.2 million for the payment of implementation services and software licenses, bearing an interest rate of 8.53% per annum and to be repaid over a period of 69 to 83 months. As of December 31, 2011 and 2010, a principal amount of zero and \$1.0 million was outstanding under these notes payable.

In July 2009, the Company entered into a notes payable agreement of \$378,000 with its insurance provider. The notes payable are payable in monthly principal and interest installments of \$45,300 through March 2010. The note payable accrues interest at 6%. As of December 31, 2011 and 2010, a principal amount of zero was outstanding under the notes payable.

In March 2010, the Company entered into a notes payable agreement of \$101,000 with its insurance provider. The notes are

payable in monthly principal and interest installments of \$11,000 through November 2010. The note payable accrued interest at 5.5%. As of December 31, 2011 and 2010 there was zero amount outstanding under the notes payable.

In February 2010, the Company entered into a notes payable agreement with its landlord for a loan of \$239,000. The notes are payable in monthly principal and interest installments of \$31,000 from June 2010 through January 2011. The notes payable accrue interest at 10.5%. As of December 31, 2011 and 2010, a principal amount of zero and \$31,000 was outstanding under the notes payable.

In April 2010, the Company entered into a notes payable agreement of \$182,000 with a financial institution to finance a software purchase. The notes were payable in equal installments of principal and interest starting in May 2010 through April 2012. The notes payable accrues interest at 10.0%. As of December 31, 2011 and 2010, there was zero outstanding under this notes payable.

During the period between August 2010 and November 2010, the Company entered into notes payable agreements with an equipment financing company under which it borrowed a total of \$2.4 million for the purchase of equipment and leasehold improvements. The notes payable bears an interest rate of 16.7% per annum to be repaid over a period of 42 months. As of December 31, 2011 and 2010, a principal amount of zero and \$2.2 million, respectively, was outstanding under these notes payable.

In connection with the operating lease for its headquarters (see Note 5) in Emeryville, California, the Company elected to defer a portion of monthly base rent due under the lease. In June 2011, a deferred rent obligation of \$1.5 million resulting from this election became due and payable in 24 equal monthly installments of approximately \$63,000. As such, the Company reclassified this obligation from Other Liabilities to Notes Payable. As of December 31, 2011, a principal amount of \$1.1 million was outstanding under this note payable.

Loans Payable

In August 2009, the Company entered into a loans payable agreement with the lessor of its headquarters under which it borrowed \$750,000. The loan is payable in monthly installments of interest only and unpaid interest and principal is payable in December 2011. Interest accrues at an interest rate of 10.5%. As of December 31, 2011 and 2010, a principal amount of zero and \$750,000 was outstanding under the loan, respectively. This notes payable agreement was secured by a \$750,000 letter of credit.

In December 2009, the Company entered into a loans payable agreement with the lessor of its Emeryville pilot plant under which it borrowed a total of \$250,000, bearing an interest rate of 10.0% per annum and to be repaid over a period of 96 months. As of December 31, 2011 and 2010, a principal amount of \$204,000 and \$228,000, respectively, was outstanding under the loan.

In December 2011, the Company entered into a loan agreement with Banco Pine S.A. under which Banco Pine S.A. provided the Company with a short term loan of R\$35.0 million reais (approximately US\$18.7 million based on the exchange rate at December 31, 2011) (the "Bridge Loan"). The Bridge Loan is an advance on anticipated 2012 financing from Nossa Caixa Desenvolvimento, ("Nossa Caixa"), the Sao Paulo State development bank, and the Lender, under which the Lender and Nossa Caixa may provide the Company with loans of up to approximately R\$52.0 million reais (approximately US\$27.7 million based on the exchange rate at December 31, 2011) as financing for capital expenditures relating to the Company's Paraíso Bioenergia S.A. manufacturing facility in Brazil. The interest rate for the Bridge Loan is 119.2% of Brazilian interbank lending rate (approximately 12.8% on an annualized basis). The principal and interest of loans under the Loan Agreement matured and were required to be repaid on February 17, 2012, subject to extension by the Lender. Under the Loan Agreement, the Company owes a prepayment penalty if it repays the loan prior to the maturity date based on the net value of the loan to Banco Pine S.A. if the Bridge Loan were repaid on the maturity date.

The Bridge Loan agreement includes customary events of default, including refusal to perform responsibilities under the Loan Agreement, failure to make payments when due, bankruptcy, liquidation or insolvency, and material judgments. If any event of default under the Bridge Loan occurs, the Lender may declare all borrowings under the Bridge Loan immediately due. As of December 31, 2011, a total of R\$35.0 million reais was advanced under the Bridge Loan and a principal amount of \$18.7 million was outstanding under this loan.

Letters of Credit

In November 2008, the Company entered into an uncommitted facility letter (the "Credit Agreement") with a financial institution to finance the purchase and sale of fuel and for working capital requirements, as needed. In October 2009, the agreement was amended to decrease the maximum amount that the Company may borrow under such facility. The Credit Agreement, as amended, provides an aggregate maximum availability up to the lower of \$20.0 million and the borrowing base as defined in the

agreement, and is subject to a sub-limit of \$5.7 million for the issuance of letters of credit and a sub-limit of \$20.0 million for short-term cash advances for product purchases. The Credit Agreement is collateralized by a first priority security interest in certain of the Company's present and future assets. Amyris is a parent guarantor for the payment of the outstanding balance under the Credit Agreement. Outstanding advances bear an interest rate at the Company's option of the bank's prime rate plus 1.0% or the bank's cost of funds plus 3.5%. As of December 31, 2011, the Company had sufficient borrowing base levels to draw down up to a total of \$7.2 million in short term cash advances and \$0.7 million available for letters of credit in addition to those outstanding as of December 31, 2011. As of December 31, 2011 and 2010, the Company had no outstanding advances and had \$5.0 million and \$4.6 million in outstanding letters of credit under the Credit Agreement.

To the extent that amounts under the Credit Agreement remain unused, while the Credit Agreement is in effect and for so long thereafter as any of the obligations under the Credit Agreement are outstanding, the Company will pay an annual commitment fee of \$300,000. The Credit Agreement requires compliance with certain customary covenants that require maintenance of certain specified financial ratios and conditions. As of December 31, 2011, the Company was in compliance with its financial covenants under the Credit Agreement.

In November 2009, the Company entered into an irrevocable standby letter of credit agreement (the "LC Agreement") for up to \$4.5 million. In December 2010, this LC Agreement was replaced by the revolving credit facility agreement (the "Revolving Credit Facility") discussed below and the letters of credit that were outstanding under the LC Agreement remained outstanding as letters of credit subject to the terms and conditions of the Revolving Credit Facility. In addition, under the LC Agreement, the Company was required to maintain a deposit balance with the financial institution, which amounted to \$4.5 million as of December 31, 2009 and as of the effective date of the Revolving Credit Facility. This requirement was eliminated and the restriction imposed on the \$4.5 million cash deposit was removed on the date of the Revolving Credit Facility agreement became effective.

Revolving Credit Facility

On December 23, 2010, the Company established a revolving credit facility with a financial institution which provides for loans and standby letters of credit of up to an aggregate principal amount of \$10.0 million with a sublimit of \$5.0 million on standby letters of credit. Interest on loans drawn under this revolving credit facility will be equal to (i) the Eurodollar Rate plus 3.0%; or (ii) the Prime Rate plus 0.5%. In case of default or non-compliance with the terms of the agreement, the interest on loans will be Prime Rate plus 2.0%. The credit facility is collateralized by a first priority security interest in certain of the Company's present and future assets. It has a \$5,000 annual loan fee and contains the following significant financial and non-financial covenants:

Financial Covenants: The Company must maintain a liquidity of at least \$10 million plus two times its quarterly "Net Cash Used in Operating Activities" calculated using the Company's Condensed Consolidated Statements of Cash Flows reflected in the Company's most recent periodic report filed with the SEC. In addition, as of the end of each fiscal quarter, the Company must maintain a current ratio (current assets to current liabilities) equal to or greater than 2:1. As of December 31, 2011, the Company was not in compliance with the current ratio covenant. The non-compliance was caused in part by the additional short term debt proceeds received by the Company and in part by cash outflows. Following the funding from the equity and convertible debt financings in February 2012, our current ratio was returned to a level equal to or greater than 2:1. Events of default per under the credit facility provides the lender various rights, including the right to require immediate repayment or foreclose on collateral may result in acceleration of payment.

Financial Statements: The Company must provide financial statements to the lender on a quarterly basis within 60 days after the end of each of the first three quarters of each fiscal year and audited financial statements within 105 days after the end of each fiscal year.

Under this facility, \$7.7 million amount of loan and one letter of credit totaling \$2.3 million was outstanding as of December 31, 2011. The outstanding letter of credit serves as security for a facility lease and expires in November 2012 and may be automatically extended for another one-year period.

BNDES Credit Facility

In December 2011, the Company entered into a credit facility ("BNDES Credit Facility") in the amount of R\$22.4 million reais (approximately US\$11.9 million based on the exchange rate at December 31, 2011) with Banco Nacional de Desenvolvimento Econômico e Social ("BNDES"), a government owned bank headquartered in Brazil. This BNDES facility was extended as project financing for a production site in Brazil. The credit line is divided into an initial tranche for up to approximately R\$19.1 million reais and an additional tranche of approximately R\$3.3 million reais that becomes available upon delivery of additional guarantees. The credit line is available for 12 months from the date of the Credit Agreement, subject to extension by the lender.

The principal of loans under the BNDES Credit Facility is required to be repaid in 60 monthly installments, with the first installment due in January 2013 and the last due in December 2017. Interest will be due initially on a quarterly basis with the first installment due in March 2012. From and after January 2013, interest payments will be due on a monthly basis together with principal payments. The loaned amounts carry interest of 7% per year. Additionally, a credit reserve charge of 0.1% on the unused balance from each credit installment from the day immediately after it is made available through its date of use, when it is paid.

Under the BNDES Credit Facility, the Company's credit will be in Brazilian Reais and will not change until the effective release. The credit line is collateralized by first priority security interest in certain of the Company's equipment and other tangible assets totaling R\$24.9 million reais (approximately US\$13.3 million based on the exchange rate at December 31, 2011). Amyris is a parent guarantor for the payment of the outstanding balance under the BNDES Credit Facility. Additionally, the Company is required to provide a bank guarantee equal to 10% of all the approved amount (R\$22.4 million reais in total debt) under this credit facility. For advances in the second tranche (above R\$19.1 million reais), the Company is required to provide additional bank guarantees equal to 90% of each such advance, plus additional Company guarantees equal to at least 130% of such advance. The BNDES Credit Facility contains customary events of default, including payment failures, failure to satisfy other obligations under this credit facility or related documents, defaults in respect of other indebtedness, bankruptcy, insolvency and inability to pay debts when due, material judgments, and changes in control of Amyris Brasil. If any event of default occurs, the Lender may terminate its commitments and declare immediately due all borrowings under the facility. As of December 31, 2011 the Company had R\$19.1 million reais (approximately US\$10.2 million based on the exchange rate at December 31, 2011) in outstanding advances under the BNDES Credit Facility.

Future minimum payments under the debt agreements as of December 31, 2011 are as follows (in thousands):

Years ending December 31:	Notes Payable	Loans Payable	Credit Facility
2012	\$ 1,405	\$ 19,495	\$ 8,857
2013	770	187	2,933
2014	355	45	2,769
2015	355	45	2,590
2016	355	45	2,453
Thereafter	480	44	2,466
Total future minimum payments	3,720	19,861	22,068
Less: amount representing interest	(607)	(502)	(3,216)
Present value of minimum debt payments	3,113	19,359	18,852
Less: current portion	(1,217)	(19,038)	(7,794)
Noncurrent portion of debt	\$ 1,896	\$ 321	\$ 11,058

7. Joint Ventures

SMA Indústria Química S.A.

On April 14, 2010, the Company established SMA, a joint venture with Usina São Martinho, to build the first facility in Brazil fully dedicated to the production of Amyris renewable products. The new company is located at the Usina São Martinho mill in Pradópolis, São Paulo state. SMA has a 20 year initial term.

Amyris plans to provide genetically engineered yeast to enable SMA to produce Amyris farnesene, or Biofene®, a molecule which may be used as an ingredient in a wide range of consumer and industrial products, including detergents, cosmetics, perfumes and industrial lubricants.

SMA is managed by a three member executive committee, of which the Company appoints two members one of whom is the plant manager who is the most senior executive responsible for managing the construction and operation of the facility. SMA is governed by a four member board of directors, of which the Company and Usina São Martinho each appoint two members. The board of directors has certain protective rights which include final approval of the engineering designs and project work plan developed and recommended by the executive committee.

Under the joint venture agreements, the Company granted a royalty-free license to SMA. The Company will fund the construction costs of the new facility. Usina São Martinho will reimburse up to R\$61.8 million reais (approximately US\$32.9

million based on the exchange rate as of December 31, 2011) of the construction costs after SMA commences production. Post commercialization, the Company will market and distribute the Amyris renewable products. Usina São Martinho will sell feedstock and provide certain other services to SMA. The cost of the feedstock to SMA is a price that is based on the average return that Usina São Martinho could receive from the production of its current products, sugar and ethanol. The Company is required to purchase the output of SMA for the first four years at a price that guarantees the return of Usina São Martinho's investment plus a fixed interest rate. After this four year period, the price is set to guarantee a break-even price to SMA plus an agreed upon return.

Under the terms of the joint venture agreements, if the Company becomes controlled, directly or indirectly, by a competitor of Usina São Martinho, then Usina São Martinho has the right to acquire the Company's interest in SMA. If Usina São Martinho becomes controlled, directly or indirectly, by a competitor of the Company, then the Company has the right to sell its interest in SMA to Usina São Martinho. In either case, the purchase price shall be determined in accordance with the joint venture agreements, and the Company would continue to have the obligation to acquire products produced by SMA for the remainder of the term of the supply agreement then in effect even though the Company would no longer be involved in SMA's management.

Amyris has a 50% ownership interest in SMA. The Company has identified SMA as a VIE. The Company is the primary beneficiary and consequently consolidates SMA's operations in its financial statements.

Joint Venture with Cosan

In June 2011, the Company entered into joint venture agreements with Cosan Combustíveis e Lubrificantes S.A. and Cosan S.A. Indústria e Comércio (such Cosan entities, collectively or individually, "Cosan"), related to the formation of joint venture (the "JV"), which will focus on the worldwide development, production and commercialization of base oils made from Biofene produced by the JV or purchased from the Company or a contract manufacturer. The Company and Cosan are establishing entities related to the joint venture in both Brazil and the United States.

Under the joint venture agreements, the JV will undertake, on a worldwide basis, the development, production and commercialization of certain classes of base oils produced from Biofene for use in lubricants products in the automotive, commercial and industrial markets. The agreements provide that the Company will perform research and development activities on behalf of the JV under a research services arrangement and will grant a royalty-free license to the JV to use the Company's technology to develop, produce, market and distribute renewable base oils for use in lubricant products sold worldwide. The joint venture agreements provide that Cosan will provide technical expertise and use commercially reasonable efforts to contribute a base oils offtake agreement with a third party to the JV.

Subject to certain exceptions for the Company, the joint venture agreements provide that the JV will be the exclusive means through which the Company and Cosan will engage in the worldwide development and commercialization of specified classes of renewable base oils that are derived from Biofene or, under certain circumstances, from other intermediate molecules or technologies. The JV has certain rights of first refusal with respect to alternative base oil technologies that may be acquired by the Company or Cosan during the term of the JV.

Under the joint venture agreements, the Company and Cosan each own 50% of the JV and each party will share equally in any costs and any profits ultimately realized by the JV. The joint venture agreement has an initial term of 20 years from the date of the agreement, subject to earlier termination by mutual written consent or by a non-defaulting party in the event of specified defaults by the other party (including breach by a party of any material obligations under the joint venture agreements). The Shareholders' Agreement has an initial term of 10 years from the date of the agreement, subject to earlier termination if either the Company or Cosan ceases to own at least 10% of the voting stock of the JV.

The Company has identified Novvi S.A., the initial Brazilian JV entity formed, as a VIE. The power to direct activities, which most significantly impact the economic success of the joint venture, is equally shared between the Company and Cosan who are not related parties. Accordingly, the Company is not the primary beneficiary and therefore will account for its investment in the JV entity using the equity method. The Company will periodically review its consolidation analysis on an ongoing basis. As of December 31, 2011, the carrying amounts of the unconsolidated JV entity's assets and liabilities were not material to the Company's consolidated financial statements.

In September 2011, the U.S. JV entity, Novvi LLC was formed. The Company and Cosan are still finalizing operating agreements for this new entity. Through December 31, 2011, there has been no activity in this joint venture. The Company recorded revenue for research and development expenses performed on behalf of the joint venture. For the year ended December 31, 2011, the Company recorded \$3.6 million of revenue from the research and development activities that it has performed on behalf of the joint venture.

8. Noncontrolling Interest

Redeemable Noncontrolling Interest

In February 2008, the Company formed a subsidiary Amyris Pesquisa e Desenvolvimento de Biocombustíveis, Ltda. In March 2008, the Company sold a 30% interest to Crystalsev and the subsidiary was renamed Amyris-Crystalsev Pesquisa e Desenvolvimento de Biocombustíveis Ltda. ("ACB"). The Company invested \$3.8 million of cash for a 70% interest in ACB and Crystalsev contributed \$1.6 million of cash for the remaining 30% interest.

In April 2009, the Company re-purchased Crystalsev's 30% interest in ACB for \$2.3 million resulting in ACB once again becoming a wholly-owned subsidiary. The purchase of the noncontrolling interest was treated as an equity transaction and the fair value of the consideration paid of \$2.3 million was recorded as a reduction of the carrying value of the noncontrolling interest and additional paid-in capital. In December 2009, ACB was renamed Amyris Brasil S.A. In May 2011, Amyris Brasil S.A. was converted into Amyris Brasil Ltda.

In December 2009, Amyris Brasil sold 1,111,111 of its shares representing a 4.8% interest in Amyris Brasil for R\$10.0 million reais. The redeemable noncontrolling interest was reported in the mezzanine equity section of the consolidated balance sheet because the Company was then subject to a contingent put option under which it could have been required to repurchase an interest in Amyris Brasil from the noncontrolling interest holder.

In March 2010, Amyris Brasil sold an additional 853,333 shares of its stock, an incremental 3.4% interest, for R\$3.0 million reais. In May 2010, Amyris Brasil sold an additional 1,111,111 shares of its stock, an incremental 4.07% interest, for R\$10.0 million reais.

Under the terms of the agreements with these Amyris Brasil investors, the Company had the right to require the investors to convert their shares of Amyris Brasil into shares of common stock at a 1:0.28 conversion ratio. On September 30, 2010, in connection with the Company's IPO, shares of Amyris Brasil held by these investors were converted into 861,155 shares of the Company's common stock. The remaining noncontrolling interest as of September 30, 2010 was converted to common stock and additional paid-in capital.

At the closing of the IPO, the Company recorded a one-time beneficial conversion feature charge of \$2.7 million associated with the conversion of the shares of Amyris Brasil held by investors into shares of Amyris, Inc. common stock, which impacted earnings per share for the year ended December 31, 2010.

The following table provides a roll forward of the redeemable noncontrolling interest (in thousands):

Balance as of December 31, 2009	\$	5,506
Proceeds from redeemable noncontrolling interest		7,041
Conversion of shares of Amyris Brasil S.A. subsidiary held by third parties into common stock		(11,870)
Foreign currency translation adjustment		217
Net loss		(894)
Balance as of December 31, 2010	\$	—

Noncontrolling Interest

SMA Indústria Química

The joint venture, SMA (see Note 7), is a VIE pursuant to the accounting guidance for consolidating VIEs because the amount of total equity investment at risk is not sufficient to permit SMA to finance its activities without additional subordinated financial support, as well as because the related commercialization agreement provides a substantive minimum price guarantee. Under the terms of the joint venture agreement, Amyris directs the design and construction activities, as well as production and distribution. In addition, Amyris has the obligation to fund the design and construction activities until commercialization is achieved. Subsequent to the construction phase, both parties equally fund SMA for the term of the joint venture. Based on those factors, the Company was determined to have the power to direct the activities that most significantly impact SMA's economic performance and the obligation to absorb losses and the right to receive benefits. Accordingly, the financial results of SMA are included in the

Company's consolidated financial statements and amounts pertaining to Usina São Martinho's interest in SMA are reported as noncontrolling interests in subsidiaries.

Glycotech

On January 3, 2011, the Company entered into a production service agreement with Glycotech, whereby Glycotech is to provide process development and production services for the manufacturing of various Amyris products at its leased facility in Leland, North Carolina. The Amyris products to be manufactured by Glycotech will be owned and distributed by the Company. Pursuant to the terms of the agreement, the Company will pay the manufacturing and operating costs of the Glycotech facility which is dedicated solely to the manufacture of Amyris products. The Company has determined that the arrangement with Glycotech qualifies as a VIE. The Company determined that it is the primary beneficiary of this arrangement since it has the power through the management committee over which it has majority control to direct the activities that most significantly impact the arrangement's economic performance. In addition, the Company is required to fund 100% of the Glycotech's actual operating costs for providing services each month while the facility is in operation under the production service agreement. Accordingly, the Company consolidates the financial results of Glycotech. As of December 31, 2011, the carrying amounts of the consolidated VIE's assets and liabilities were not material to the Company's consolidated financial statements.

The table below reflects the carrying amount of the assets and liabilities of the two consolidated VIEs for which the Company is the primary beneficiary. The assets primarily comprise of approximately \$15.0 million in property and equipment and approximately \$6.4 million in other assets, and \$0.7 million in current assets. The liabilities comprise of \$2.4 million in accounts payable and accrued current liabilities and \$0.5 million in loan obligations by Glycotech to a financial institution that are non-recourse to the Company. The creditors of each consolidated VIE have recourse only to the assets of that VIE.

(In thousands)	December 31,	
	2011	2010
Assets	\$ 22,094	\$ 277
Liabilities	\$ 2,873	\$ 173

The change in noncontrolling interest for years ended December 31, 2011 and 2010 is summarized below (in thousands):

	2011	2010
Balance at January 1	\$ 2	\$ —
Addition to noncontrolling interest	369	28
Foreign currency translation adjustment	30	—
Loss attributable to noncontrolling interest	(641)	(26)
Balance at December 31	<u>\$ (240)</u>	<u>\$ 2</u>

9. Significant Agreements

Research and Development Activities

Total Collaboration Agreement

In June 2010, the Company entered into a technology license, development, research and collaboration agreement ("collaboration agreement") with Total Gas & Power USA Biotech, Inc., an affiliate of Total S.A. (Total S.A. and its relevant affiliates, collectively, "Total"). The collaboration agreement sets forth the terms for the research, development, production and commercialization of certain to be determined chemical and/or fuel products made through the use of the Company's synthetic biology platform. The collaboration agreement establishes a multiphased process through which projects are identified, screened, studied for feasibility, and ultimately selected as a project for development of an identified lead compound using an identified microbial strain. Under the terms of the collaboration agreement, Total will fund up to the first \$50.0 million in research and development costs for the selected projects; thereafter the parties will share such costs equally. Amyris has agreed to dedicate the laboratory resources needed for collaboration projects. Total also plans to second employees at Amyris to work on the projects. Once a development project has commenced, the parties are obligated to work together exclusively to develop the lead compound during the project development phase. After a development project is completed, the Company and Total expect to form one or more joint ventures to commercialize any products that are developed, with costs and profits to be shared on an equal basis,

provided that if Total has not achieved profits from sales of a joint venture product equal to the amount of funding it provided for development plus an agreed upon rate of return within three years of commencing sales, then Total will be entitled to receive all profits from sales until this rate of return has been achieved. Each party has certain rights to independently produce commercial quantities of these products under certain circumstances, subject to paying royalties to the other party. Total has the right of first negotiation with respect to exclusive commercialization arrangements that the Company would propose to enter into with certain third parties, as well as the right to purchase any of the Company's products on terms no less favorable than those offered to or received by the Company from third parties in any market where Total or its affiliates have a significant market position.

The collaboration agreement has an initial term of 12 years and is renewable by mutual agreement by the parties for additional three year periods. Neither the Company nor Total has the right to terminate the agreement voluntarily. The Company and Total each have the right to terminate the agreement in the event the other party commits a material breach, is the subject of certain bankruptcy proceedings or challenges a patent licensed to it under the collaboration agreement. Total also has the right to terminate the collaboration agreement in the event the Company undergoes a sale or change of control to certain entities. If the Company terminates the collaboration agreement due to a breach, bankruptcy or patent challenge by Total, all licenses the Company has granted to Total terminate except licenses related to products for which Total has made a material investment and licenses related to products with respect to which binding commercialization arrangements have been approved, which will survive subject, in most cases, to the payment of certain royalties by Total to the Company. Similarly, if Total terminates the collaboration agreement due to a breach, bankruptcy or patent challenge by the Company, all licenses Total has granted to the Company terminate except licenses related to products for which the Company has made a material investment, certain grant-back licenses and licenses related to products with respect to which binding commercialization arrangements have been approved, which will survive subject, in most cases, to the payment of certain royalties to Total by the Company. On expiration of the collaboration agreement, or in the event the collaboration agreement is terminated for a reason other than a breach, bankruptcy or patent challenge by one party, licenses applicable to activities outside the collaboration generally continue with respect to intellectual property existing at the time of expiration or termination subject, in most cases, to royalty payments. There are circumstances under which certain of the licenses granted to Total will survive on a perpetual, royalty-free basis after expiration or termination of the collaboration agreement. Generally these involve licenses to use the Company's synthetic biology technology and core metabolic pathway for purposes of either independently developing further improvements to marketed collaboration technologies or products or the processes for producing them within a specified scope agreed to by the Company and Total prior to the time of expiration or termination, or independently developing early stage commercializing products developed from collaboration compounds that met certain performance criteria prior to the time the agreement expired or was terminated and commercializing products related to such compounds. After the collaboration agreement expires, the Company may be obligated to provide Total with ongoing access to Amyris laboratory facilities to enable Total to complete research and development activities that commenced prior to termination.

In June 2010, concurrent with the collaboration agreement, the Company issued 7,101,548 shares of Series D preferred stock to Total for aggregate proceeds of approximately \$133.0 million at a per share price of \$18.75, which was lower than the per share fair value of common stock as determined by management and the Board of Directors. Due to the fact the collaboration agreement and the issuance of shares to Total occurred concurrently, the terms of both the collaboration agreement and the issuance of preferred stock were evaluated to determine whether their separately stated pricing was equal to the fair value of services and preferred stock. The Company determined that the fair value of Series D preferred stock was \$22.68 at the time of issuance, and therefore, the Company measured the preferred stock initially at its fair value with a corresponding reduction in the consideration for the services under the collaboration agreement. As revenue from collaboration agreement will be generated over a period of time based on the performance requirements, the Company recorded the difference between the fair value and consideration received for Series D preferred stock of \$27.9 million as deferred charge asset within other assets at the time of issuance which will be recognized as a reduction to revenue in proportion to the total estimated revenue under the collaboration agreement. As of December 31, 2011 and 2010, the Company has recognized a cumulative reduction of \$9.1 million and \$0.3 million, respectively, against the deferred charge asset.

As a result of recording Series D preferred stock at its fair value, the effective conversion price was greater than the fair value of common stock as determined by management and the Board of Directors. Therefore, no beneficial conversion feature was recorded at the time of issuance. The Company further determined that the conversion option with a contingent reduction in the conversion price upon a qualified IPO was a potential contingent beneficial feature and, as a result, the Company calculated the intrinsic value of such conversion option upon occurrence of the qualified IPO. The Company determined that a contingent beneficial conversion feature existed and the Company recorded a charge within the equity section of its balance sheet, which impacted earnings per share for the year ended December 31, 2010, based upon the price at which shares were offered to the public in the IPO in relation to the adjustment provisions provided for the Series D preferred stock. Based on the IPO price of \$16.00 per share, the charge to net loss attributable to Amyris' common stockholders was \$39.3 million.

In connection with Total's equity investment, the Company agreed to appoint a person designated by Total to serve as a member of the Company's Board of Directors in the class subject to the latest reelection date, and to use reasonable efforts,

consistent with the Board of Directors' fiduciary duties, to cause the director designated by Total to be re-nominated by the Board of Directors in the future. These membership rights terminate upon the earlier of Total holding less than half of the shares of common stock originally issuable upon conversion of the Series D preferred stock or a sale of the Company.

The Company also agreed with Total that, so long as Total holds at least 10% of the Company's voting securities, the Company will notify Total if the Company's Board of Directors seeks to cause the sale of the Company or if the Company receives an offer to be acquired. In the event of such decision or offer, the Company must provide Total with all information given to an offering party and certain other information, and Total will have an exclusive negotiating period of 15 business days in the event the Board of Directors authorizes the Company to solicit offers to buy the Company, or five business days in the event that the Company receives an unsolicited offer to be acquired. This exclusive negotiation period will be followed by an additional restricted negotiation period of 10 business days, during which the Company will be obligated to negotiate with Total and will be prohibited from entering into an agreement with any other potential acquirer. Total has also entered into a standstill agreement pursuant to which it agreed for a period of three years not to acquire in excess of the greater of 20% or the number of shares of Series D preferred stock purchased by Total (during the initial two years) or 30% (during the third year) of the Company's common stock without the prior consent of our Board of Directors, except that, among other things, if another person acquires more than Total's then current holdings of the Company's common stock, then Total may acquire up to that amount plus one share.

In November 2011, the Company and Total Gas & Power USA SAS ("Total") entered into an amendment of their Technology License, Development, Research and Collaboration Agreement. The Collaboration agreement, which the parties entered into in June 2010, provides that the parties will identify and develop certain potential products based on the Company's synthetic biology platform and that rights to such products will be licensed, for commercial development, to joint ventures owned by the parties.

The Amendment provides for an exclusive strategic collaboration for the development of renewable diesel products and contemplates that the parties will establish a joint venture (the "JV") for the production and commercialization of such renewable diesel products on an exclusive, worldwide basis. It also provides that commercialization and production of jet fuel, already under development pursuant to the Collaboration Agreement, would be conducted on an exclusive, worldwide basis through the same JV. In addition, the amendment provides the JV with the right to produce and commercialize certain other chemical products on a non-exclusive basis. The Amendment provides that definitive agreements to form the JV must be in place by March 31, 2012 or other date as agreed to by the parties or the renewable diesel program, including any further collaboration payments by Total related to the renewable diesel program, will terminate. The continuation of the renewable diesel program and the formation of the JV are also subject to certain mutual intellectual property due diligence conditions. Under the amendment, each party retains certain rights to independently produce and sell renewable diesel under specified circumstances subject to paying royalties to the other party.

Total has an option, upon completion of the renewable diesel program, to notify the Company that it does not wish to pursue production or commercialization of renewable diesel under the amendment. If Total exercises this right, all of Total's intellectual property rights that were developed during the renewable diesel program would terminate and would be assigned to the Company, and the Company would be obligated pay Total specified royalties based on the Company's net income. Such royalty payments would also include a share of net proceeds received by the Company from any sale of its renewable diesel business.

Pursuant to the amendment, Total has agreed to solely fund the following amounts: (i) the first \$30.0 million in research and development costs related to the renewable diesel program which have been incurred since August 1, 2011, which amount shall be in addition to the \$50.0 million in research and development funding contemplated by the Collaboration Agreement, and (ii) for any research and development costs incurred following the JV formation date that are not covered by the initial \$30.0 million, up to an additional \$10.0 million in 2012 and up to an additional \$10.0 million in 2013, which amounts will be considered part of the \$50.0 million contemplated by the Collaboration Agreement. In addition to these payments, Total has further agreed to fund 50% of all remaining research and development costs for the renewable diesel program under the amendment. The parties have separately agreed that, if the JV is formed, Total will fund additional amounts with respect to JV expenditures.

Soliance Agreements

In June 2010, the Company entered into an agreement with Soliance for the development and commercialization of Biofene-based squalane for use as an ingredient in cosmetics products. In December 2011, the Company and Soliance entered into an agreement and release to terminate the collaboration agreement and any other obligations with respect to the proposed joint venture. Concurrent with the execution of the termination the parties executed a new distribution agreement in December. As part of the termination agreement the parties agreed that for a period commencing October 1, 2011 and ending on December 31, 2013, Soliance will be paid a commission of 10% of amounts received by the Company from Nikko Chemicals Co., Ltd. ("Nikko") on quantities of squalane sold by the Company to Nikko with respect to Nikko's committed minimum purchase obligation pursuant to the Nikko agreement.

In December 2011, the Company and Soliance entered into a distribution agreement where the Company appointed Soliance as its exclusive distributor to distribute Amyris Squalane in the cosmetic market in the approved territory.

M&G Finanziaria Collaboration Agreement

In June 2010, the Company entered into a collaboration agreement with M&G Finanziaria S.R.L. ("M&G") to incorporate Biofene as an ingredient in M&G's polyethylene terephthalate, or PET, resins to be incorporated into containers for food, beverages and other products. In April 2011, Amyris and M&G entered into an Amended and Restated Collaboration Agreement to amend certain portions of the original agreement entered into in June 2010 and adding Chemtex Italia S.R.L. and Chemtex International Inc. (both wholly owned subsidiaries of M&G) to the collaboration agreement. Under the terms of the amended agreement, the Company and Chemtex International Inc. will share the costs incurred associated with the PET collaboration on a 50/50 basis. In addition, the amended agreement expanded the collaboration arrangement between the Company and M&G to include a Cellulosic feasibility study with each party bearing its own costs associated with such feasibility study. The collaboration agreement also establishes the terms under which M&G may purchase Biofene from the Company upon successful completion of product integration.

Firmenich Collaboration and Joint Development Agreements

In November 2010, the Company entered into collaboration and joint development agreements with Firmenich SA ("Firmenich"), a flavors and fragrances company based in Geneva, Switzerland. Under the agreement, Firmenich will fund technical development at the Company to produce an ingredient for the flavors and fragrances market. The Company will manufacture the ingredient and Firmenich will market it, and the parties will share in any resulting economic value. The agreement also grants worldwide exclusive flavors and fragrances commercialization rights to Firmenich for the ingredient. In addition, Firmenich has an option to collaborate with the Company to develop a second ingredient. In July 2011, the Company and Firmenich expanded their collaboration agreement to include a third ingredient. The collaboration and joint development agreements will continue in effect until the later of the expiration or termination of the development agreements or the supply agreements. The Company is also eligible to receive potential total payments of \$6.0 million upon the achievement of certain performance milestones towards which the Company will be required to make a contributory performance. These milestones are accounted for under the guidance in the FASB accounting standard update related to revenue recognition under the milestone method. The Company concluded that these milestone payments are substantive.

For the year ended December 31, 2011 and 2010, the Company recorded \$5.2 million and \$0.1 million, respectively, of revenue from the collaboration agreement with Firmenich, including the first milestone payment of \$2.0 million recognized in April 2011.

Givaudan Development Agreement

In February 2011, the Company entered into a development agreement with Givaudan SA. ("Givaudan"), a flavors and fragrances company headquartered in Vernier, Switzerland. Under the agreement, subject to its successful achievement of certain technical milestones, the Company will supply Biofene to Givaudan to derive a proprietary fragrance ingredient for the global flavors and fragrances market.

Avantium Collaboration Agreement

In March 2011, the Company entered into a collaboration agreement with Avantium Chemicals B.V. ("Avantium"). Under the terms of the collaboration agreement Avantium will provide services to support the Company in the development of chemical processing of Biofene into final products. The term of the collaboration agreement is initially two years. In December 2011, the Company entered into a Termination Agreement with Avantium to terminate the collaboration agreement in exchange for total payments of €0.8 million Euros (approximately US\$1.0 million based on the exchange rate at December 31, 2011), which the Company recorded as a liability as of December 31, 2011.

Kuraray Collaboration Agreement

In July 2011, the Company entered into a collaboration agreement with Kuraray Co., Ltd. ("Kuraray") to develop polymers from Biofene. Upon successful completion of the technical development program for the first polymer, the Company and Kuraray would enter into a supply agreement for Kuraray's exclusive use of Biofene in the manufacturing and commercialization of these polymer products.

Michelin Collaboration Agreement

In September 2011, the Company entered into a collaboration agreement with Manufacture Francaise des Pneumatiques Michelin ("Michelin"). Under the terms of the collaboration agreement the Company and Michelin will collaborate on the development, production and worldwide commercialization of isoprene or isoprenol, generally for tire applications, using the Company's technology. Under the agreement, Michelin has agreed to pay an upfront payment to the Company of \$5.0 million, subject to a reimbursement provision under which the Company would have to repay \$1.0 million if it fails to achieve specified future technical milestones. The agreement provides that, subject to achievement of technical milestones, Michelin can notify the Company of its desired date for initial delivery, and the parties will either collaborate to establish a production facility or use an existing Company facility for production. The agreement also includes a term sheet for a supply agreement that would be negotiated at the time the decision regarding production facilities is made. The agreement has an initial term that will expire upon the earlier of 42 months from the effective date and the completion of a development work plan. As of December 31, 2011, the Company recognized the upfront payment of \$5.0 million from Michelin as deferred revenue.

Wilmar Collaboration Agreement

In September 2011, the Company entered into a collaboration agreement with Wilmar International Limited ("Wilmar"). The collaboration will focus on the development and worldwide commercialization of a family of surfactants derived from Biofene. Upon the earlier of the successful completion of the feasibility study or a decision by the parties to commence capital expenditures in support of developing, testing, certifying and commercializing collaboration products, the agreement contemplates that the parties will form a joint venture to further develop, produce and commercialize collaboration products. During the feasibility study, Wilmar and the Company will bear their own costs and third party costs will be shared equally.

Manufacturing Agreements

SMA Indústria Química S.A.

SMA, the Company's joint venture with Usina São Martinho (See Note 7), will manufacture farnesene using the Company's genetically engineered yeast and the sugarcane syrup feedstock provided by Usina São Martinho.

Biomin

In June 2010, the Company entered into a joint manufacturing agreement with Biomin do Brasil Nutrição Animal Ltda. ("Biomin") to utilize a portion of its Brazilian manufacturing facilities to produce Amyris products commencing in 2011. The joint manufacturing agreement requires the acquisition of certain equipment to be used exclusively for the manufacturing of the product. Under the terms of the agreement Amyris will procure and contract the engineering activities and the necessary equipment for the manufacturing of Amyris products. Biomin commenced production operations in the second quarter of 2011.

Tate & Lyle

In November 2010, the Company entered into a contract manufacturing agreement with Tate & Lyle Ingredients Americas, Inc. ("Tate & Lyle"), an affiliate of Tate & Lyle PLC. Under this arrangement, Tate & Lyle will produce Amyris products, which will be owned and distributed by the Company. Tate & Lyle commenced production operations in the fourth quarter of 2011. At December 31, 2011, the Company has recorded \$748,000 in prepaid and other current assets and \$2.9 million in other noncurrent assets pertaining to the unamortized portion of equipment costs funded by the Company to Tate & Lyle. The related amortization is being offset against purchases of inventory from the contract manufacturer.

Glycotech

On January 3, 2011, the Company entered into a production service agreement with Glycotech, whereby Glycotech is to provide process development and production services for the manufacturing of various Amyris products at its leased facility in Leland, North Carolina. The Amyris products to be manufactured by Glycotech will be owned and distributed by the Company. Pursuant to the terms of the agreement, the Company will pay the manufacturing and operating costs of the Glycotech facility which is dedicated solely for the manufacture of Amyris products. The initial term of the agreement is for a two year period commencing on February 1, 2011 and will renew automatically for successive one-year terms, unless terminated by Amyris. On the same date as the production service agreement, the Company also entered into a right of first refusal agreement with the facility and site leased by Glycotech covering a two year period commencing in January 2011. Per the terms of the right of first refusal agreement the lessor agrees not to sell the facility and site leased by Glycotech during the term of the production service agreement.

In the event that the lessor is presented with an offer to sell or decides to sell an adjacent parcel, the Company has the right of first refusal to acquire it. The Company has determined that the arrangement with Glycotech qualifies as a VIE (see Note 8).

Antibióticos

In March 2011, the Company entered into a contract manufacturing agreement with Antibióticos, S.A. ("Antibióticos") for Antibióticos to produce Biofene for the Company at its facilities in León, Spain. Under the terms of the agreement the Company will provide required equipment for the manufacturing of its products. Antibióticos commenced production operations in the third quarter of 2011.

Paraíso Bioenergia

In March 2011, the Company entered into a supply agreement with Paraíso Bioenergia, a renewable energy company producing sugar, ethanol and electricity headquartered in São Paulo State, Brazil. Under the agreement, the Company will construct fermentation and separation capacity to produce its products and Paraíso Bioenergia will supply sugar cane juice and other utilities. The Company will retain the full economic benefits enabled by the sale of Amyris renewable products over the lower of sugar or ethanol alternatives. In conjunction with the supply agreement the Company also entered into an operating lease on a real property owned by Paraíso Bioenergia. The real property will be used by the Company for the construction of an industrial facility (see Note 5).

Per the terms of the supply agreement, in the event that Paraíso is presented with an offer to sell or decides to sell the real property, the Company has the right of first refusal to acquire it. If the Company fails to exercise its right of first refusal the purchaser of the real property will need to comply with the specific obligations of Paraíso Bioenergia to the Company under the lease agreement.

Albemarle

In July 2011, the Company entered into a contract manufacturing agreement with Albemarle Corporation ("Albemarle"), which will provide toll manufacturing services at its facility in Orangeburg, South Carolina. Under this agreement, Albemarle will manufacture lubricant base oils from Biofene, which will be owned and distributed by the Company or a Company commercial partner. The initial term of this agreement is from July 31, 2011 through December 31, 2012. Albemarle is required to modify its facility, including installation and qualification of equipment and instruments necessary in order to perform the toll manufacturing services under the agreement. The Company will reimburse Albemarle up to \$10.0 million for all capital expenditures related to the facility modification. All equipment or facility modifications acquired or made by Albemarle will be owned by Albemarle, subject to Albemarle's obligation to transfer title to and ownership of certain assets to the Company within 30 days after termination of the agreement, at the Company's discretion and sole expense. As of December 31, 2011, the Company has paid \$6.5 million in facility modification costs under the agreement, which was accounted for as a prepaid asset and will be amortized over the contract term. As of December 31, 2011, the Company has recorded a liability of \$3.5 million for the facility modification costs.

In addition, the Company will pay a one-time, non-refundable performance bonus of \$5.0 million if Albemarle delivers to the Company certain quantity of the lubricant base stock by December 31, 2011 or \$2.0 million if Albemarle delivers the same quantity by January 31, 2012. Based on Albemarle's performance as of December 31, 2011, the Company concluded that Albemarle had earned the bonus and recorded a liability of \$5.0 million as of December 31, 2011. The bonus is payable in two payments; one payment of \$2.5 million on September 30, 2012 and one payment of \$2.5 million on March 31, 2013.

Pursuant to the terms of the agreement, the Company has provided Albemarle with the product specifications and development process to be used to produce the Company's product. Even though Albemarle has title and ownership to their facility, the facility modifications and related manufacturing equipment are used entirely for the manufacture of the Company's products. As a result of the Company's financing of the capital project, the Company is deemed the owner of the construction project for accounting purposes during the facility modifications. Therefore, under ASC 840 in the quarter ended September 30, 2011, the Company recorded an asset for construction-in-progress and a liability of \$7.3 million attributable to the fair value of Albemarle's existing manufacturing equipment.

Following substantial completion of construction in the fourth quarter of 2011, the Company concluded that it did not have sufficient continuing involvement in the facility modifications and related manufacturing equipment and determined that de-recognition of Albemarle's existing manufacturing equipment under the guidance applicable to the sale leasebacks under ASC 840 was appropriate. As such, the Company removed the asset for construction-in-progress and the related liability of \$7.3 million attributable to the fair value of Albemarle's existing manufacturing equipment from its consolidated balance sheet.

Supply Agreements

Procter and Gamble

In June 2010, the Company entered into a supply agreement with The Procter & Gamble Company ("P&G") that establishes terms under which P&G may purchase Biofene from the Company for use in P&G's products. The terms of the agreement call for non-refundable development fees payable to the Company in addition to payments for purchase of Biofene. At this time, P&G does not have an obligation to purchase a specified quantity.

Shell

In June 2010, the Company entered into an agreement with Shell Western Supply and Trading Limited ("Shell"), a subsidiary of Royal Dutch Shell plc, that contemplates the Company's sale of certain minimum quantities of Company diesel fuel to Shell, commencing 18 months after the Company provides notice of election to sell under this agreement, and running for two years after the date specified in such notice, up to the end of March 2016 at the latest, with an option to renew for a further year. At this time, Shell does not have an obligation to purchase a specific quantity, or any, product under this agreement, and the Company is not obligated to sell specific quantities to Shell, but the parties will become subject to obligations to purchase and sell to the extent that formal notices and orders are submitted under the agreement in the future.

Nikko Chemicals

In August 2011, the Company entered into an agreement with Nikko Chemicals Co., Ltd. ("Nikko"), a private limited company in Japan, which contemplates the Company selling certain minimum quantities of renewable squalane to Nikko (commencing in September 2011 and continuing for two years through the end of December 2013).

10. Draths Corporation Acquisition

On October 6, 2011 (the Closing Date), the Company completed a business acquisition of Draths Corporation ("Draths"), an early stage chemical development company focused on manufacturing bio-based materials for use in common consumer products. Draths' products allow nylon, polyester and other polymers, which are currently made with petroleum-based chemicals, to be manufactured from renewable sources. This acquisition provides the Company with new undeveloped technology that, if it can be successfully developed, will enable the Company to produce complementary products in the alternative synthetic textile markets. The acquisition was accounted for as a business combination. In connection with the acquisition, the Company issued 362,319 shares of common stock, of which 41,408 shares were held in escrow and paid \$2.9 million in cash.

The components of the purchase price allocation for Draths are as follows:

Purchase Consideration:

(in thousands)

Fair value of common stock issued to Draths	\$	7,000
Cash paid to Draths		2,934
Total purchase consideration	\$	9,934

Allocation of Purchase Price:

(in thousands)

Property and Equipment	\$	713
Other		101
In-process research and development		8,560
Goodwill		560
Total purchase consideration	\$	9,934

The Company has allocated \$8.6 million of the purchase price of Draths to acquired IPR&D. This amount represents

management's valuation of the fair value of assets acquired at the date of the acquisition. Management used the income approach to determine the estimated fair values of acquired IPR&D, applying a risk adjusted discount rate of 30% to the development project's cash flows. The discounted cash flow model applies probability weighting factors, based on estimates of successful product development and commercialization, to estimated future net cash flows resulting from projected revenues and related costs. These success rates take into account the stages of completion and the risks surrounding successful development and commercialization of the underlying products such as estimates of revenues and operating profits related to the IPR&D considering its stage of development; the time and resources needed to complete the development; the life of the potential commercialized product and associated risks, including the inherent difficulties and uncertainties in developing a product.

Goodwill totaling \$0.6 million represents the excess of the purchase price over the fair value of tangible and identifiable intangible assets acquired and is due primarily to synergies expected from combining the new genetic pathway with the Company's existing platform to accelerate development to get the technology to market sooner leading to increased market penetration from future products and customers.

The Draths business acquisition is a taxable transaction. For federal and state tax purposes, the above in-process research and development and goodwill is amortized over a 15-year period. The Company has determined that there are no significant differences in the tax basis of assets and the basis for financial reporting purposes. In addition, the business combination did not have any impact on the Company's deferred tax balance, net of the full valuation allowance, or to uncertain tax positions, at the acquisition date.

The Company applies the applicable accounting principles set forth in the U.S. Financial Accounting Standards Board's Accounting Standards Codification to its intangible assets (including goodwill), which prohibits the amortization of intangible assets with indefinite useful lives and requires that these assets be reviewed for impairment at least annually. There are several methods that can be used to determine the estimated fair value of the IPR&D acquired in a business combination. The Company utilized the "income method," which applies a probability weighting that considers the risk of development and commercialization, to the estimated future net cash flows that are derived from projected sales revenues and estimated costs. These projections are based on factors such as relevant market size, pricing of similar products, and expected industry trends. The estimated future net cash flows are then discounted to the present value using an appropriate discount rate. These assets are treated as indefinite-lived intangible assets until completion or abandonment of the projects, at which time the assets will be amortized over the remaining useful life or written off, as appropriate. If the carrying amount of the assets is greater than the measures of fair value, impairment is considered to have occurred and a write-down of the asset is recorded. Any finding that the value of its intangible assets has been impaired would require the Company to write-down the impaired portion, which could reduce the value of its assets and reduce its net income for the year in which the related impairment charges occur.

11. Stockholders' Equity

Initial Public Offering

On September 30, 2010, the Company closed its initial public offering ("IPO") of 5,300,000 shares of common stock at an offering price of \$16.00 per share, resulting in net proceeds to the Company of approximately \$73.7 million, after deducting underwriting discounts of \$5.9 million and offering costs of \$5.2 million. Upon the closing of the IPO, the Company's outstanding shares of convertible preferred stock were automatically converted into 31,550,277 shares of common stock and the outstanding convertible preferred stock warrants were automatically converted into common stock warrants to purchase a total of 195,604 shares of common stock and shares of Amyris Brasil held by third party investors were automatically converted into 861,155 shares of common stock.

In connection with the IPO, the Company granted the underwriters the right to purchase up to an additional 795,000 shares of common stock to cover over-allotments. In October 2010, the underwriters exercised such right to purchase 795,000 shares and the Company received approximately \$11.8 million of proceeds, net of underwriter's discount.

Common Stock

Pursuant to the Company's amended and restated certificate of incorporation, the Company is authorized to issue 100,000,000 shares of common stock. Holders of the Company's common stock are entitled to dividends as and when declared by the Board of Directors, subject to the rights of holders of all classes of stock outstanding having priority rights as to dividends. There have been no dividends declared to date. The holder of each share of common stock is entitled to one vote.

Preferred Stock

Pursuant to the Company's amended and restated certificate of incorporation, the Company is authorized to issue 5,000,000 shares of preferred stock. The Board of Directors has the authority, without action by its stockholders, to designate and issue shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. Prior to the closing of the Company's IPO, the Company had four series of convertible preferred stock outstanding, including Series D preferred stock issued to Total (see Note 9). As of December 31, 2011 and 2010, the Company had zero convertible preferred stock outstanding.

Common Stock Warrants

In 2008, in connection with consulting services, the Company issued a warrant to purchase 2,580 shares of the Company's Series B convertible preferred stock at an exercise price of \$24.88 per share. These warrants remain unexercised and outstanding as of December 31, 2011.

In 2008, in connection with a capital lease agreement, the Company issued a warrant to purchase 10,048 shares of the Company's Series B convertible preferred at an exercise price of \$24.88 per share. In September 2009, the Company canceled the warrant and issued a warrant to purchase 10,048 shares of the Company's Series C convertible preferred stock with an exercise price of \$12.46 per share. These warrants were exercised in March 2011.

In 2008, in connection with the Company's issuance of Series B-1 convertible preferred stock, the Company issued warrants to purchase 100,715 shares of the Company's Series B-1 convertible preferred stock at an exercise price of \$25.26 per share to the placement agent. The warrants were immediately exercisable and expire seven years from the effective date. These warrants were exercised in March 2011.

In 2008, in connection with an operating lease, the Company issued a warrant to purchase 2,009 shares of the Company's Series B-1 convertible preferred stock at an exercise price of \$25.26 per share. These warrants remain unexercised and outstanding as of December 31, 2011.

In 2009, in connection with the Company's issuance of Series B-1 convertible preferred stock, the Company issued a warrant to purchase 3,843 shares of the Company's Series B-1 convertible preferred stock at an exercise price of \$25.26 per share to the placement agent. This warrant was exercised in March 2011.

In September 2009, the Company canceled the warrant to purchase 10,048 shares of the Company's Series B convertible preferred stock and issued a warrant to purchase 16,075 shares of the Company's Series C convertible preferred stock with an exercise price of \$12.46 per share. This warrant was exercised in March 2011. In connection with a capital lease arrangement, the Company issued a warrant to purchase 8,026 shares of the Company's Series C convertible preferred stock at an exercise price of \$12.46 per share. This warrant was exercised in March 2011.

In January 2010, in connection with the Company's issuance of Series C convertible preferred stock, the Company issued a warrant to purchase 49,157 shares of the Company's Series C convertible preferred stock at an exercise price of \$12.46 per share to the placement agent. This warrant was exercised in March 2011.

Upon the closing of the Company's IPO on September 30, 2010, the outstanding convertible preferred stock warrants were automatically converted into common stock warrants to purchase 195,604 shares of common stock. In addition, the fair value of the convertible preferred stock warrants as of September 30, 2010, estimated to be \$2.3 million using the Black-Scholes option pricing model, was reclassified to additional paid in capital.

The Company determined the fair value of the preferred stock warrants at September 30, 2010 (the date of the Company's IPO and the final valuation date of the preferred stock warrants before they converted to common stock warrants) and December 31, 2009 using the Black-Scholes option pricing model with the following weighted average assumptions:

	September 30, 2010	December 31, 2009
Expected dividend yield	0%	0%
Risk-free interest rate	1.8%	1.9%
Contractual term (in years)	6.6	6.1
Expected volatility	96%	96%

At September 30, 2010 (the final valuation date of the preferred stock warrants before they converted to common stock

warrants), the fair value of the common stock warrants was as follows (in thousands except share and per share data):

Underlying Stock	Exercise Price per Share	Shares as of		Fair Value as of	
		September 30, 2010			
Common Stock	\$ 24.88	2,884	\$	24	
Common Stock	\$ 25.26	119,462		1,225	
Common Stock	\$ 12.46	73,258		1,069	
Total		195,604	\$	2,318	

For the years ended December 31, 2010 and 2009, the Company recorded a gain of \$929,000 and a loss of \$445,000, respectively, to other income (expense), net to reflect the change in the fair value of the warrants.

In December 2011, in connection with a capital lease agreement, the company issued a warrant to purchase 21,087 shares of the Company's common stock at an exercise price of \$10.67 a share. The warrants is exercisable immediately and expire ten years from the effective date. The Company estimated the initial fair value of these warrants as of the issuance date to be \$193,000 and was recorded as other assets. The fair value was based on the contractual term of the warrants of 10 years, risk free interest rate of 2.0%, expected volatility of 86% and zero expected dividend yield. This warrant remains unexercised and outstanding as of December 31, 2011.

Each of these warrants includes a cashless exercise provision which permits the holder of the warrant to elect to exercise the warrant without paying the cash exercise price, and receive a number of shares determined by multiplying (i) the number of shares for which the warrant is being exercised by (ii) the difference between the fair market value of the stock on the date of exercise and the warrant exercise price, and dividing such by (iii) the fair market value of the stock on the date of exercise. During the year ended December 31, 2011, 190,468 shares of warrants were exercised through the cashless exercise provision and 77,087 shares of common stock were issued after deducting the shares to cover the cashless exercises. There were no warrants exercised during the year ended December 31, 2010.

As of December 31, 2011 and 2010, the Company had the following unexercised common stock warrants:

Underlying Stock	Exercise Price per Share	Shares as of	
		December 31, 2011	December 31, 2010
Common Stock	\$ 24.88	2,884	2,884
Common Stock	\$ 25.26	2,252	119,462
Common Stock	\$ 12.46	—	73,258
Common Stock	\$ 10.67	21,087	—
Total		26,223	195,604

12. Stock-Based Compensation Plans

2010 Equity Incentive Plan

The Company's 2010 Equity Incentive Plan ("2010 Equity Plan") became effective on September 28, 2010 and will terminate in 2020. Pursuant to the 2010 Equity Plan, any shares of the Company's common stock (i) issued upon exercise of stock options granted under the 2005 Plan that cease to be subject to such option and (ii) issued under the 2005 Plan that are forfeited or repurchased by the Company at the original purchase price will become part of the 2010 Equity Plan. Subsequent to the effective date of the 2010 Equity Plan, an additional 131,669 shares that were forfeited under the 2005 Plan were added to the shares reserved for issuance under the 2010 Equity Plan.

The number of shares reserved for issuance under the 2010 Equity Plan will increase automatically on the first day of each January, starting with January 1, 2011, by the number of shares equal to 5.0% percent of the Company's total outstanding shares as of the immediately preceding December 31st. The Company's Board of Directors or Leadership Development and Compensation Committee will be able to reduce the amount of the increase in any particular year. The 2010 Equity Plan provides for the granting of common stock options, restricted stock awards, stock bonuses, stock appreciation rights, restricted stock units and performance awards. It allows for time-based or performance-based vesting for the awards. Options granted under the 2010 Equity Plan may be either ISOs or NSOs. ISOs may be granted only to Company employees (including officers and directors who are also employees). NSOs may be granted to Company employees, non-employee directors and consultants. The Company will be able to issue no

more than 30,000,000 shares pursuant to the grant of ISOs under the 2010 Equity Plan. Options under the 2010 Equity Plan may be granted for periods of up to ten years. All options issued to date have had a ten year life. The exercise price of an ISO and NSO shall not be less than 100% of the fair market value of the shares on the date of grant. The exercise price of an ISO and NSO granted to a 10% stockholder shall not be less than 110% of the fair value of the underlying stock on the date of grant. The Company's options generally vest over four to five years.

As of December 31, 2011, options to purchase 3,600,489 shares of our common stock granted from the 2010 Equity Plan remained outstanding and 2,674,008 shares of the Company's common stock remained available for issuance under awards that may be granted from the 2010 Equity Plan. The options outstanding as of December 31, 2011 had a weighted-average exercise price of approximately \$24.01 per share.

2005 Stock Option/Stock Issuance Plan

In 2005, the Company established its 2005 Stock Option/Stock Issuance Plan (the "2005 Plan") which provided for the granting of common stock options, restricted stock units, restricted stock and stock purchase rights awards to employees and consultants of the Company. The 2005 Plan allowed for time-based or performance-based vesting for the awards. Options granted under the 2005 Plan were either incentive stock options ("ISOs") or nonqualified stock options ("NSOs"). ISOs were granted only to Company employees (including officers and directors who are also employees). NSOs were granted to Company employees, non-employee directors, and consultants.

All options issued under the 2005 Plan have had a ten year life. The exercise price of an ISO and NSO should not be less than 100% of the estimated fair value of the shares on the date of grant, as determined by the Board of Directors. The exercise price of an ISO and NSO granted to a 10% stockholder could not be less than 110% of the estimated fair value of the underlying stock on the date of grant as determined by the Board of Directors. The options generally vested over five years.

In December 2009, the Company issued 10,000 shares of restricted stock to an employee with performance-based vesting conditions. The performance based vesting conditions require the achievement of certain operational performance criteria as a condition of vesting for such award within six months following the date of grant. As of December 31, 2009, the Company assessed the probability of achieving the performance conditions and determined it was not probable that the performance condition will be satisfied. On April 30, 2010, these shares of restricted stock were cancelled. No compensation cost was recorded during the years ended December 31, 2010 or 2009.

As of December 31, 2011, options to purchase 4,716,527 shares of the Company's common stock granted from the 2005 Stock Option/Stock Issuance Plan remained outstanding and zero shares of the Company's common stock remained available for issuance under the 2005 Plan as a result of the adoption of the 2010 Equity Incentive Plan discussed above. The options outstanding under the 2005 Plan as of December 31, 2011 had a weighted-average exercise price of approximately \$6.57 per share.

No income tax benefit has been recognized relating to stock-based compensation expense and no tax benefits have been realized from exercised stock options or release of restricted stock units.

2010 Employee Stock Purchase Plan

The 2010 Employee Stock Purchase Plan (the "2010 ESPP") became effective on September 28, 2010. The 2010 ESPP is designed to enable eligible employees to purchase shares of the Company's common stock at a discount. Each offering period is for one year and consists of two six-month purchase periods. The purchase price for shares of common stock under the 2010 ESPP is 85% lesser of the fair market value of the Company's common stock on the first day of the applicable offering period or the last day of each purchase period. A total of 168,627 shares of common stock were initially reserved for future issuance under the 2010 Employee Stock Purchase Plan. During the first eight years of the life of the 2010 ESPP, the number of shares reserved for issuance will increase automatically on the first day of each January, starting with January 1, 2011, by the number of shares equal to 1% of the Company's total outstanding shares as of the immediately preceding December 31st. Pursuant to the automatic increase provision, an additional 438,474 shares were reserved for issuance during the year ended December 31, 2011. The Company's Board of Directors or Leadership Development and Compensation Committee will be able to reduce the amount of the increase in any particular year. No more than 10,000,000 shares of the Company's common stock may be issued under the 2010 ESPP and no other shares may be added to this plan without the approval of the Company's stockholders.

The initial offering period commenced on September 27, 2010, and ended on November 15, 2011. The initial offering period consisted of a single purchase period. Thereafter, a twelve-month offering period shall commence on each May 16th and November 16th, each consisting of two six-month purchase periods.

During the year ended December 31, 2011, 304,253 shares of common stock were purchased under the 2010 ESPP. At December 31, 2011, 302,848 shares of the Company's common stock remained available for issuance under the 2010 ESPP.

Stock Option Activity

The Company's stock option activity and related information for the year ended December 31, 2011 was as follows:

	Number Outstanding	Weighted - Average Exercise Price	Weighted - Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
				(in thousands)
Outstanding - December 31, 2010	7,274,637	\$ 8.01	8.0	\$ 135,792
Options granted	2,692,249	\$ 25.62		
Options exercised	(1,337,186)	\$ 3.91		
Options cancelled	(252,684)	\$ 17.18		
Outstanding - December 31, 2011	<u>8,377,016</u>	\$ 14.05	7.9	\$ 29,127
Vested and expected to vest after December 31, 2011	7,986,914	\$ 13.76	7.8	\$ 28,760
Exercisable at December 31, 2011	3,488,853	\$ 7.55	6.8	\$ 21,991

The aggregate intrinsic value of options exercised under all option plans was \$28.7 million, \$934,000 and \$308,000 for the years ended December 31, 2011, 2010 and 2009, respectively, determined as of the date of option exercise.

The Company's restricted stock units and restricted stock activity and related information for the year ended December 31, 2011 was as follows:

	RSUs	Weighted Average Grant- Date Fair Value	Weighted Average Remaining Contractual Life (Years)
Outstanding - December 31, 2010	—	\$ —	—
Awarded	385,156	\$ 29.85	—
Vested	(9,967)	\$ 30.30	—
Forfeited	—	\$ —	—
Outstanding - December 31, 2011	<u>375,189</u>	\$ 29.84	1.4
Expected to vest after December 31, 2011	354,847	\$ 29.84	1.0

The following table summarizes information about stock options outstanding as of December 31, 2011:

Options Outstanding				Options Exercisable	
Exercise Price	Number of Options	Weighted - Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
\$0.10—\$0.28	845,021	5.1	\$ 0.28	839,193	\$ 0.28
\$1.50—\$1.50	202,695	5.6	\$ 1.50	187,432	\$ 1.50
\$3.93—\$3.93	1,299,648	6.2	\$ 3.93	955,765	\$ 3.93
\$4.31—\$4.31	756,339	7.7	\$ 4.31	371,064	\$ 4.31
\$9.32—\$9.32	942,070	8.0	\$ 9.32	314,273	\$ 9.32
\$10.64—\$16.50	925,195	8.8	\$ 15.01	261,200	\$ 15.54
\$16.53—\$24.20	1,142,732	8.8	\$ 21.69	329,437	\$ 21.81
\$24.50—\$26.50	211,450	9.4	\$ 25.73	7,770	\$ 26.16
\$26.84—\$26.84	1,155,150	9.3	\$ 26.84	75,047	\$ 26.84
\$27.13—\$30.17	896,716	9.3	\$ 27.76	147,672	\$ 27.67
\$0.10—\$30.17	8,377,016	7.9	\$ 14.05	3,488,853	\$ 7.55

Common Stock Subject to Repurchase

Historically under the 2005 Plan, the Company allowed employees to exercise options prior to vesting. The Company has the right to repurchase at the original purchase price any unvested (but issued) common shares upon termination of service of an employee. The consideration received for an early exercise of an option is considered to be a deposit of the exercise price and the related dollar amount is recorded as a liability. The shares and liability are reclassified into equity on a ratable basis as the award vests. The Company recorded a liability in accrued expenses of \$30,000 and \$70,000, respectively, relating to options for 7,929 and 33,396 shares of common stock that were exercised and unvested as of December 31, 2011 and 2010, respectively. These shares were subject to a repurchase right held by the Company and are included in issued and outstanding shares as of December 31, 2011 and 2010, respectively.

Stock-Based Compensation Expense

Stock-based compensation expense related to options and restricted stock units granted to employees and nonemployees was allocated to research and development expense and sales, general and administrative expense as follows (in thousands):

	Years Ended December 31,		
	2011	2010	2009
Research and development	\$ 6,345	\$ 2,161	\$ 773
Sales, general and administrative	19,147	8,271	2,526
Total stock-based compensation expense	\$ 25,492	\$ 10,432	\$ 3,299

Employee Stock-Based Compensation

During the years ended December 31, 2011, 2010 and 2009, the Company granted options to purchase 2,677,249, 2,918,440, and 1,089,053 shares of its common stock, respectively, to employees with weighted average grant date fair values of \$18.41, \$11.84, and \$4.31 per share, respectively. As of December 31, 2011 and 2010, there were unrecognized compensation costs of \$54.7 million, and \$30.9 million, respectively, related to these stock options. The Company expects to recognize those costs over a weighted average period of 3.1 years as of December 31, 2011. Future option grants will increase the amount of compensation expense to be recorded in these periods.

During the year ended December 31, 2011, 352,301 of restricted stock units were granted to employees with a weighted average service-inception date fair value of \$29.85. A total of \$3.6 million in stock compensation expense was recognized for the year ended December 31, 2011 for restricted stock units granted to employees. No restricted stock units were granted to employees in 2010 or 2009. As of December 31, 2011 and 2010, there were unrecognized compensation costs of \$6.0 million and zero, respectively, related to these restricted stock units.

During the years ended December 31, 2011, 2010 and 2009, the Company also recognized stock compensation expense related to its 2010 ESPP of \$1.9 million, \$0.5 million and zero, respectively.

Compensation expense was recorded for stock-based awards granted to employees based on the grant date estimated fair value (in thousands):

	Years Ended December 31,		
	2011	2010	2009
Research and development	\$ 6,306	\$ 2,086	\$ 765
Sales, general and administrative	18,288	5,696	1,822
Total stock-based compensation expense	\$ 24,594	\$ 7,782	\$ 2,587

Employee stock-based compensation expense recognized for the year ended December 31, 2011 included \$361,000 related to option modification. As part of a termination agreement with a key employee, the Company agreed to accelerate the vesting of options for 50,668 shares of common stock. The weighted average fair value per share of the modified options was \$14.84 which was determined as of the date of modification. This modification to accelerate vesting of the associated stock options resulted in incremental stock-based compensation expense of \$752,000 which will be amortized through June 2012 and offset against \$338,000 in cancellation of unvested shares at the termination date, resulting in a net incremental expense of \$414,000.

The Company sells ethanol and reformulated ethanol-blended gasoline procured from third parties and relies on contracted third parties for the transportation and storage of products. In the quarter ended June 30, 2011, the Company commenced sales of farnesene-derived products which are procured from contracted third parties. Accordingly, the Company does not have any dedicated production headcount so there is no stock compensation expense recorded in cost of product sales.

The Company estimated the fair value of employee stock options using the Black-Scholes option pricing model. The fair value of employee stock options is being amortized on a straight-line basis over the requisite service period of the awards. The fair value of employee stock options was estimated using the following weighted-average assumptions:

	Years Ended December 31,		
	2011	2010	2009
Expected dividend yield	—%	—%	—%
Risk-free interest rate	2.3%	2.5%	2.8%
Expected term (in years)	5.8	6.0	6.0
Expected volatility	86%	96%	97%

Expected Dividend Yield—The Company has never paid dividends and does not expect to pay dividends.

Risk-Free Interest Rate—The risk-free interest rate was based on the market yield currently available on United States Treasury securities with maturities approximately equal to the option's expected term.

Expected Term—Expected term represents the period that the Company's stock-based awards are expected to be outstanding. The Company's assumptions about the expected term have been based on that of companies that have similar industry, life cycle, revenue, and market capitalization and the historical data on employee exercises.

Expected Volatility—The expected volatility was based on the historical stock volatilities of several of the Company's publicly listed comparable companies over a period equal to the expected terms of the options, as the Company does not have a long trading history to use the volatility of its own common stock.

Fair Value of Common Stock—Prior to the IPO, the fair value of the shares of common stock underlying the stock options has historically been determined by the Board of Directors. Because there has been no public market for the Company's common stock, the Board of Directors has determined fair value of the common stock at the time of grant of the option by considering a number of objective and subjective factors including valuation of comparable companies, sales of convertible preferred stock to unrelated third parties, operating and financial performance, the lack of liquidity of capital stock and general and industry specific economic outlook, amongst other factors. The fair value of the underlying common stock was determined by the Board of Directors until the IPO when the Company's common stock started trading in the NASDAQ Global Market under ticker symbol AMRS on September 28, 2010. Consequently, after the IPO the fair value of the shares of common stock underlying the stock options is the closing price on the option grant date.

Forfeiture Rate—The Company estimates its forfeiture rate based on an analysis of its actual forfeitures and will continue to evaluate the adequacy of the forfeiture rate based on actual forfeiture experience, analysis of employee turnover behavior, and other factors. The impact from a forfeiture rate adjustment will be recognized in full in the period of adjustment, and if the actual number of future forfeitures differs from that estimated by the Company, the Company may be required to record adjustments to stock-based compensation expense in future periods.

Each of the inputs discussed above is subjective and generally requires significant management and director judgment to determine.

Nonemployee Stock-Based Compensation

During the years ended December 31, 2011, 2010 and 2009, the Company granted nonemployee options to purchase 15,000, 101,000 and 20,500 shares of common stock, respectively, to nonemployees in exchange for services. Compensation expense of \$797,000, \$834,000 and \$238,000 was recorded for the years ended December 31, 2011, 2010 and 2009, respectively, for stock-based awards granted to nonemployees. The nonemployee options were valued using the Black-Scholes option pricing model.

During the years ended December 31, 2011, 2010 and 2009, 32,855, 126,272, and zero restricted stock units, respectively, were granted to nonemployees and a total of \$101,000, \$1.8 million and \$466,000, respectively, in stock compensation expense was recognized by the Company for years ended December 31, 2011, 2010 and 2009. The 126,272 restricted stock units that were granted in 2010 were awarded to a related party as compensation for advisory services rendered. These restricted stock units vested quarterly and became fully vested as of September 30, 2010.

The fair value of nonemployee stock options was estimated using the following weighted-average assumptions:

	Years Ended December 31,		
	2011	2010	2009
Expected dividend yield	—%	—%	—%
Risk-free interest rate	2.1%	3.2%	3.3%
Expected term (in years)	7.8	8.6	8.1
Expected volatility	86%	95%	93%

13. Employee Benefit Plan

The Company established a 401(k) Plan to provide tax deferred salary deductions for all eligible employees. Participants may make voluntary contributions to the 401(k) Plan up to 90% of their eligible compensation, limited by certain Internal Revenue Service restrictions. The Company does not match employee contributions.

14. Related Party Transactions

The Company has entered into a license agreement with University of California, Berkeley. A co-founder and advisor to the Company is a professor at the University of California, Berkeley. The Company paid the advisor \$2,500, \$23,000 and \$34,000 during the years ended December 31, 2011, 2010 and 2009, respectively.

During 2008, the Company entered into an agreement with a venture capital group to provide strategic advisory services to Amyris and its then majority owned subsidiary Amyris Brasil. One of its former directors is also a member of the Company's Board of Directors. Under the agreement, the Company issued options to the venture capital group, which vest and become exercisable based on the service of the former director of the group on the Company's Board of Directors (see Note 12).

On June 21, 2010 the Company entered into agreements with affiliates of Total S.A. relating to their purchase of the Company's Series D preferred stock and collaboration for the research, development, production and commercialization of chemical and/or fuel products. Subject to the terms of the collaboration agreement between Total and the Company, Total has agreed to pay up to the first \$50.0 million in future research and development costs for the selected projects; thereafter the parties will share such costs equally.

In November 2011, the Company and Total Gas & Power USA SAS ("Total") entered into an amendment of their Technology License, Development, Research and Collaboration Agreement. Pursuant to the amendment, Total has agreed to solely fund (i) the first \$30.0 million in research and development costs related to the renewable diesel program which have been incurred since

August 1, 2011, which amount shall be in addition to the \$50.0 million in research and development funding contemplated by the Collaboration Agreement (see Note 4).

On October 6, 2011, the Company completed an asset purchase of Draths. In connection with the acquisition, the Company issued 362,319 shares of Amyris Inc. common stock, of which 41,408 shares were held in escrow to certain stockholders of Draths, as well as \$2.9 million in cash. One of the Company's board members was also on the board of Draths.

15. Restructuring

In June 2009, the Company initiated a restructuring plan to reduce its cost structure. The restructuring plan resulted in the consolidation of the Company's headquarter facility located in Emeryville, California, which is under an operating lease. The Company ceased using a certain part of this headquarter facility in August 2009. The Company recorded approximately \$5.4 million of restructuring charges associated with the facility lease costs after the operations ceased. In addition, as a result of the consolidation of the headquarter facility, the Company recorded approximately \$3.1 million related to asset impairments and reversed \$2.7 million related to deferred rent associated with the leased facility. In September 2010, the Company's Board of Directors approved the Company's plan to reoccupy the part of its headquarter facility which was previously the subject of the 2009 restructuring. This reoccupied space was used to meet the Company's expansion requirements. As a result, the Company reversed approximately \$4.6 million of its restructuring liability and recognized an income from restructuring of \$2.1 million during the year ended December 31, 2010.

The following table summarizes the liability and utilization by cost type associated with the restructuring (in thousands):

	Exit Costs	Deferred Rent	Total
Accrued restructuring as of December 31, 2009	\$ 5,078	\$ —	\$ 5,078
Cash payments	(906)	—	(906)
Accretion expense	395	—	395
Reversal of restructuring liability	(2,061)	(2,506)	(4,567)
Accrued restructuring as of December 31, 2010	<u>\$ 2,506</u>	<u>\$ (2,506)</u>	<u>\$ —</u>

16. Income Taxes

For the year ended December 31, 2011, the Company recorded a provision for income taxes of \$552,000 which consisted of \$727,000 for the accrual of Brazilian withholding tax on the intercompany interest liability, partially offset by \$175,000 benefit from income taxes resulting from valuation allowance adjustments due to an increase in currency translation adjustments classified as other comprehensive losses. Other than the above mentioned provision for income tax, no additional provision for income taxes has been made, net of the valuation allowance, due to cumulative losses since the commencement of operations.

The components of loss before income taxes and minority interests are follows for the years ended December 31, 2011, 2010 and 2009 (in thousands):

	Years Ended December 31,		
	2011	2010	2009
United States	\$ (140,153)	\$ (67,525)	\$ (57,393)
Foreign	(38,806)	(15,265)	(7,407)
Loss before income taxes	<u>\$ (178,959)</u>	<u>\$ (82,790)</u>	<u>\$ (64,800)</u>

The components of the provision for income taxes are as follows for the years ended December 31, 2011, 2010 and 2009 (in thousands):

	Years Ended December 31,		
	2011	2010	2009
Current:			
Federal	\$ —	\$ —	\$ —
State	—	—	—
Foreign	727	—	—
Total current provision (benefit)	727	—	—
Deferred:			
Federal	(150)	—	—
State	(25)	—	—
Foreign	—	—	—
Total deferred provision (benefit)	(175)	—	—
Total provision for income taxes	\$ 552	\$ —	\$ —

A reconciliation between the statutory federal income tax and the Company's effective tax rates as a percentage of loss before income taxes is as follows:

	Years Ended December 31,		
	2011	2010	2009
Statutory tax rate	(34.0)%	(34.0)%	(34.0)%
State tax rate, net of federal benefit	(4.4)%	(1.6)%	(5.5)%
Stock-based compensation	0.6 %	0.3 %	0.4 %
Federal R&D credit	(0.8)%	(0.8)%	(1.0)%
Other	(0.7)%	1.6 %	(1.2)%
Foreign losses	(5.4)%		
Change in valuation allowance	45.0 %	34.5 %	41.3 %
Effective income tax rate	0.3 %	— %	— %

Temporary differences and carryforwards that gave rise to significant portions of deferred taxes are as follows (in thousands):

	December 31,		
	2011	2010	2009
Net operating loss carry forwards	\$ 103,390	\$ 56,615	\$ 37,118
Fixed assets	—	340	108
Research and development credits	5,937	3,325	2,409
Accruals and reserves	12,150	2,257	1,240
Stock-based compensation	11,351	4,316	1,602
Capitalized start-up costs	22,974	8,993	2,908
Other	3,705	225	2,414
Total deferred tax assets	159,507	76,071	47,799
Fixed assets	(2,742)	—	—
Other	—	—	—
Total deferred tax liabilities	(2,742)	—	—
Net deferred tax asset prior to valuation allowance	156,765	76,071	47,799
Less: Valuation allowance	(156,765)	(76,071)	(47,799)
Net deferred tax assets (liabilities)	\$ —	\$ —	\$ —

Recognition of deferred tax assets is appropriate when realization of such assets is more likely than not. Based upon the weight of available evidence, especially the uncertainties surrounding the realization of deferred tax assets through future taxable income, the Company believes it is not yet more likely than not that the net deferred tax assets will be fully realizable. Accordingly,

the Company has provided a full valuation allowance against its net deferred tax assets as of December 31, 2011. The valuation allowance increased \$80.7 million, \$28.3 million, and \$26.8 million during the years ended December 31, 2011, 2010 and 2009, respectively.

As of December 31, 2011, the Company had federal and state net operating loss carryforwards of approximately \$299.2 million and \$197.2 million available to reduce future taxable income, if any, respectively. Approximately \$23.4 million and \$16.3 million of the federal and state net operating loss carryforwards, respectively, resulted from exercises of employee stock options and vesting of restricted stock units and were not included in the Company's gross deferred tax assets. In accordance with ASC 718, such unrecognized deferred tax benefits of approximately \$8.8 million will be accounted for as a credit to the additional paid-in capital if and when realized through a reduction in income tax payable. The Tax Reform Act of 1986 and similar state provisions limit the use of net operating loss carryforwards in certain situations where equity transactions result in a change of ownership as defined by Internal Revenue Code Section 382. In the event the Company should experience an ownership change, as defined, utilization of its federal and state net operating loss carryforwards could be limited. If not utilized, the federal net operating loss carryforward begins expiring in 2025, and the California net operating loss carryforward begins expiring in 2015.

The Company also had federal research and development credit and foreign tax credit carryforwards of \$5.7 million, and California research and development credit carryforwards of \$5.5 million, respectively, at December 31, 2011. The Tax Reform Act of 1986 limits the use of research and development credit carryforwards in certain situations where equity transactions result in a change of ownership as defined by Internal Revenue Code Section 383. The federal credits will expire starting 2020 if not utilized. The California tax credits can be carried forward indefinitely.

Effective January 1, 2007, the Company adopted the accounting guidance on uncertainties in income taxes. A reconciliation of the beginning and ending amounts of unrecognized tax benefits since the adoption of accounting guidance on uncertainty in income taxes is as follows:

Balance at December 31, 2009	\$ 1,032
Increases in tax positions for prior period	138
Increases in tax positions during current period	564
Balance at December 31, 2010	1,734
Increases in tax positions for prior period	—
Increases in tax positions during current period	1,369
Balance at December 31, 2011	\$ 3,103

The Company's policy is to include interest and penalties related to unrecognized tax benefits within the provision for taxes. The Company determined that no accrual for interest and penalties was required as of December 31, 2011.

As of December 31, 2011, the Company's total unrecognized tax benefits were \$3.1 million, of which none of the tax benefits, if recognized, would affect the effective income tax rate due to the valuation allowance that currently offsets deferred tax assets. The Company does not anticipate the total amount of unrecognized income tax benefits will significantly increase or decrease in the next 12 months.

The Company's primary tax jurisdiction is the United States. For United States federal and state tax purposes, tax years 2003 through 2010 remain open and subject to tax examination by the appropriate federal or state taxing authorities. Brazil tax years 2008 through 2010 remain open and subject to examination.

The Company is currently under audit by the US Internal Revenue Service for tax year 2008. As of December 31, 2011, the Company has not received an assessment with regard to this audit.

17. Reporting Segments

The chief operating decision maker for the Company is the chief executive officer. The chief executive officer reviews financial information presented on a consolidated basis, accompanied by information about revenue by geographic region, for purposes of allocating resources and evaluating financial performance. The Company has one business activity comprised of development and sales of fuels and farnesene-derived products and there are no segment managers who are held accountable for operations, operating results or plans for levels or components below the consolidated unit level. Accordingly, the Company has determined that it has a single reportable segment and operating unit structure.

Revenues by geography are based on the location of the customer. The following tables set forth revenue and long-lived assets by geographic area (in thousands):

Revenues

	Years Ended December 31,		
	2011	2010	2009
United States	\$ 141,098	\$ 80,311	\$ 64,608
Brazil	141	—	—
Europe	5,695	—	—
Japan	57	—	—
Total	<u>\$ 146,991</u>	<u>\$ 80,311</u>	<u>\$ 64,608</u>

Long-Lived Assets

	December 31,	
	2011	2010
United States	\$ 76,108	\$ 43,147
Brazil	48,240	11,700
Europe	3,753	—
Total	<u>\$ 128,101</u>	<u>\$ 54,847</u>

18. Subsequent Events

On February 17, 2012, the Company entered into a supplemental agreement with Banco Pine S.A. under which the parties agreed to extend the maturity date for the repayment of the original loan entered into on December 22, 2011 (see Note 6) from February 17, 2012 to May 17, 2012. In connection with the extension, the Company is obligated to pay R\$129,150 (approximately US\$75,000 based on the exchange rate as of February 17, 2012) as tax on the financial transaction as required by Brazilian law.

On February 23, 2012, the Company sold 10,160,325 shares of its common stock in a private placement for aggregate proceeds of \$58.7 million. The private placement included a commitment from one of the investors to purchase an additional \$15.0 million of common stock upon satisfaction of certain conditions in 2013.

On February 24, 2012, the Company entered into a toll manufacturing agreement with Albemarle. This agreement superseded the original agreement with Albemarle dated July 2011. The term of the agreement continues through December 31, 2019. The agreement includes certain obligations for the Company to pay fixed costs totaling \$7.5 million, of which \$3.5 million and \$4.0 million are payable in 2012 and 2014, respectively. In addition, fixed costs of \$2.0 million is payable per quarter in 2013 if the Company exercises its option to have product manufactured in the facility in 2013. The agreement also includes variable pricing during the contract term.

On February 24, 2012, the Company entered into a security purchase agreement to sell \$25.0 million in principal amount of unsecured senior convertible promissory notes due in 2017. The notes have a 3.0% annual interest rate and are convertible into shares of the Company's common stock at a conversion price of \$7.0682 (an 18.0% premium to market value determined under the governance rules of The NASDAQ Stock Market), subject to adjustment for proportional adjustments to outstanding common stock and anti-dilution provisions in case of dividends and distributions. The note holders have a right to require repayment of 101% of the principal amount of the notes in an acquisition of the Company, and the notes provide for payment of unpaid interest on conversion following such an acquisition if the note holders do not require such repayment. The securities purchase agreement and notes include covenants regarding payment of interest, maintaining our listing status, limitations on debt, maintenance of corporate existence, and filing of SEC reports. The notes include standard events of default resulting in acceleration of indebtedness, including failure to pay, bankruptcy and insolvency, cross-defaults, and breaches of the covenants in the securities purchase agreement and notes, with default interest rates and associated cure periods applicable to the covenant regarding SEC reporting.

SUPPLEMENTARY FINANCIAL DATA
Selected Quarterly Financial Data (unaudited)

The following table presents selected unaudited consolidated financial data for each of the eight quarters in the two-year period ended December 31, 2011. In the Company's opinion, this unaudited information has been prepared on the same basis as the audited information and includes all adjustments (consisting of only normal recurring adjustments) necessary for a fair statement of the financial information for the period presented. Net loss per share—basic and diluted, for the four quarters of each fiscal year may not sum to the total for the fiscal year because of the different number of shares outstanding during each period.

	Quarter			
	First	Second	Third	Fourth
	(In thousands, except share and per share amounts)			
Year Ended December 31, 2011				
Total revenues	\$ 37,174	\$ 32,002	\$ 36,276	\$ 41,539
Product sales	\$ 34,020	\$ 27,816	\$ 31,162	\$ 36,839
Gross profit (loss) from product sales	\$ (362)	\$ (1,320)	\$ (4,567)	\$ (19,529)
Net loss attributable to common stockholders	\$ (33,137)	\$ (42,615)	\$ (43,690)	\$ (59,428)
Net loss per share—basic and diluted	\$ (0.76)	\$ (0.95)	\$ (0.97)	\$ (1.30)
Shares used in calculation—basic and diluted	43,851,142	44,626,721	45,031,613	45,663,667
Year Ended December 31, 2010				
Total revenues	\$ 13,655	\$ 12,702	\$ 24,225	\$ 29,729
Product sales	\$ 9,954	\$ 10,028	\$ 22,055	\$ 26,627
Gross profit (loss) from product sales	\$ (49)	\$ (101)	\$ (845)	\$ (856)
Net loss attributable to common stockholders	\$ (16,152)	\$ (19,944)	\$ (62,140) ⁽¹⁾	\$ (25,643)
Net loss per share—basic and diluted	\$ (3.22)	\$ (3.94)	\$ (11.89)	\$ (0.59)
Shares used in calculation—basic and diluted	5,010,569	5,056,914	5,227,689	43,744,476

- (1) During the three months ended September 30, 2010, the Company recorded a deemed dividend related to the charges incurred with the one-time beneficial conversion feature of the Series D convertible preferred stock of \$39.3 million and to the one-time beneficial conversion feature related to the conversion of Amyris Brasil S.A. shares of \$2.7 million, each of which converted into Amyris Inc. common stock at the time of the IPO.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act of 1934, as amended (Exchange Act), as of the end of the period covered by this Annual Report on Form 10-K. Based on this evaluation, our chief executive officer (CEO) and chief financial officer (CFO) concluded that, as of December 31, 2011 our disclosure controls and procedures are designed and are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, our CEO and CFO, and effected by the Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that accurately and fairly reflect in reasonable detail the transactions and dispositions of the assets of our company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- Provide reasonable assurances regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material adverse effect on our financial statements.

Our management assessed our internal control over financial reporting as of December 31, 2011, the end of our fiscal year. Management based its assessment on criteria established in "Internal Control-Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on management's assessment of our internal control over financial reporting, management concluded that, as of December 31, 2011, our internal control over financial reporting was effective. The effectiveness of the Company's internal control over financial reporting as of December 31, 2011 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during our fourth fiscal quarter ended December 31, 2011 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

In August 2011, we notified the lessor of our leased office facilities in Brazil of our termination of our existing lease effective November 30, 2011. In November 2011, we requested an extension to remain in the building until December 31, 2011, which was granted. The Private Instrument of Non-Residential Real Estate Lease Agreement between MMJ Administração e Participações Ltda. and Amyris Brasil S.A. dated June 24, 2010 was accordingly terminated as of December 31, 2011. Effective as of November 15, 2011, Amyris Brasil entered into a new lease agreement, dated August 10, 2011, with Techno Park Empreendimentos e Administração Imobiliária Ltda. for new office facilities in Campinas, Brazil. The new lease agreement has a term of five years commencing in November 2011 with an estimated annual rent payment of approximately \$456,000.

PART III

Certain information required by Part III is omitted from this Annual Report on Form 10-K and is incorporated herein by reference from our definitive proxy statement relating to our 2012 annual meeting of stockholders, pursuant to Regulation 14A of the Securities Exchange Act of 1934, as amended, also referred to in this Form 10-K as our 2012 Proxy Statement, which we expect to file with the SEC no later than April 30, 2012.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information appearing in our 2012 Proxy Statement under the following headings is incorporated herein by reference:

- Proposal 1—Election of Directors
- Corporate Governance
- Section 16(a) Beneficial Ownership Reporting Compliance

The information under the heading “Executive Officers of the Registrant” in Item 1 of this Annual Report on Form 10-K is also incorporated by reference in this section.

We have adopted a Code of Business Conduct and Ethics that applies to all directors, officers and employees of Amyris as required by NASDAQ governance rules and as defined by applicable SEC rules. Our Code of Business Conduct and Ethics includes a section entitled “Code of Ethics for Chief Executive Officer and Senior Financial Officers,” providing additional principles for ethical leadership and a requirement that such individuals foster a culture throughout Amyris that helps ensure the fair and timely reporting of our financial results and condition. Our Code of Business Conduct and Ethics is available on the corporate governance section of our website at “<http://investors.amyris.com/governance.cfm>.” Stockholders may also obtain a print copy of our Code of Business Conduct and Ethics and our Corporate Governance Guidelines by writing to the Secretary of Amyris at 5885 Hollis Street, Suite 100, Emeryville, California 94608. If we make any substantive amendments to our Code of Business Conduct and Ethics or grant any waiver from a provision of the Internal Revenue Code to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on the corporate governance section of our website at “<http://investors.amyris.com/governance.cfm>.”

ITEM 11. EXECUTIVE COMPENSATION

The information appearing in our 2012 Proxy Statement under the following headings is incorporated herein by reference:

- Executive Compensation
- Director Compensation
- Compensation Committee Interlocks and Insider Participation

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information appearing in our 2012 Proxy Statement under the following headings is incorporated herein by reference:

- Security Ownership of Certain Beneficial Owners and Management
- Equity Compensation Plan Information

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information appearing in our 2012 Proxy Statement under the following headings is incorporated herein by reference:

- Transactions with Related Persons
- Proposal 1—Election of Directors—Independence of Directors
- Proposal 1—Election of Directors—Committees of the Board

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information appearing in our 2012 Proxy Statement under the proposal entitled “Ratification of Appointment of Independent Registered Public Accounting Firm” is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report on Form 10-K:

(1) *Financial Statements*. Reference is made to the Index to the registrant's the Financial Statements under Item 8 in Part II of this Form 10-K.

(2) *Financial Statement Schedules*. The following consolidated financial statement schedule of the registrant is filed as part of this report on Form 10-K and should be read in conjunction with the Consolidated Financial Statements of Amyris, Inc.

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2011, 2010 and 2009
(in thousands)

	Balance at Beginning of Period	Additions	Write-off/ Adjustments	Balance at End of Period
Deferred Tax Assets Valuation Allowance:				
Year ended December 31, 2011	\$ 76,071	\$ 80,694	\$ —	\$ 156,765
Year ended December 31, 2010	\$ 47,799	\$ 28,272	\$ —	\$ 76,071
Year ended December 31, 2009	\$ 21,019	\$ 26,780	\$ —	\$ 47,799

	Balance at Beginning of Period	Additions	Write-off/ Adjustments	Balance at End of Period
Allowance for Doubtful Accounts:				
Year ended December 31, 2011	\$ —	\$ 245	\$ —	\$ 245
Year ended December 31, 2010	\$ —	\$ —	\$ —	\$ —
Year ended December 31, 2009	\$ —	\$ —	\$ —	\$ —

Schedules not listed above are omitted because they are not required, they are not applicable or the information is already included in the consolidated financial statements or notes thereto.

(3) *Exhibits.* The exhibits listed on the accompanying index to exhibits in Item 15(b) below are filed as part of, or hereby incorporated by reference into, this report on Form 10-K.

(b) Exhibits.

The exhibits listed below are required by Item 601 of Regulation S-K.

Exhibit Index	Description	Previously Filed				Filed Herewith
		Form	File No.	Filing Date	File No.	
3.01	Restated Certificate of Incorporation	10-Q	001-34885	November 10, 2010	3.01	
3.02	Restated Bylaws	10-Q	001-34885	November 10, 2010	3.02	
4.01	Form of Stock Certificate	S-1	333-166135	July 6, 2010	4.01	
4.02	Amended and Restated Investors' Rights Agreement dated June 21, 2010 among registrant and registrant's security holders listed therein	S-1	333-166135	June 23, 2010	4.02	
4.03	Stock Purchase Warrant dated September 23, 2008 issued to ES East Associates, LLC	S-1	333-166135	April 16, 2010	4.08	
4.04	Amendment No. 1, dated April 8, 2010, to Stock Purchase Warrant between ES East Associates, LLC and registrant	S-1	333-166135	April 16, 2010	4.09	
4.05	Stock Purchase Warrant dated March 6, 2008 issued to Starfish, LLC	S-1	333-166135	April 16, 2010	4.10	
4.06	Amendment No. 1, dated April 8, 2010, to Stock Purchase Warrant between Starfish, LLC and registrant	S-1	333-166135	April 16, 2010	4.11	
4.07	Warrant to Purchase Stock dated December 23, 2011 issued to ATEL Ventures, Inc.					X
4.08	Side Letter, dated June 21, 2010, between registrant and Total Gas & Power USA, SAS	S-1	333-166135	April 16, 2010	4.19	

Exhibit Index	Description	Previously Filed				Filed Herewith
		Form	File No.	Filing Date	Exhibit	
10.01	Form of Indemnity Agreement between registrant and its directors and officers	S-1	333-166135	June 23, 2010	10.01	
10.02 ^a	Uncommitted Facility Letter dated November 25, 2008 between BNP Paribas and Amyris Fuels, Inc.	S-1	333-166135	August 31, 2010	10.02	
10.03 ^a	Amendment to Uncommitted Facility Letter dated October 7, 2009 among registrant, BNP Paribas and Amyris Fuels, LLC	S-1	333-166135	August 31, 2010	10.03	
10.04	Amendment No. 2 to Uncommitted Facility Letter dated March 8, 2010 between registrant, BNP Paribas and Amyris Fuels, LLC	S-1	333-166135	August 31, 2010	10.04	
10.05	Amendment No. 3 to Uncommitted Credit Facility Letter, dated February 7, 2011, between registrant, BNP Paribas and Amyris Fuels, LLC	10-Q	001-34885	August 11, 2011	10.03	
10.06	Amendment No. 4 to Uncommitted Credit Facility Letter, dated May 24, 2011, between registrant, BNP Paribas and Amyris Fuels, LLC	10-Q	001-34885	August 11, 2011	10.04	
10.07	Plain English Master Lease Agreement, dated March 14, 2008, between registrant and TriplePoint Capital LLC	S-1	333-166135	April 16, 2010	10.04	
10.08	First Amendment, dated September 18, 2009, to Plain English Master Lease Agreement between registrant and TriplePoint Capital LLC	S-1	333-166135	April 16, 2010	10.05	
10.09	Assistance Agreement, dated December 30, 2009, as modified by Assistance Agreement dated March 26, 2010, between registrant and the U.S. Department of Energy, together with schedules and supplements thereto	S-1	333-166135	April 16, 2010	10.09	
10.10	Modification No. 2, dated April 19, 2010, to Assistance Agreement between registrant and the U.S. Department of Energy	S-1	333-166135	May 25, 2010	10.13	
10.11 ^{bc}	Agreement for Credit Opening, dated November 16, 2011, between Amyris Brasil Ltda. and Banco Nacional de Desenvolvimento Econômico e Social - BNDES					X
10.12 ^b	Corporate Guarantee, dated November 28, 2011, issued by registrant to Banco Nacional de Desenvolvimento Econômico e Social - BNDES					X
10.13 ^c	Bank Credit Agreement, dated December 21, 2011, between Amyris Brasil Ltda. and Banco Pine S.A.					X
10.14 ^b	Revolving Credit Facility letter agreement, dated December 23, 2010, between registrant and Bank of the West					X
10.15 ^a	Joint Venture Agreement dated April 14, 2010 among registrant, Amyris Brasil S.A. and Usina São Martinho S.A.	S-1	333-166135	August 31, 2010	10.14	
10.16 ^a	Shareholders' Agreement dated April 14, 2010 among registrant, Amyris Brasil S.A. and Usina São Martinho S.A.	S-1	333-166135	May 25, 2010	10.17	
10.17 ^a	Technology License, Development, Research and Collaboration Agreement, dated June 21, 2010, between registrant and Total Gas & Power USA Biotech, Inc.	S-1	333-16135	September 20, 2010	10.46	
10.18	Letter agreement, dated January 11, 2011, between registrant and Total Gas & Power USA Biotech, Inc.	10-Q	001-34885	May 11, 2011	10.01	

Exhibit Index	Description	Previously Filed			Exhibit	Filed Herewith
		Form	File No.	Filing Date		
10.19 ^b	First Amendment to Technology License, Development, Research and Collaboration Agreement, dated November 23, 2011, between registrant and Total Gas & Power USA SAS					X
10.20 ^a	Joint Venture Implementation Agreement dated June 3, 2011 among Amyris, Inc., Amyris Brasil S.A., Cosan Combustíveis e Lubrificantes S.A. and Cosan S.A. Indústria e Comércio	10-Q	001-34885	August 11, 2011	10.01	
10.21 ^a	Shareholders' Agreement, dated June 3, 2011, among Amyris Brasil S.A., Cosan Combustíveis e Lubrificantes S.A. and Novvi S.A.	10-Q	001-34885	August 11, 2011	10.02	
10.22	Lease, dated August 22, 2007, between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.17	
10.23	First Amendment, dated March 10, 2008, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.18	
10.24	Second Amendment, dated April 25, 2008, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.19	
10.25	Third Amendment, dated July 31, 2008, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.20	
10.26	Fourth Amendment, dated November 14, 2009, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.21	
10.27	Fifth Amendment, dated October 15, 2010, to Lease between registrant and ES East, LLC.	10-K	001-34885	March 14, 2011	10.17	
10.28	Lease dated April 25, 2008 between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.22	
10.29	Letter, dated April 25, 2008, amending Lease between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.23	
10.30	Second Amendment, dated February 5, 2010, to Lease between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.24	
10.31	Pilot Plant Expansion Right Letter dated December 22, 2008 between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.25	
10.32 ^{bc}	Lease Agreement dated, August 10, 2011, between Amyris Brasil Ltda. and Techno Park Empreendimentos e Administração Imobiliária Ltda.					X

Exhibit Index	Description	Previously Filed			Filed Herewith
		Form	File No.	Filing Date	
10.33 ^d	Offer Letter dated September 27, 2006 between registrant and John Melo	S-1	333-16135	April 16, 2010	10.27
10.34 ^d	Amendment, dated December 18, 2008, between registrant and John Melo	S-1	333-16135	April 16, 2010	10.28
10.35 ^d	Offer Letter, dated January 17, 2008, between registrant and Jeryl Hilleman	S-1	333-16135	April 16, 2010	10.31
10.36 ^d	Amendment, dated December 18, 2008, between registrant and Jeryl Hilleman	S-1	333-16135	April 16, 2010	10.32
10.37 ^d	Letter Agreement dated August 2, 2011 between Amyris, Inc. and Jeryl Hilleman	10-Q	001-34885	November 9, 2011	10.01
10.38 ^d	Offer Letter, dated November 9, 2009, between registrant and Peter Boynton	10-Q	001-34885	August 11, 2011	10.05
10.39 ^d	Letter Confirming Amended and Restated Terms of Employment, dated April 18, 2011, between Amyris, Inc. and Mario Portela	10-Q	001-34885	August 11, 2011	10.06
10.40 ^d	Offer Letter, dated January 24, 2005, between registrant and Tamara Tompkins	S-1	333-16135	April 16, 2010	10.35
10.41 ^d	Amendment, dated January 15, 2009, between registrant and Tamara Tompkins	S-1	333-16135	April 16, 2010	10.36
10.42 ^d	2005 Stock Option/Stock Issuance Plan	10-Q	001-34885	November 9, 2011	10.02
10.43 ^d	Form of Notice of Grant of Stock Option under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.38
10.44 ^d	Form of Notice of Grant of Stock Option (non-Exempt) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.39
10.45 ^d	Form of Notice of Grant of Stock Option (non-US) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.40
10.46 ^d	Form of Stock Option Agreement under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.41
10.47 ^d	Form of Stock Option Agreement (non-US) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.42
10.48 ^d	Form of Stock Purchase Agreement under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.43

Exhibit Index	Description	Previously Filed				Filed Herewith
		Form	File No.	Filing Date	Exhibit	
10.49 ^d	Form of Stock Purchase Agreement (non-US) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.44	
10.50 ^d	2010 Equity Incentive Plan and forms of award agreements thereunder	S-1	333-16135	June 23, 2010	10.46	
10.51 ^d	2010 Employee Stock Purchase Plan and forms of award agreements thereunder	S-1	333-16135	September 20, 2010	10.45	
10.52 ^{de}	Compensation arrangements between registrant and its non-employee directors					e
10.53 ^{df}	Compensation arrangements between registrant and its executive officers					f
21.01	List of subsidiaries					X
23.01	Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm					X
24.01	Power of Attorney (see signature page to this Form 10-K)					X
31.01	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-14(c) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.02	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-14(c) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.01 ^g	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.02 ^g	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101 ^h	The following materials from registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2011, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Operations; (ii) the Consolidated Balance Sheets; (iii) the Consolidated Statements of Comprehensive Income; (iv) the Consolidated Statements of Convertible Preferred Stock, Redeemable Noncontrolling Interest and Equity (Deficit); (v) the Consolidated Statements of Cash Flows; and (vi) Notes to Consolidated Financial Statements.					X

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- a. Portions of this exhibit, which have been granted confidential treatment by the Securities and Exchange Commission, have been omitted.
- b. Portions of this exhibit have been omitted pending a determination by the Securities and Exchange Commission as to whether these portions should be granted confidential treatment.
- c. Translation to English from Portuguese in accordance with Rule 12b-12(d) of the regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act").
- d. Indicates management contract or compensatory plan or arrangement.
- e. Description contained under the heading "Director Compensation" in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 8, 2011 and incorporated herein by reference.
- f. Descriptions contained (i) under the heading "Executive Compensation" in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 8, 2011 and (ii) in registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 2, 2011, and incorporated herein by reference.

- g. This certification shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.
- h. Pursuant to applicable securities laws and regulations, the Company is deemed to have complied with the reporting obligation relating to the submission of interactive data files in such exhibits and is not subject to liability under any anti-fraud provisions of the federal securities laws as long as the Company has made a good faith attempt to comply with the submission requirements and promptly amends the interactive data files after becoming aware that the interactive data files fails to comply with the submission requirements. These interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act, are deemed not filed for purposes of section 18 of the Exchange Act and otherwise are not subject to liability under these sections.

(c) *Financial statements and schedules.*

Reference is made to Item 15(a) above.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 28, 2012

Amyris, Inc.

/s/ JOHN G. MELO

John G. Melo

President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints John Melo and Jeryl Hilleman as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ JOHN MELO</u> John Melo	Director, President and Chief Executive Officer (Principal Executive Officer)	February 28, 2012
<u>/s/ JERYL HILLEMAN</u> Jeryl Hilleman	Chief Financial Officer (Principal Accounting and Financial Officer)	February 28, 2012
<u>/s/ RALPH ALEXANDER</u> Ralph Alexander	Director	February 28, 2012
<u>/s/ PHILIPPE BOISSEAU</u> Philippe Boisseau	Director	February 28, 2012
<u>/s/ JOHN DOERR</u> John Doerr	Director	February 28, 2012
<u>/s/ SAMIR KAUL</u> Samir Kaul	Director	February 28, 2012
<u>/s/ ARTHUR LEVINSON</u> Arthur Levinson, Ph.D.	Director	February 28, 2012
<u>/s/ PATRICK PICHETTE</u> Patrick Pichette	Director	February 28, 2012

Signature	Title	Date
<u>/s/ CAROLE PIWNICA</u> Carole Piwnica	Director	February 28, 2012
<u>/s/ NEIL RENNINGER</u> Neil Renninger, Ph.D.	Director	February 28, 2012
<u>/s/ FERNANDO REINACH</u> Fernando Reinach, Ph.D.	Director	February 28, 2012

EXHIBIT INDEX

Exhibit Index	Description	Previously Filed			Exhibit	Filed Herewith
		Form	File No.	Filing Date		
3.01	Restated Certificate of Incorporation	10-Q	001-34885	November 10, 2010	3.01	
3.02	Restated Bylaws	10-Q	001-34885	November 10, 2010	3.02	
4.01	Form of Stock Certificate	S-1	333-166135	July 6, 2010	4.01	
4.02	Amended and Restated Investors' Rights Agreement dated June 21, 2010 among registrant and registrant's security holders listed therein	S-1	333-166135	June 23, 2010	4.02	
4.03	Stock Purchase Warrant dated September 23, 2008 issued to ES East Associates, LLC	S-1	333-166135	April 16, 2010	4.08	
4.04	Amendment No. 1, dated April 8, 2010, to Stock Purchase Warrant between ES East Associates, LLC and registrant	S-1	333-166135	April 16, 2010	4.09	
4.05	Stock Purchase Warrant dated March 6, 2008 issued to Starfish, LLC	S-1	333-166135	April 16, 2010	4.10	
4.06	Amendment No. 1, dated April 8, 2010, to Stock Purchase Warrant between Starfish, LLC and registrant	S-1	333-166135	April 16, 2010	4.11	
4.07	Warrant to Purchase Stock dated December 23, 2011 issued to ATEL Ventures, Inc.					X
4.08	Side Letter, dated June 21, 2010, between registrant and Total Gas & Power USA, SAS	S-1	333-166135	April 16, 2010	4.19	
10.01	Form of Indemnity Agreement between registrant and its directors and officers	S-1	333-166135	June 23, 2010	10.01	
10.02 ^a	Uncommitted Facility Letter dated November 25, 2008 between BNP Paribas and Amyris Fuels, Inc.	S-1	333-166135	August 31, 2010	10.02	
10.03 ^a	Amendment to Uncommitted Facility Letter dated October 7, 2009 among registrant, BNP Paribas and Amyris Fuels, LLC	S-1	333-166135	August 31, 2010	10.03	
10.04	Amendment No. 2 to Uncommitted Facility Letter dated March 8, 2010 between registrant, BNP Paribas and Amyris Fuels, LLC	S-1	333-166135	August 31, 2010	10.04	
10.05	Amendment No. 3 to Uncommitted Credit Facility Letter, dated February 7, 2011, between registrant, BNP Paribas and Amyris Fuels, LLC	10-Q	001-34885	August 11, 2011	10.03	
10.06	Amendment No. 4 to Uncommitted Credit Facility Letter, dated May 24, 2011, between registrant, BNP Paribas and Amyris Fuels, LLC	10-Q	001-34885	August 11, 2011	10.04	
10.07	Plain English Master Lease Agreement, dated March 14, 2008, between registrant and TriplePoint Capital LLC	S-1	333-166135	April 16, 2010	10.04	
10.08	First Amendment, dated September 18, 2009, to Plain English Master Lease Agreement between registrant and TriplePoint Capital LLC	S-1	333-166135	April 16, 2010	10.05	
10.09	Assistance Agreement, dated December 30, 2009, as modified by Assistance Agreement dated March 26, 2010, between registrant and the U.S. Department of Energy, together with schedules and supplements thereto	S-1	333-166135	April 16, 2010	10.09	
10.10	Modification No. 2, dated April 19, 2010, to Assistance Agreement between registrant and the U.S. Department of Energy	S-1	333-166135	May 25, 2010	10.13	

Exhibit Index	Description	Previously Filed			Exhibit	Filed Herewith
		Form	File No.	Filing Date		
10.11 ^{bc}	Agreement for Credit Opening, dated November 16, 2011, between Amyris Brasil Ltda. and Banco Nacional de Desenvolvimento Econômico e Social - BNDES					X
10.12 ^b	Corporate Guarantee, dated November 28, 2011, issued by registrant to Banco Nacional de Desenvolvimento Econômico e Social - BNDES					X
10.13 ^c	Bank Credit Agreement, dated December 21, 2011, between Amyris Brasil Ltda. and Banco Pine S.A.					X
10.14 ^b	Revolving Credit Facility letter agreement, dated December 23, 2010, between registrant and Bank of the West					X
10.15 ^a	Joint Venture Agreement dated April 14, 2010 among registrant, Amyris Brasil S.A. and Usina São Martinho S.A.	S-1	333-166135	August 31, 2010	10.14	
10.16 ^a	Shareholders' Agreement dated April 14, 2010 among registrant, Amyris Brasil S.A. and Usina São Martinho S.A.	S-1	333-166135	May 25, 2010	10.17	
10.17 ^a	Technology License, Development, Research and Collaboration Agreement, dated June 21, 2010, between registrant and Total Gas & Power USA Biotech, Inc.	S-1	333-16135	September 20, 2010	10.46	
10.18	Letter agreement, dated January 11, 2011, between registrant and Total Gas & Power USA Biotech, Inc.	10-Q	001-34885	May 11, 2011	10.01	
10.19 ^b	First Amendment to Technology License, Development, Research and Collaboration Agreement, dated November 23, 2011, between registrant and Total Gas & Power USA SAS					X
10.20 ^a	Joint Venture Implementation Agreement dated June 3, 2011 among Amyris, Inc., Amyris Brasil S.A., Cosan Combustíveis e Lubrificantes S.A. and Cosan S.A. Indústria e Comércio	10-Q	001-34885	August 11, 2011	10.01	
10.21 ^a	Shareholders' Agreement, dated June 3, 2011, among Amyris Brasil S.A., Cosan Combustíveis e Lubrificantes S.A. and Novvi S.A.	10-Q	001-34885	August 11, 2011	10.02	
10.22	Lease, dated August 22, 2007, between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.17	
10.23	First Amendment, dated March 10, 2008, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.18	
10.24	Second Amendment, dated April 25, 2008, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.19	
10.25	Third Amendment, dated July 31, 2008, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.20	
10.26	Fourth Amendment, dated November 14, 2009, to Lease between registrant and ES East Associates, LLC	S-1	333-166135	April 16, 2010	10.21	
10.27	Fifth Amendment, dated October 15, 2010, to Lease between registrant and ES East, LLC	10-K	001-34885	March 14, 2011	10.17	

Exhibit Index	Description	Previously Filed				Filed Herewith
		Form	File No.	Filing Date	Exhibit	
10.28	Lease dated April 25, 2008 between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.22	
10.29	Letter, dated April 25, 2008, amending Lease between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.23	
10.30	Second Amendment, dated February 5, 2010, to Lease between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.24	
10.31	Pilot Plant Expansion Right Letter dated December 22, 2008 between registrant and EmeryStation Triangle, LLC	S-1	333-166135	April 16, 2010	10.25	
10.32 ^{bc}	Lease Agreement dated, August 10, 2011, between Amyris Brasil Ltda. and Techno Park Empreendimentos e Administração Imobiliária Ltda.					X
10.33 ^d	Offer Letter dated September 27, 2006 between registrant and John Melo	S-1	333-16135	April 16, 2010	10.27	
10.34 ^d	Amendment, dated December 18, 2008, between registrant and John Melo	S-1	333-16135	April 16, 2010	10.28	
10.35 ^d	Offer Letter, dated January 17, 2008, between registrant and Jeryl Hilleman	S-1	333-16135	April 16, 2010	10.31	
10.36 ^d	Amendment, dated December 18, 2008, between registrant and Jeryl Hilleman	S-1	333-16135	April 16, 2010	10.32	
10.37 ^d	Letter Agreement dated August 2, 2011 between Amyris, Inc. and Jeryl Hilleman	10-Q	001-34885	November 9, 2011	10.01	
10.38 ^d	Offer Letter, dated November 9, 2009, between registrant and Peter Boynton	10-Q	001-34885	August 11, 2011	10.05	
10.39 ^d	Letter Confirming Amended and Restated Terms of Employment, dated April 18, 2011, between Amyris, Inc. and Mario Portela	10-Q	001-34885	August 11, 2011	10.06	
10.40 ^d	Offer Letter, dated January 24, 2005, between registrant and Tamara Tompkins	S-1	333-16135	April 16, 2010	10.35	
10.41 ^d	Amendment, dated January 15, 2009, between registrant and Tamara Tompkins	S-1	333-16135	April 16, 2010	10.36	
10.42 ^d	2005 Stock Option/Stock Issuance Plan	10-Q	001-34885	November 9, 2011	10.02	
10.43 ^d	Form of Notice of Grant of Stock Option under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.38	
10.44 ^d	Form of Notice of Grant of Stock Option (non-Exempt) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.39	
10.45 ^d	Form of Notice of Grant of Stock Option (non-US) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.40	

Exhibit Index	Description	Previously Filed				Filed Herewith
		Form	File No.	Filing Date	Exhibit	
10.46 ^d	Form of Stock Option Agreement under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.41	
10.47 ^d	Form of Stock Option Agreement (non-US) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.42	
10.48 ^d	Form of Stock Purchase Agreement under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.43	
10.49 ^d	Form of Stock Purchase Agreement (non-US) under registrant's 2005 Stock Option/Stock Issuance Plan	S-1	333-16135	April 16, 2010	10.44	
10.50 ^d	2010 Equity Incentive Plan and forms of award agreements thereunder	S-1	333-16135	June 23, 2010	10.46	
10.51 ^d	2010 Employee Stock Purchase Plan and forms of award agreements thereunder	S-1	333-16135	September 20, 2010	10.45	
10.52 ^{de}	Compensation arrangements between registrant and its non-employee directors					e
10.53 ^{df}	Compensation arrangements between registrant and its executive officers					f
21.01	List of subsidiaries					X
23.01	Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm					X
24.01	Power of Attorney (see signature page to this Form 10-K)					X
31.01	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-14(c) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.02	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-14(c) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.01 ^g	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.02 ^g	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101 ^h	The following materials from registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2011, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Operations; (ii) the Consolidated Balance Sheets; (iii) the Consolidated Statements of Comprehensive Income; (iv) the Consolidated Statements of Convertible Preferred Stock, Redeemable Noncontrolling Interest and Equity (Deficit); (v) the Consolidated Statements of Cash Flows; and (vi) Notes to Consolidated Financial Statements.					X

- a. Portions of this exhibit, which have been granted confidential treatment by the Securities and Exchange Commission, have been omitted.
- b. Portions of this exhibit have been omitted pending a determination by the Securities and Exchange Commission as to whether these portions should be granted confidential treatment.
- c. Translation to English from Portuguese in accordance with Rule 12b-12(d) of the regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

- d. Indicates management contract or compensatory plan or arrangement.
- e. Description contained under the heading "Director Compensation" in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 8, 2011 and incorporated herein by reference.
- f. Descriptions contained (i) under the heading "Executive Compensation" in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 8, 2011 and (ii) in registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 2, 2011, and incorporated herein by reference.
- g. This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.
- h. Pursuant to applicable securities laws and regulations, the Company is deemed to have complied with the reporting obligation relating to the submission of interactive data files in such exhibits and is not subject to liability under any anti-fraud provisions of the federal securities laws as long as the Company has made a good faith attempt to comply with the submission requirements and promptly amends the interactive data files after becoming aware that the interactive data files fails to comply with the submission requirements. These interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act, are deemed not filed for purposes of section 18 of the Exchange Act and otherwise are not subject to liability under these sections.

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AND PURSUANT TO THE PROVISIONS OF ARTICLE 5 BELOW, MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND APPLICABLE STATE SECURITIES LAW OR, IN THE OPINION OF LEGAL COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS EXEMPT FROM REGISTRATION.

WARRANT TO PURCHASE STOCK

Company: AMYRIS, INC., a Delaware corporation
Number of Shares: 21,087 / 3-day average of Common Stock price prior to the date of the Lease Agreement, subject to adjustment as set forth herein
Class of Stock: Common Stock, \$.0001 par value per share (the "Common Stock")
Warrant Price: \$10.67 / 3-day average of Common Stock price prior to the date of the Lease Agreement, subject to adjustment as set forth herein
Issue Date: December 23, 2011
Expiration Date: December 23, 2021
Credit Facility: This Warrant is issued in connection with that certain Master Lease Agreement of even date herewith between ATEL Ventures, Inc, as Lessor and the Company, as Lessee (the "Lease Agreement").

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, ATEL VENTURES, INC., in its capacity as Trustee for its assignee affiliated funds identified in that certain Amendment and Restatement of Inter-Company Trust Agreement for Warrants, dated as of February 1, 2006, and deemed effective as of July 20, 2004 (ATEL Ventures, Inc., as Trustee, together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, is referred to hereinafter as "Holder") is entitled to purchase the number of fully paid and nonassessable shares (the "Shares") of the class of securities (the "Class") of the above-named company (the "Company") at the above-stated Warrant Price, all as set forth above and as adjusted pursuant to Article 2 of this Warrant, subject to the provisions and upon the terms and conditions set forth in this Warrant.

ARTICLE 1. EXERCISE.

1.1 Method of Exercise. Holder may exercise this Warrant at any time and from time to time prior to the Expiration Date by delivering the original of this Warrant together with a duly executed Notice of Exercise in substantially the form attached as Appendix 1 to the principal office of the Company. Unless Holder is exercising the conversion right set forth in Section 1.2, Holder shall also deliver to the Company a check, wire transfer (to an account designated by the Company), or other form of payment acceptable to the Company for the aggregate Warrant Price for the Shares being purchased.

1.2 Conversion Right. In lieu of exercising this Warrant as specified in Section 1.1, Holder may from time to time prior to the Expiration Date convert this Warrant, in whole or in part, into a number of Shares determined by dividing (a) the aggregate fair market

value of the Shares or other securities otherwise issuable upon exercise of this Warrant minus the aggregate Warrant Price of such Shares by (b) the fair market value of one Share. The fair market value of the Shares shall be determined pursuant to Section 1.3.

1.3 Fair Market Value. If the Company's Common Stock is traded in a public market and the Shares are Common Stock, the fair market value of a Share shall be the average closing price of a share of Common Stock reported for the twenty (20) trading days immediately before Holder delivers this Warrant together with its Notice of Exercise to the Company pursuant to Section 1.1 above. If the Company's Common Stock is not traded in a public market, the Board of Directors of the Company shall determine fair market value in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Promptly after Holder exercises or converts this Warrant pursuant to Section 1.1 or Section 1.2, respectively, and, if applicable, the Company receives payment of the aggregate Warrant Price, the Company shall deliver to Holder certificates for the Shares acquired and, if this Warrant has not been fully exercised or converted and has not expired, a new Warrant representing the Shares not so acquired.

1.5 Replacement of Warrants. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor.

1.6 Treatment of Warrant Upon Acquisition of Company.

1.6.1 "Acquisition". For the purpose of this Warrant, "Acquisition" means any sale, license, or other disposition of all or substantially all of the assets of the Company, or any reorganization, consolidation, merger or sale of outstanding capital stock of the Company where the holders of the Company's outstanding securities before the transaction beneficially own less than a majority of the outstanding voting securities of the surviving entity (or the parent of the surviving entity) after the transaction.

1.6.2 Treatment of Warrant at Acquisition.

A) Upon the written request of the Company, Holder agrees that, in the event of an Acquisition in which the sole consideration is cash, either (a) Holder shall exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects not to exercise the Warrant, this Warrant will expire upon the consummation of such Acquisition, provided, however, that such expiration shall not occur if the Company has not given notice to Holder in accordance with this Section 1.6.2(A). The Company shall provide the Holder with written notice of its request relating to the foregoing (together with such reasonable information as the Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition.

B) Upon the written request of the Company, Holder agrees that, in the event of an Acquisition that is a sale of all or substantially all of the Company's assets (and only its assets) to a third party that is not an Affiliate (as defined below) of the Company (a "True Asset Sale"),

either (a) Holder shall exercise its conversion or purchase right under this Warrant and such exercise will be deemed effective immediately prior to the consummation of such Acquisition or (b) if Holder elects not to exercise the Warrant, this Warrant will continue until the Expiration Date if the Company continues as a going concern following the closing of any such True Asset Sale. The Company shall provide the Holder with written notice of its request relating to the foregoing (together with such reasonable information as the Holder may request in connection with such contemplated Acquisition giving rise to such notice), which is to be delivered to Holder not less than ten (10) days prior to the closing of the proposed Acquisition.

C) Upon the closing of any Acquisition other than those particularly described in subsections (A) and (B) above, the successor entity shall assume the obligations of this Warrant, and this Warrant shall be exercisable for the same securities, cash, and property as would be payable in the Acquisition for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding immediately prior to the closing of the Acquisition. The Warrant Price and/or number of Shares shall be adjusted accordingly.

As used herein “Affiliate” shall mean any person or entity that owns or controls directly or indirectly ten percent (10%) or more of the outstanding capital stock of Company, any person or entity that controls or is controlled by or is under common control with such persons or entities, and each of such person's or entity's officers, directors, joint venturers or partners, as applicable.

SECTION 2. ADJUSTMENTS TO THE SHARES.

2.1 Stock Dividends, Splits, Etc. If the Company at any time or from time to time prior to the Expiration Date declares or pays a dividend on the outstanding shares of the Class payable in Common Stock or other securities, then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without cost to Holder, the total number and kind of securities to which Holder would have been entitled had Holder owned the Shares of record as of the date the dividend occurred. If the Company at any time or from time to time prior to the Expiration Date subdivides the outstanding shares of the Class by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder shall be proportionately increased and the Warrant Price shall be proportionately decreased. If the outstanding shares of the Class are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased and the number of Shares purchasable hereunder shall be proportionately decreased.

2.2 Reclassification, Exchange, Combinations or Substitution. Upon any reclassification, exchange, substitution, or other event that results in a change of the number and/or class of the securities issuable upon exercise or conversion of this Warrant, Holder shall be entitled to receive, upon exercise or conversion of this Warrant, the number and kind of securities and property that Holder would have received for the Shares if this Warrant had been exercised immediately before such reclassification, exchange, substitution, or other event. The Company or its successor shall promptly issue to Holder an amendment to this Warrant setting forth the number and kind of such new securities or other property issuable upon exercise or conversion of this Warrant as a result of such reclassification, exchange, substitution or other event that results in a change of the number and/or class of securities issuable upon exercise or conversion of this Warrant. The amendment to this Warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 2 including, without limitation, adjustments to the Warrant Price and to the number of securities or property issuable upon exercise of the new Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, substitutions, or other events.

2.3 No Impairment. The Company shall not, by amendment of its Certificate of Incorporation, as in effect from time to time (the "Certificate of Incorporation"), or through a reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Warrant by the Company without the consent of the Holder, but shall at all times in good faith assist in carrying out of all the provisions of this Article 2 and in taking all such action as may be necessary to protect Holder's rights under this Article 2 against impairment.

2.4 Fractional Shares. No fractional Shares shall be issuable upon exercise or conversion of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise or conversion of this Warrant, the Company shall eliminate such fractional share interest by paying Holder the amount in cash computed by multiplying the fractional interest by the fair market value of a full Share.

2.5 Certificate as to Adjustments. Upon each adjustment of the Warrant Price, Class and/or number of Shares, the Company shall promptly notify Holder in writing, and, at the Company's expense, promptly compute such adjustment, and furnish Holder with a certificate of its Chief Financial Officer setting forth such adjustment and the facts upon which such adjustment is based. The Company shall, upon written request, furnish Holder a certificate setting forth the Warrant Price, Class and number of Shares in effect upon the date thereof and the series of adjustments leading to such Warrant Price, Class and number of Shares.

2.6 Automatic Conversion upon Expiration. In the event that, upon the Expiration Date, the fair market value of one Share (or other security issuable upon the exercise hereof) as determined in accordance with Section 1.3 above is greater than the Warrant Price in effect on such date, then this Warrant shall automatically be deemed on and as of such date to be converted pursuant to Section 1.2 above as to all Shares (or such other securities) for which it shall not previously have been exercised or converted, and the Company shall promptly deliver a certificate representing the Shares (or such other securities) issued upon such conversion to Holder.

ARTICLE 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Warranties. The Company represents and warrants that all Shares which may be issued upon the exercise of the purchase right represented by this Warrant shall, upon issuance, be duly authorized, validly issued, fully paid and nonassessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.

3.2 Notice of Certain Events. If the Company proposes at any time or from time to time prior to the Expiration Date (a) to declare any dividend or distribution upon the outstanding shares of the same class and series as the Shares, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for subscription or sale pro rata to the holders of the outstanding shares of the same class and series as the Shares any additional shares of any class or series of the Company's stock; (c) to effect any reclassification, reorganization or recapitalization of any of its stock; or (d) to effect an Acquisition or to liquidate, dissolve or wind up; then, in connection with each such event, the Company shall give Holder prior written notice of such event or action at the same time and in the same manner as the Company provides notice thereof to the holders of the outstanding shares of the Class.

3.3 No Shareholder Rights. Except as provided in this Warrant, Holder will not have any voting or other rights as a shareholder of the Company unless and until the exercise of this Warrant.

ARTICLE 4. REPRESENTATIONS, WARRANTIES OF THE HOLDER. The Holder represents and warrants to the Company as follows:

4.1 Purchase for Own Account. This Warrant and the securities to be acquired upon exercise of this Warrant by Holder will be acquired for investment for Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the Act. Holder also represents that it has not been formed for the specific purpose of acquiring this Warrant or the Shares.

4.2 Disclosure of Information. Holder has received or has had full access to all the information it considers necessary or appropriate to make an informed investment decision with respect to the acquisition of this Warrant and its underlying securities. Holder further has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of this Warrant and its underlying securities and to obtain additional information (to the extent the Company possessed such information or could acquire it without unreasonable effort or expense) necessary to verify any information furnished to Holder or to which Holder has access.

4.3 Investment Experience. Holder understands that the purchase of this Warrant and its underlying securities involves substantial risk. Holder has experience as an investor in securities of companies in the development stage and acknowledges that Holder can bear the economic risk of such Holder's investment in this Warrant and its underlying securities and has such knowledge and experience in financial or business matters that Holder is capable of evaluating the merits and risks of its investment in this Warrant and its underlying securities and/or has a preexisting personal or business relationship with the Company and certain of its officers, directors or controlling persons of a nature and duration that enables Holder to be aware of the character, business acumen and financial circumstances of such persons.

4.4 Accredited Investor Status. Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act.

4.5 The Act. Holder understands that this Warrant and the Shares issuable upon exercise or conversion hereof have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that this Warrant and the Shares issued upon any exercise or conversion hereof must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available.

ARTICLE 5. MISCELLANEOUS.

5.1 Term: This Warrant is exercisable in whole or in part at any time and from time to time on or before the Expiration Date.

5.2 Legends. This Warrant and the Shares (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with a legend in substantially the following form:

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND, EXCEPT AND PURSUANT TO THE PROVISIONS OF ARTICLE 5 OF THAT CERTAIN WARRANT TO PURCHASE STOCK ISSUED BY THE COMPANY TO ATEL VENTURES, INC., AS TRUSTEE, DATED AS OF DECEMBER 23, 2011, MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND APPLICABLE STATE SECURITIES LAW OR, IN THE OPINION OF LEGAL COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS EXEMPT FROM REGISTRATION.

5.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). The Company shall not require Holder to provide an opinion of counsel if the transfer is to any affiliate of Holder, provided that any such transferee is an "accredited investor" as defined in Regulation D promulgated under the Act; *provided, however*, in any such transfer the transferee shall agree in writing to be bound by the terms of this Warrant as if an original holder hereof.

5.4 Transfer Procedure. After receipt by ATEL Ventures, Inc., as Trustee, of the executed Warrant, it may transfer all or part of this Warrant and/or the Shares issuable upon exercise of this Warrant at any time to any affiliate of Holder, by giving the Company notice of the portion of the Warrant being transferred setting forth the name, address and taxpayer identification number of the transferee and surrendering this Warrant to the Company for reissuance to the transferee(s) (and Holder if applicable) and any subsequent Holder shall thereafter be subject to the transfer restrictions set forth in Section 5.3 above.

5.5 Notices. All notices and other communications from the Company to the Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, to such address as may have been furnished to the Company or Holder, as the case may (or on the first business day after transmission by facsimile) be, in writing by the Company or Holder from time to time. All notices to Holder shall be addressed as follows until the Company receives notice of a change of address in connection with a transfer or otherwise:

ATEL Ventures, Inc.
Attn: Associate General Counsel
600 California Street, 6th. Floor
San Francisco, CA 94108
Telephone: 415-616-3440

Facsimile: 415-616-5555

Notice to the Company shall be addressed as follows until Holder receives notice of a change in address:

Amyris, Inc.
Attn: Assistant General Counsel
5885 Hollis Street, Suite 100
Emeryville, CA 94708
Telephone: 510-597-4857
Facsimile: _____

5 . 6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by both parties hereto.

5 . 7 Attorney's Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5 . 8 Counterparts. This Warrant may be executed in counterparts, all of which together shall constitute one and the same agreement.

5 . 9 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

“COMPANY”

AMYRIS, INC.

By: /s/ Jeryl Hilleman

Name:____
(Print)
Title:____

“HOLDER”

ATEL VENTURES, INC., as Trustee

By: /s/ Paritosh K. Choksi

Name: Paritosh K. Choksi
(Print)
Title: Executive Vice President

APPENDIX 1

NOTICE OF EXERCISE

1. Holder elects to purchase _____ shares of the Common Stock of Amyris, Inc. pursuant to the terms of the attached Warrant, and tenders payment of the purchase price of the shares in full.

[or]

1. Holder elects to convert the attached Warrant into Shares/cash [strike one] in the manner specified in the Warrant. This conversion is exercised for _____ of the Shares covered by the Warrant.

[Strike paragraph that does not apply.]

2. Please issue a certificate or certificates representing the shares in the name specified below:

Holders Name

(Address)

3. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Article 4 of the Warrant as the date hereof.

HOLDER:

By:___

Name:___

Title:___

(Date):___

CONFIDENTIAL TREATMENT REQUESTED. CERTAIN PORTIONS OF THIS DOCUMENT HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND, WHERE APPLICABLE, HAVE BEEN MARKED WITH AN ASTERISK TO DENOTE WHERE OMISSIONS HAVE BEEN MADE. THE CONFIDENTIAL MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

AGREEMENT FOR CREDIT OPENING FINANCING Nº 11.2.0977.1, ENTERED INTO BY BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL - BNDES AND AMYRIS BRASIL LTDA., AS FOLLOWS:

BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL - BNDES, hereafter referred to as BNDES, a government-owned company headquartered in Brasília, Distrito Federal, with services in this City, at Avenida República do Chile nº 100, enrolled with CNPJ under nº 33.657.248/0001-89, through its undersigned representatives;

and

AMYRIS BRASIL LTDA., hereafter referred to as THE BENEFICIARY, a company with its head offices in Campinas, State of São Paulo, at R. James Clerk Maxwell, nº 315, enrolled with the CNPJ under Nº 09.379.224/0001-20, through its undersigned representatives,

agree to the provisions in the following clauses:

CLAUSE ONE

THE NATURE, VALUE AND PURPOSE OF THE AGREEMENT

Through this Agreement, BNDES opens to the BENEFICIARY a credit line in the amount of R\$ 22,353,000.0 (twenty-two million, five hundred and fifty-three thousand Brazilian Reals) to the BENEFICIARY checking account, comprising, among other sources, by the resources from the Fundo de Amparo ao Trabalhador - FAT, resources arising from FAT - Depósitos Especiais and the Fundo de Participação PIS/PASEP, pursuant to, in what concerns their allocation, the legislation relevant to each of the sources above, and pursuant to the system in place for the Programa BNDES de Sustentação do Investimento - BNDES PSI, as provided in Resolution nº 2.130/2011-BNDES, dated 08/02/2011, under the relevant federal legislation and the regulation issued by the Conselho Monetário Nacional and by the Finance Minister, according to the provision in Paragraph Two of Clause Two, for implementation of a Farnesene (15-carbon hydrocarbon) production site with capacity for [*] liters per year, in Piracicaba (SP), from the fermentation of sugarcane syrup, for implementing a production process at an industrial scale.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

CLAUSE TWO

THE CREDIT AVAILABILITY

Credit will be put at the BENEFICIARY disposal in installments after fulfillment of the suspensive conditions for use, as described in Clause Ten, as a function of the need to complete the financed project, according to BNDES financial plan, which is subordinated to the definition of resources for use by the National Monetary Council.

PARAGRAPH ONE

Resources from this operation will be put at the BENEFICIARY disposal upon a credit line to its checking account in the BENEFICIARY name at BNDES, not transactional, which will be made at the time of release of the debts determined by law and those contractually authorized by the BENEFICIARY, whose total balance remaining from the resources will be immediately transferred to the checking account nº [*], which the BENEFICIARY has at [*].

PARAGRAPH TWO

The amount of each credit installment to be put at the BENEFICIARY disposal will be kept in Brazilian Reals (R\$) and will not be changed until its effective release.

CLAUSE THREE

THE INTEREST RATES

Over the BENEFICIARY debt principal, interests will be paid at the rate of 7% (seven percent) per year, as remuneration.

PARAGRAPH ONE

The interest amount will be collected on a quarterly basis on day 15 (fifteen) of the months of March, June, September and December each year, in the period from December 15 2011 and December 15 2010, and on a monthly basis from January 15 2013, including, along with the amortization installments of the principal and on the maturity or termination of this Agreement, pursuant to the provision in Clause Sixteen.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

CLAUSE FOUR

THE CREDIT RESERVE CHARGE

The BENEFICIARY will pay BNDES a Credit Reserve Charge of 0.1 (one tenth of a percent) collectable for a period of 30 (thirty) days, or fraction, and levied over:

- I - The unused balance from each credit installment, from the day immediately after it is made available through its date of use, when its payment will be demanded; and
- II - The unused credit balance, from the day immediately after it is made available through the date it is cancelled, made upon a BENEFICIARY request, or upon BNDES decision, and which payment will be demanded on the date of the request or BNDES decision, as relevant.

PARAGRAPH ONE

The charges described in incise I and II above will be levied in case a resource availability scheme is established.

CLAUSE FIVE

THE DEBT PROCESSING AND COLLECTION

Collection of the principal and charges will be made upon a prior Collection Notice issued by BNDES to the BENEFICIARY to liquidate its obligations on their maturity dates.

PARAGRAPH ONE

Not receiving the Collection Notice will not exempt the BENEFICIARY from its obligation to pay the principal installments and charges on the dates established in this Agreement.

CLAUSE SIX

THE AMORTIZATION

The debt principal arising from this Agreement will be paid to BNDES in 60 (sixty) successive monthly installments, each one in the amount of the maturing debt principal divided by the number of installments to mature, where the first installment will mature on January 15 (fifteen) 2013, pursuant to

provision in Clause Sixteen, and the BENEFICIARY will liquidate, along with the last installment on December 15, 2017, all the obligations arising from this Agreement.

CLAUSE SEVEN

THE OPERATION GUARANTEE

To ensure payment of all obligations arising from this Agreement, including the debt principal, interest rates, commissions, penalties, fines and other expenses, the BENEFICIARY hereby gives BNDES a fiduciary property according to the provisions in article 66-B of Law nº 4.728, dated 07/14/65 and, as relevant, of Brazilian Civil Code from machines and equipment of its property set up and under operation at Estrada Professor Messias José Batista, nº 2.007, Piracicaba - SP and Fazenda Paraíso, Rodovia Brotas/Torrinha Km 7,5, Brotas - SP, assessed at R\$ 24,939,370.31 (twenty-four thousand, nine hundred and thirty-nine thousand, three hundred and seventy Brazilian Reals and thirty-one cents) for the date of 08/15/2011, as described in Attachment I herein.

PARAGRAPH ONE

The BENEFICIARY herein states that the goods described in this Clause are under its possession, free of any encumbrances, including tax encumbrances.

PARAGRAPH TWO

BNDES is entitled the right to request an assessment of listed goods if there is, upon its decision, any depreciation of the warranty.

CLAUSE EIGHT

THE BENEFICIARY SPECIAL OBLIGATIONS

The BENEFICIARY will:

- I - Fulfill, in what it is concerned, until the final liquidation of the debt arising from this Agreement, the "PROVISIONS APPLICABLE TO BNDES AGREEMENTS", as approved by Resolution nº 863, dated 03/11/1996, Resolution nº 878, dated 09/04/1996, Resolution nº 894, dated 03/06/1997, Resolution nº 927, dated 1.4.1998, Resolution nº 976, dated 24.9.2001, Resolution nº 1.571, dated 03/04/2008, Resolution nº 1.832, dated 09/15/2009, Resolution nº 2.078, dated 03/15/2011, and

Resolution 2.139, dated 30.8.2011, all from BNDES Board, published in the Official Gazette (Section I), dated 12/29/1987, 12/27/1991, 04/08/1996, 09/24/1996, 03/19/1997, 04/15/1998, 10/31/2001, 03/25/2008, 11/06/2009, 04/04/2011 and 09/13/2011, respectively, which copy is delivered herein to the BENEFICIARY which, after reading all the content in the Official Gazette will accept it as an integral and inseparable part of this Agreement for all legal purposes;

- II - Use the total credit within 12 (twelve) months from the date this Agreement is executed, without prejudice of BNDES power, before or after the end of said term, pursuant to the guarantees in this Agreement, to extend such term for no longer than additional 12 (twelve) months, upon an express authorization, epistolary via, irrespectively of any other formality or enrollment;
- III - Under the provision of occurring, as a function of the project described in Clause One, a reduction to the BENEFICIARY headcount throughout the period this Agreement is effective, offer a training program focusing on job opportunities in the region and/or a worker relocation program in other companies, after having issued to BNDES, for appreciation, a document specifying and attesting the completion of the negotiations carried out with the relevant worker representatives involved with the termination process;
- IV - Adopt, throughout the period this Agreement is effective, the measures and actions designed to prevent or address environmental damages, safety and health that can arise from the project, as described in Clause One;
- V - Have a regular status with environmental agencies throughout the term of effectiveness of this Agreement;
- VI - Observe, throughout the term of effectiveness of this Agreement, the provision in the relevant legislation regarding people with a disability;
- VII - Notify BNDES, on the date the event takes place, the name and CPF/MF of any person who provides a paid job or is among its proprietors, controllers or directors, or has been inaugurated as a Member of the Parliament or Senator;
- VIII - Keep and safeguard the goods given under assurance through a fiduciary property, as provided in incises I and II of article 1363 of the Brazilian Civil Code, being liable for any eventual default of these obligations;
- IX - Early liquidate the total debt in this Agreement, previously to the performance by Biomin do Brasil Nutrição Animal Ltda. in the purchase option of assets from the project, as provided in the *Joint Manufacturing*

Agreement, and its addendums, and the *Free Lease Agreement*, both dated 06/24/2010;

- X - Notify BNDES epistolary via, up to the 90th (ninetieth) day prior to the end of the term of effectiveness of the letters of guarantee described in Clauses Ten, III, a), and Eighteen, the financial institutions that will renew or issue such letters of guarantee, as provided in Clause Ten, III, a), and Eighteen;
- XI - Provide to BNDES by the 45th (forty-fifth) day prior to the end of the term of effectiveness of the letters of guarantee described in Clauses Ten, III, a), and Eighteen, their renewal or new letters of guarantee, pursuant to the template provided by BNDES, issued according to Clause Ten, III, a), and Eighteen, duly filed, under the penalty of having this Agreement being considered early terminated, with the payment of debt and immediate cessation of any disbursement;
- XII - Evidence of reimbursement to BNDES of all costs (including tax charges) and fees incurred with the provided services by the law firm overseas contracted by BNDES to provide consulting services related to the guarantee described in Clause Ten within the term of 10 (ten) days from the date of request by BNDES for payment of such disbursement.

CLAUSE NINE

THE RESPONSIBILITY IN THE BUSINESS ASSIGNMENT

In the event of a business assignment, any eventual successors of the BENEFICIARY will be jointly responsible for the obligations arising from this Agreement.

PARAGRAPH ONE

The provision in the “caption” of this Clause will not be used if there is prior BNDES consent to the suspension of solidarity in a partial split.

CLAUSE TEN

THE CREDIT USE CONDITIONS

Using the credit, in addition to meeting, as relevant, the conditions provided in articles 5 and 6 of the "PROVISIONS APPLICABLE TO BNDES AGREEMENTS" above and the ones established in the "FOLLOW UP POLICIES AND INSTRUCTIONS" in article 2 of the said "PROVISIONS", it is additionally required to meet the following:

- I - To use the first credit installment:
 - a) The BENEFICIARY will open a checking account with BNDES;
 - b) Providing to BNDES the personal guarantee instrument described in Clause Eleven, issued by Amyris Inc., according to the template provided by BNDES, notarized and consularized, followed by an opinion based on satisfactory terms, upon BNDES decision, by an acclaimed attorney or law firm overseas, appointed by the BENEFICIARY and accepted by BNDES, attesting the regularity of the personal guarantee, and such opinion should include, as a minimum, the following considerations:
 - b.1 - The undersigned attorney will state that he/she has reviewed the legislation in the guarantor country, its Articles of Incorporation and internal regulatory actions and any other actions that have been required for the issuance of such opinion.
 - b.2 - The legality of the guarantor constitution, as well as his/her capacity and legitimacy to provide the guarantee and observance of the legal standards and regulations to assume the obligations established in the guarantee instrument, also attaching to the opinion a copy of the Articles of Incorporation or similar document;
 - b.3 - That the guarantor, through its legal representatives and based on approval by its deliberative agencies, has the powers to enter into and fulfill the terms and conditions established in the guarantee instrument, attaching to the opinion a copy of the actions of appointment of the legal representatives of the guarantor and the deliberative action for provision of the guarantee;
 - b.4 - That the guarantor legal representatives signing the instrument of guarantee have powers to bind and oblige the guarantor to their terms and conditions;
 - b.5 - That the instrument of guarantee does not violate (a) the guarantor Articles of Incorporation, the (b) constitutional policies, treaties, laws, normative and regulatory actions

applicable to the guarantor or any determination by a government agency over the guarantor, (c) neither results in a lack of fulfillment of any agreement in which the guarantor is a part or through which the guarantor assets are listed;

- b.6 - That the instrument of guarantee was entered into according to the formalities set forth in the legislation of the guarantor country and that it is a valid, effective and binding instrument;
- b.7 - That all actions have been made and all records have been filed or authorized by government agencies, departments or authorities in the guarantor country to ensure the performance, effectiveness and fulfillment of the guarantee instrument by the guarantor;
- b.8 - That there are no legal or administrative procedures filed against the guarantor and, if there is any, such procedures do not adversely affect the guarantor payment capacity.

c) Providing BNDES with the Letters of Guarantee described in Clause Eighteen.

II - To use each credit installment:

- a) Inexistence of any fact that, upon BNDES discretion, may substantially change the BENEFICIARY economic-financial status or that can adversely affect the performance of the financed enterprise herein in a way that can change it or prevent it from realizing, pursuant to the provisions in the project approved by BNDES;
- b) Presentation by the BENEFICIARY of the Negative Debt Certificate - CND or Positive Debt Certificate with Negative Effects - CPD-EN, issued by the Secretaria da Receita Federal do Brasil, on the INTERNET to be downloaded by the BENEFICIARY from the address www.receita.fazenda.gov.br and verified by BNDES on the same address.
- c) Evidence of regular status at relevant environmental agencies or, when such evidence has already been provided and is effective, a statement by the BENEFICIARY proving that the document is still effective;

III - To use resources above R\$ 19,100,000.00 (nineteen million and one hundred Brazilian Reals):

- a) Provide guarantee by each debt installment, at an amount that has been previously defined by BNDES as being 90% (ninety percent) of the credit amount to be released, as a function of the credit amount to be released, for a minimum term of 2 (two) years, to be provided by financial institutions that, upon BNDES discretion, are in an economic-financial status that can ensure a degree of notorious

solvency, upon Letters of Guarantee to be provided pursuant to a template supplied by BNDES, where the guarantors are under the condition of joint debtors and main payers of the obligations arising from this Agreement, expressly renouncing the benefits provided in articles 366, 827 and 838 of the Brazilian Civil Code establishing that any changes to the guarantee term or amount always depends on the previous agreement from such guarantors; or

- b) Constitute actual guarantees, approved by BNDES, at an amount that is at least 130% (one hundred and thirty percent) of the amount of the credit installment to be released.

PARAGRAPH ONE

The opinion described in incise I, "b" of this Clause will be, when the official language in the country is not Portuguese, made in English.

PARAGRAPH TWO

If the opinion described in incise I, "b", of this Clause is issued by the guarantor internal attorney, such opinion will be notarized.

PARAGRAPH THREE

The letters of guarantee above in line a) of incise III of this Clause will be successively renewed or replaced by letters of guarantee issued upon the same terms as above, following the terms and procedures provided in incises X and XI of Clause Eight, until the final termination of this Agreement.

CLAUSE ELEVEN

THE PERSONAL GUARANTEE

To ensure payment of any obligations arising from this Agreement, including the debt principal, interest rates, commissions, conventional penalty, fines and expenses, Amyris Inc. will provide a personal guarantee, as a joint debtor and main payer of the obligations arising from this Agreement until its final termination, upon an instrument of personal guarantee with terms that are satisfactory to BNDES, notarized, expressly renouncing to the benefits of articles 366, 827 and 838 of the Brazilian Civil Code, or, as relevant, other equivalent benefits that may be provided by any guarantee legislation.

CLAUSE TWELVE

THE DEFAULT

Under a default of the obligations herein by the BENEFICIARY, the provision in articles 40 to 47-A the “**PROVISIONS APPLICABLE TO BNDES AGREEMENTS**”, described in Clause Eight, Incise I will apply.

CLAUSE THIRTEEN

THE JUDICIAL PENALTY

In the event of any judicial collection arising from this Agreement, the BENEFICIARY will pay a 10% (ten percent) fine over the principal plus debt charges, in addition to extrajudicial, judicial expenses, attorney fees due to be paid from the date the judicial collection is filed.

CLAUSE FOURTEEN

THE EARLY DEBT LIQUIDATION

In case of early debt liquidation, the guarantees will be suspended, but other obligations provided in article 18, pages two of the “**PROVISIONS APPLICABLE TO BNDES AGREEMENTS**” described in Clause Eight, Incise I will apply.

CLAUSE FIFTEEN

THE EARLY MATURITY

BNDES may declare this Agreement as early matured and demand the debt to be paid and the immediate suspension of any disbursement if, in addition to the provisions provided in articles 39 through 40 of the **PROVISIONS APPLICABLE TO BNDES AGREEMENTS** described in Clause Eight, Incise I BNDES identifies any of the following:

- a) A reduction in the BENEFICIARY headcount without meeting provision in Incise III of Clause Eight;

- b) A condemnation processed in a court as a result from actions made by the BENEFICIARY involving child labor, slave labor or crime against the environment;
- c) A lack of fulfillment of the BENEFICIARY obligations, including the ones described in Incises VIII, X and XI of Clause Eight;
- d) A merger, assignment, dissolution, incorporation (as the incorporator or incorporated), closure of capital or change to the BENEFICIARY effective control, whether direct or indirect, or of its successors throughout the term of effectiveness of this Agreement without a prior written consent from BNDES.

PARAGRAPH ONE

In case of the use of the resources made available through this Agreement for a purpose that is different from the one provided in Clause One, BNDES, without prejudice of the provision above in this Clause, will notify such fact to the Ministério Público Federal, for all the purposes and effects of Law nº 7.492, dated 06/16/86.

PARAGRAPH TWO

This Agreement will also terminate early, with payment of the debt and immediate suspension of any disbursements on the date of inauguration as a Member of Parliament or Senator of any person with a paid job at the BENEFICIARY, or who is among its proprietors, controllers or directors, people included in the prohibition described in the Federal Constitution, articles 54, Incises I and II. No delinquency charges will be levied if the payment is made within 5 (five) business days from the date of inauguration, under the penalty of otherwise being levied the charges provided for the conditions of early maturity from a default.

PARAGRAPH THREE

The provision for early maturity provided in line “b” will not take place if the required mitigation is made or while the penalty imposed on the BENEFICIARY is being met, pursuant to the relevant legal process.

CLAUSE SIXTEEN

THE MATURITY ON HOLIDAYS

Every maturity date for amortization of the principal and charges that takes place on Saturdays, Sundays or national, state, or city holidays, including banking holidays, will be, for all purposes and effects of this Agreement, moved to the first subsequent business day, with all the charges calculated through that date and also beginning, from such date, the regular subsequent period for assessment and calculation of the charges arising from this Agreement.

PARAGRAPH ONE

For the purposes of the above provided in this Clause, except if otherwise provided, holidays will be the holidays at the place where the BENEFICIARY is headquartered, which address is provided in this Agreement.

CLAUSE SEVENTEEN

THE AUTHORIZATION

The BENEFICIARY authorizes BNDES to discount from any credit installment, when it is used, up to US\$ 26,000.00 (twenty six thousand dollars) converted to Brazilian Reals with the exchange rate used by BNDES on the date the payment is made by BNDES, corresponding to the amounts incurred with the services provided by the law firm overseas hired by BNDES to provide consulting services in regard to the project described in Clause One of this Agreement, under the title of Expenses to Reimburse, including, without limiting, the amounts related to the services effectively provided, to be added by taxes and all other expenses.

CLAUSE EIGHTEEN

THE GUARANTEE

In addition to the fiduciary guarantee described in Clause Eleven herein, the BENEFICIARY will provide additional guarantee, to be formalized upon letters of guarantee issued according to the template to be provided by BNDES, for a minimum term of 2 (two) years, to be provided by financial institutions which, upon BNDES discretion, are in an economic-financial status that awards

them notorious solvency and such guarantors will be the main payers of the obligations arising from this Agreement, expressly renouncing to the benefits in articles 366, 827 and 838 of the Brazilian Civil Code. The responsibility of each guarantor is limited to the percents of the debt which, after aggregated, total 10% (ten percent) of the debt amount, being agreed that any change to the term or amount of such guarantee is dependent upon a prior consent from the guarantors.

PARAGRAPH ONE

The letters of guarantee above will be successively renewed or replaced by letters of guarantee issued upon the same terms as above described, pursuant to the deadlines and procedures provided in Incises X and XI of Clause Eight, until the termination of this Agreement.

The BENEFICIARY has provided the Negative Debt Certificate - CND nº [*], issued on September 12, 2011 by the Secretaria da Receita Federal do Brasil.

BNDES is herein represented by the BNDES Directors undersigned and identified, pursuant to the power of attorney entered in Book 902, page 178, of the 22 Notary Office in the County of the Capital City of the State of Rio de Janeiro.

The pages in this Agreement are signed by [*], BNDES attorney, by authorization from the legal representatives signing this Agreement.

And, in witness whereof, the Parties execute this Agreement in 02 (two) counterparts of equal contents and for one single purpose, before the undersigned witnesses

Rio de Janeiro, 16 de Novembro de 2011

Page of Signature of Agreement nº 11.2.0977.1

By BNDES:

/s/ Joao Canos Ferrez /s/ Roberto Zuril Machado

BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL - BNDES

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

By the BENEFICIARY:

/s/ Paulo Diniz /s/ Fabio Schettino
AMYRIS BRASIL LTDA.

WITNESSES:

/s/ Mariana Dias Eduardo /s/ Felipe M. Caram
Name: Mariana Dias Eduardo Name: Felipe M. Caram
Identity: illegible Identity: illegible
CPF: illegible CPF: illegible

ATTACHMENT I - MACHINES AND EQUIPMENT - FIDUCIARY PROPERTY
- CLAUSE SEVEN OF THE FINANCING AGREEMENT N° 11.2.0977.1

[*]

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

CONFIDENTIAL TREATMENT REQUESTED. CERTAIN PORTIONS OF THIS DOCUMENT HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND, WHERE APPLICABLE, HAVE BEEN MARKED WITH AN ASTERISK TO DENOTE WHERE OMISSIONS HAVE BEEN MADE. THE CONFIDENTIAL MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

CORPORATE GUARANTEE (Amyris)

GUARANTEE (as the same may be amended, supplemented or otherwise modified from time to time, the “Guarantee”), dated November 28, 2011 of Amyris, Inc., a corporation organized under the laws of the State of Delaware (the “Guarantor”) in favor of Banco Nacional de Desenvolvimento Econômico e Social - BNDES, its successors and assigns (the “Beneficiary”).

WHEREAS, Amyris Brasil Ltda. a *sociedade limitada* formed under the laws of the Federative Republic of Brazil, (the “Primary Obligor”) has entered into the *Contrato de Financiamento Mediante Abertura de Crédito n.º 11.2.0977.1* dated November 16, 2011 (as amended, modified and supplemented from time to time, the “Financing Agreement”), with the Beneficiary, under which the Beneficiary has agreed to provide to the Primary Obligor credit in Brazilian Reais in the amount of R\$22,353,000.00, for the development of an industrial scale farnesene producing unit in Piracicaba, State of São Paulo, with a capacity of [*] liters per year, subject to the conditions provided therein;

WHEREAS, in consideration of all transactions to which the Guarantee relates already entered into and to be entered into after the date hereof under the Financing Agreement, and in return for substantial direct and indirect benefits to the Guarantor, the Guarantor has agreed to guarantee the payment of all amounts owed from time to time, and performance from time to time, due by the Primary Obligor under the Financing Agreement; and

WHEREAS, the Beneficiary also has the benefit of a security interest over machinery and equipment of the Primary Obligor pursuant to Section 7 of the Financing Agreement and any other security interests set out therein or in ancillary agreements (as amended, modified and supplemented from time to time, the “Collateral,” and together with the Financing Agreement, the “Financing Documents”).

NOW, THEREFORE, the Guarantor hereby agrees:

Section 1. The Guarantee. (a) From and after the date hereof, the Guarantor hereby irrevocably guarantees to the Beneficiary the payment of all present and future amounts (whether absolute or contingent, and whether for principal, interest, scheduled payments, termination amounts, fees, breakage costs, expenses, indemnification, contractual penalty, interest on deferred payments, or otherwise) owing by the Primary Obligor under or in respect of the Financing Agreement or any other Financing Documents, as and when such amounts become due and payable, whether at their scheduled due dates, upon acceleration, termination or otherwise (or would otherwise be owing, due or payable under the Financing Agreement but for the commencement of any bankruptcy, insolvency or similar proceeding in respect of the Primary Obligor) (such obligations, the “Payment Obligations”) and the performance of all delivery and other obligations of the Primary Obligor under the Financing Agreement or any other Financing Documents in accordance with the terms of the Financing Agreement or any other Financing Documents (the “Performance Obligations” and, together with the Payment Obligations, the “Guaranteed Obligations”). The Beneficiary shall have the option to demand payment of the Guaranteed Obligations from the Guarantor in U.S. Dollars or Brazilian Reais.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

This is a guarantee of payment and performance, and not merely of collection. The Guarantor further agrees to pay all costs, fees and expenses (including, without limitation, fees of outside counsel) incurred by the Beneficiary in connection with enforcing or exercising rights under this Guarantee or arising from a breach by the Guarantor of the provisions hereof or any misrepresentation made by the Guarantor herein.

(b) In no event shall the Beneficiary be obligated to take any action, obtain any judgment or file any claim prior to enforcing this Guarantee. Upon failure of the Primary Obligor punctually to pay or perform any Guaranteed Obligations, the Guarantor agrees promptly to pay or perform or cause to be paid or performed such Guaranteed Obligations. The rights, powers, remedies and privileges provided in this Guarantee are cumulative and not exclusive of any rights, powers, remedies and privileges provided by any other agreement or by law.

(c) The Guarantor hereby agrees that this is an absolute and unconditional, continuing and unlimited guarantee.

(d) The Guarantor hereby waives any claims relating to, and permits, as applicable:

(1) the invalidity, irregularity or unenforceability of the Financing Agreement or this Guarantee or any other Financing Documents or any other agreement related to the Financing Agreement or this Guarantee or any other Financing Documents;

(2) the lack of authority of Primary Obligor to execute or deliver the Financing Agreement or any other Financing Documents;

(3) any change in the time, manner or place of payment of, or in any other term of, or amendment to the Financing Agreement or any other Financing Documents;

(4) any change in amount, nature or otherwise, or discharge in connection with the Collateral;

(5) any waiver or consent by the Beneficiary with respect to any provisions of the Financing Agreement or any other Financing Documents or any compromise or release of any of the obligations thereunder;

(6) the absence of any action to enforce the Financing Agreement or any other Financing Documents, to recover any judgment against the Primary Obligor or to enforce a judgment against the Primary Obligor under the Financing Agreement or any other Financing Documents;

(7) the occurrence of any event of default or potential event of default under the Financing Agreement or any other Financing Documents;

(8) the existence of any bankruptcy, insolvency, reorganization or similar proceedings involving the Primary Obligor or its assets;

(9) other than payment of any amounts due hereunder, any setoff, counterclaim, or defense of any kind or nature which may be available to or asserted by the Guarantor or the Primary Obligor against the Beneficiary or any of its affiliates;

(10) any impairment, taking, furnishing, exchange or release of, or failure to perfect or obtain protection of the Collateral or any other security interest in, collateral securing the Financing Agreement or any other obligation of the Primary Obligor;

(11) any change in the laws, rules or regulations of any jurisdiction;

(12) any present or future action of any governmental authority or court amending, varying, reducing or otherwise affecting, or purporting to amend, vary, reduce or otherwise affect, any of the obligations of the Primary Obligor under the Financing Agreement or any other Financing Documents or of Guarantor under this Guarantee;

(13) any claim as to the validity, regularity or enforceability of the subrogation rights provided in Section 3 below;

(14) any other circumstance (other than payment or performance) which might otherwise constitute a legal or equitable discharge or defense of a guarantor generally; or

(15) any change in the corporate existence, structure or ownership of the Primary Obligor, or any release or discharge of the Guaranteed Obligations.

(e) The Guarantor hereby further waives diligence, presentment, demand on the Primary Obligor for payment or otherwise, filing of claims, requirement of a prior proceeding against the Primary Obligor and protest or notice. If at any time (including any time after termination or expiration of this Guarantee) payment under the Financing Agreement or any other Financing Documents is rescinded or must be otherwise restored or returned by the Beneficiary upon the insolvency, bankruptcy or reorganization of the Primary Obligor or the Guarantor or otherwise, the Guarantor's obligations hereunder with respect to such payment shall be reinstated upon such restoration or return being made by the Beneficiary, all as though such payment had not been made.

(f) The Guarantor hereby agrees that, absent manifest error, the internal records of the Beneficiary setting forth the outstanding amount or the status of the Guaranteed Obligations are binding and conclusive proof of the amounts owed, or performance due, under the Financing Agreement and any other Financing Documents.

(g) The Guarantor shall remain liable for the Guaranteed Obligations until the Guaranteed Obligations are irrevocably paid in full in accordance with this Guarantee and with the Financing Agreement, and nothing except irrevocable payment in full of all Guaranteed Obligations in accordance with this Guarantee and with the Financing Agreement shall release the Guarantor from its obligations under this Guarantee.

(h) The Beneficiary shall have no obligation to disclose or discuss with the Guarantor their assessment, or any assessment by any other person, of the financial or other condition of the Primary Obligor; the Beneficiary shall have no obligation to investigate the financial or other

condition of the Primary Obligor; the Guarantor has adequate means to obtain information from the Primary Obligor on a continuing basis concerning the financial and other condition of the Primary Obligor and its ability to perform its obligations and discharge its liabilities as they become due; and the Guarantor assumes full responsibility for being and keeping informed of the financial and other condition of the Primary Obligor and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations to the extent the Guarantor desires to be kept so informed.

(i) The Beneficiary may enforce this Guarantee upon the occurrence and during the continuance of a breach by the Primary Obligor of any of its obligations under the Financing Documents, notwithstanding the existence of any dispute between the Primary Obligor and the Beneficiary or any other party with respect to the existence of such breach or any other matter.

(j) The Beneficiary may, at its election, foreclose on any security held by it in one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with the Primary Obligor or any other guarantor or exercise any other right or remedy available to it against the Primary Obligor, without affecting or impairing in any way the liability of the Guarantor hereunder except to the extent the Guaranteed Obligations then due and owing have been fully paid.

Section 2. Representations and Warranties. The Guarantor represents and warrants to the Beneficiary on the date hereof and, except as otherwise indicated, during the duration of this Guarantee that:

- (a) it has reviewed and is familiar with the terms of the Financing Documents;
- (b) it is duly organized and validly existing under the laws of the jurisdiction of its organization and has full power and legal right to execute and deliver this Guarantee and to perform the provisions of this Guarantee on its part to be performed;
- (c) its execution, delivery and performance of this Guarantee have been and remain duly authorized by all necessary organizational action and do not contravene any provision of its certificate of incorporation or by-laws, or any law, regulation or rule applicable to it or contractual restriction binding on it or its assets;
- (d) all consents, authorizations, approvals and clearances (including, without limitation, any necessary exchange control approval) and notifications, reports and registrations requisite for the due execution, delivery and performance of this Guarantee have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect and all conditions thereof have been duly complied with and no other action by, and no notice to, or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance;
- (e) this Guarantee is the valid and binding and enforceable obligation of the Guarantor;

(f) the Guarantor and a wholly-owned subsidiary of Guarantor, together, own all the equity interest in the Primary Obligor and Guarantor acknowledges that it will receive substantial direct and indirect benefits from the transactions contemplated by the Financing Agreement and that its waivers of suretyship and other defenses are knowingly made in contemplation of such benefits;

(g) on the date hereof and on the date of each disbursement under the Financing Agreement, after giving effect to this Guarantee, the aggregate fair saleable value of all of the Guarantor's property, at fair valuation, will be greater than the sum of all the Guarantor's liabilities of any nature, including without limitation contingent and unmatured debts or claims ("Liabilities");

(h) it has not transferred, concealed or removed any of its property with the intent to hinder, delay or defraud its creditors, nor is it now making this Guarantee with intent to hinder, delay or defraud its creditors;

(i) on the date hereof and on the date of each disbursement under the Financing Agreement, after giving effect to this Guarantee, the value of its remaining assets is not unreasonably small in relation to its business as contemplated thereon or with respect to any transaction contemplated or undertaken thereafter;

(j) on the date hereof and on the date of each disbursement under the Financing Agreement, it has not incurred and does not intend to incur, or believe (or reasonably believe) that it will incur Liabilities beyond its ability to pay as such Liabilities mature;

(k) it has satisfied in full any final judgment against it in an action or suit for money damages which judgment results from an action or suit pending against it on or prior to the date hereof and there is no action or suit for money damages pending against it on or prior to the date hereof;

(l) there are no other proceedings pending or, to the knowledge of the Guarantor, threatened against the Guarantor, at law or in equity, which, individually or in the aggregate, if adversely determined, would materially adversely affect the financial condition of the Guarantor or materially impair the Guarantor's ability to perform its obligations under this Guarantee;

(m) none of its controlling shareholders, executive officers, members of its board of directors and their respective legal representatives, nor any of their family members or affiliates are politically exposed persons. For the purpose of this paragraph a "politically exposed person" means a person who is or has been entrusted in the last five years, in Brazil or in any other jurisdiction or territory, with any prominent public function, job or position, including, without limitation, head of state or government, high-ranking political appointments or elected politicians, high-ranking civil service positions, high-ranking judicial or military posts and chief of any corporation owned by a government, a governmental agency or political parties. Individuals in middle-ranking or more junior positions within the foregoing categories are excluded from the definition of "politically exposed persons"; and

(n) none of its controlling shareholders, executive officers, managers, directors and their affiliates are subject to any financial sanctions of the United Nations Organization - UN, nor are they included in any financial sanctions lists in connection with terrorism or money laundering.

Section 3. Subrogation of Rights. By accepting this Guarantee and entering into the Financing Agreement, the Guarantor shall be subrogated to all rights of the Beneficiary against the Primary Obligor in respect of any amounts paid or performance by the Guarantor pursuant to this Guarantee, provided that the Guarantor shall be entitled to enforce or to receive any payment or performance arising out of or based upon such right of subrogation only when all amounts payable and all performance to be effected by the Primary Obligor under the Financing Agreement and the other Financing Documents have been paid and performed and the Financing Agreement has been terminated. The Guarantor agrees that it will not take any action against or in respect of the Primary Obligor relating to any payment or performance made by the Guarantor under this Guarantee until such time as the Guaranteed Obligations shall have been paid and performed in full and the Financing Agreement has been terminated.

Section 4. Covenants. (a) The Guarantor agrees with the Beneficiary that it will comply, during the term of this Guarantee, with sections applicable to Guarantor from the *Disposições Aplicáveis aos Contratos do BNDES*, approved by Resolution No. 665, dated as of December 10, 1987, partially amended by Resolution No. 775, dated as of December 16, 1991, by Resolution No. 863, dated as of March 11, 1996, by Resolution No. 878, dated as of September 4, 1996, by Resolution No. 894, dated as of March 16, 1997, by Resolution No. 927, dated as of April 1, 1998, by Resolution No. 976, dated as of September 24, 2001, by Resolution No. 1,571/2008, dated as of March 4, 2008, by Resolution No. 1,832, dated as of September 15, 2009, by Resolution No. 2,078, dated as of March 15, 2011, and by Resolution No. 2,139, dated as of August 30, 2011, all issued by the Board of Officers of the Beneficiary, as published by the *Diário Oficial da União (Seção I)*, on December 29, 1987, December 27, 1991, April 8, 1996, September 24, 1996, March 19, 1997, April 15, 1998, October 31, 2001, March 25, 2008, November 6, 2009, April 4, 2011, and on September 13, 2011, respectively, a copy of which was delivered to the Guarantor. The Guarantor hereby acknowledges that it is familiar with the content of these resolutions and agrees that the relevant portions will be an integral part of this Guarantee and that the Guarantor will not cause the Primary Obligor to fail to comply with such resolutions.

(b) So long as any Guaranteed Obligations remain outstanding or any Financing Documents remain in effect, the Guarantor shall not, without the prior written consent of the Beneficiary, commence or join with, or take any action in furtherance of, any other person in commencing any bankruptcy proceeding of or against Primary Obligor. The obligations of the Guarantor under this Guarantee shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any bankruptcy proceeding of or against the Primary Obligor or by any defense that the Primary Obligor may have by reason of any order, decree or decision of any court or administrative body resulting from or relating to any such bankruptcy proceeding or the existence of such bankruptcy proceeding.

(c) The Guarantor hereby agrees that until such time as all of the Guaranteed Obligations shall be paid and performed in full, the Subordinated Indebtedness (as hereinafter

defined) is and shall be expressly subordinated, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment of the Guaranteed Obligations.

The term "Subordinated Indebtedness" shall mean, at any time, the then outstanding aggregate principal amount of all indebtedness of the Primary Obligor to the Guarantor in respect of borrowed money, fees, royalties or other advance or arrangement (including any subrogation rights with respect to this Guaranty), all accrued and unpaid interest and premium, if any, thereon and all expenses incurred by and all indemnities payable to the Guarantor pursuant to any agreement between the Primary Obligor and the Guarantor in respect of any such indebtedness or otherwise.

Upon the happening of any breach by the Primary Obligor under the Financing Documents, unless and until such breach shall have been remedied or waived, no direct or indirect payment (in cash, property or securities or by set-off or otherwise) shall be made or agreed to be made on account of the Subordinated Indebtedness and the Guarantor shall not demand, collect or receive any payment on account of the Subordinated Indebtedness.

(d) All payments made or deemed made by the Guarantor hereunder or under the Financing Agreement shall be made free and clear of, and without deduction for any present or future income, excise, stamp or franchise taxes and other taxes, fees, duties, withholdings or other charges of any nature whatsoever imposed by any taxing authority (such items being herein referred to as "Taxes"). In the event that any withholding or deduction from any payment to be made or deemed to be made by the Guarantor hereunder or under the Financing Agreement is required in respect of any Taxes pursuant to any applicable law, rule, regulation, then the Guarantor will:

- (i) pay directly to the relevant authority the full amount required to be so withheld or deducted;
- (ii) promptly forward to the Beneficiary an official receipt or other documentation reasonably satisfactory to the Beneficiary evidencing such payment to such authority; and
- (iii) pay to the Beneficiary such additional amount or amounts as is necessary to ensure that the net amount actually received by the Beneficiary (including with respect to amounts paid pursuant to this Guaranty) will equal the full amount the Beneficiary would have received had no such withholding or deduction been required.

Moreover, if any Taxes (other than Taxes on the overall net income of the Beneficiary) are directly asserted against the Beneficiary with respect to any payment received or deemed to be received by the Beneficiary hereunder or under the Financing Agreement, the Beneficiary may pay such Taxes and the Guarantor will reimburse the Beneficiary, for such amounts and will promptly pay such additional amounts (including any penalties, interest or expenses) as are necessary in order that the net amount retained by the Beneficiary after the payment of such Taxes (including any Taxes on such additional amounts) shall equal the amount the Beneficiary would have retained had no such Taxes been asserted.

If the Guarantor fails to pay any Taxes when due to the appropriate taxing authority or fails to remit to the Beneficiary the required receipts or other required documentary evidence, the Guarantor shall indemnify the Beneficiary for any incremental Taxes, interest, penalties or other losses that may become payable by the Beneficiary as a result of any such failure.

Without prejudice to the survival of any other agreement of the Guarantor hereunder or under the Financing Agreement, the agreements and obligations of the Guarantor contained in this section shall survive the payment in full of the Guaranteed Obligations.

(e) So long as any of the Guaranteed Obligations remain outstanding, the Guarantor will maintain its corporate existence and will not merge or consolidate with any other corporation nor dissolve or otherwise sell or dispose of all or substantially all of its assets, unless (i) the Guarantor obtains the prior written consent of the Beneficiary for those purposes, and (ii) the successor or transferee corporation (if other than the Guarantor) shall expressly and unconditionally assume, in a written instrument delivered to the Beneficiary, the punctual performance and observance of all covenants, conditions and obligations of this Guaranty to be performed by the Guarantor.

Section 5. Binding Effect. This Guarantee shall be binding upon the Guarantor, its successors and assigns. The Guarantor may not assign its rights nor delegate its obligations under this Guarantee in whole or in part without the prior written consent of the Beneficiary, and any purported assignment or delegation without such prior written consent shall be void.

Section 6. Severability. Any provision of this Guaranty that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the Guarantor hereby waives any provision of law that renders any provisions hereof prohibited or unenforceable in any respect.

Section 7. Notices. Any notice to the Guarantor or Beneficiary hereunder and any copy to the Guarantor of any notice delivered by the Beneficiary to the Primary Obligor under the Financing Documents shall be in writing and mailed, postage prepaid, or sent by facsimile transmission to the following address and person or to such other address or person's attention as the Guarantor or Beneficiary shall notify each other from time to time.

Guarantor:
Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608
Attn.: [*]

Beneficiary:
Banco Nacional de Desenvolvimento Econômico e Social - BNDES
Av. República do Chile 100

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Centro, Rio de Janeiro, RJ, Brazil 20139-900
Tel.: [*]
Fax: [*]
Attn.: [*]

Primary Obligor:
Amyris Brasil Ltda.
R. James Clerk Maxwell, 315 - Condominio Techno Park
Campinas, SP, Brazil 13069-380
Attn.: [*]

Any notice addressed as provided above shall be deemed delivered on the date of its receipt, duly evidenced by a receipt signed by the party to which it was delivered if delivered by hand or, in the case of facsimile transmission or mail, by a receipt notice. Any notice given in accordance with this provision shall not affect the obligations of the Guarantor under this Guarantee incurred before any termination date stated in the notice.

Section 8. Governing Law and Jurisdiction. THIS GUARANTEE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO CHOICE OF LAW DOCTRINE (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAWS, WHICH SHALL APPLY HERETO). THE GUARANTOR IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN THE CITY OF NEW YORK TO ENFORCE OBLIGATIONS UNDER THIS GUARANTEE, AND WAIVE ANY OBJECTION BASED UPON PERSONAL JURISDICTION, IMPROPER VENUE, OR *FORUM NON CONVEINENS* WITH RESPECT TO, THESE COURTS.

The Guarantor further submits, for the purpose of any such suit, action, proceeding or judgment brought or rendered against it, to the appropriate courts of the jurisdiction of its domicile. Final judgment against the Guarantor in any such suit, action or proceeding shall be conclusive and may be enforced in any other jurisdiction without further review on the merits, including in Brazil, by suit on the judgment, a certified or exemplified copy of which shall be conclusive evidence of the judgment, or in any matter provided by law.

WAIVERS OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

Section 9. Process Agent. (a) For the purposes of this Guarantee, the Guarantor hereby agrees that service of all writs, process and summonses in any suit, action or proceeding brought under this Guarantee may be made upon Corporation Service Company (CSC), 1180 Avenue of the Americas, Suite 210, New York, NY 10036 (the "Process Agent"), and the Guarantor hereby confirms and agrees that the Process Agent has been duly and irrevocably

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

appointed as its agent and true and lawful attorney-in-fact in its name, place and stead to accept such service of any and all such writs, process and summonses, and agrees that the failure of the Process Agent to give any notice of any such service of process to the Guarantor shall not impair or affect the validity of such service or of any judgment based thereon.

(b) The Guarantor hereby irrevocably appoints and constitutes Amyris Brasil Ltda. as its attorney-in-fact, until the full and final payment, discharge and satisfaction of the Guaranteed Obligations, with powers to receive service of legal processes, notifications and subpoenas, in relation to any judicial or extrajudicial proceedings that may be brought against the Guarantor by the Beneficiary in Brazil in connection with this Guarantee and may include the performance of all the acts required for the good and faithful performance of this appointment, and agrees that failure by an attorney-in-fact to notify the Guarantor of the process, notification or subpoena will not invalidate the proceedings concerned.

Section 10. Amendment. This Guarantee shall not be amended, supplemented or otherwise modified except by a writing signed by both the Guarantor and the Beneficiary. No failure or delay of the Beneficiary in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Beneficiary hereunder and under the Financing Documents are cumulative and are not exclusive of any rights or remedies that it would otherwise have. A waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on the Guarantor in any case shall entitle the Guarantor to any other further notice or demand in similar or other circumstances.

Agreed by:

Amyris, Inc.

By /s/ Jeryl Hilleman

Name: Jeryl Hilleman

Title: CFO

Amyris Brasil Ltda.

By /s/ Paulo Diniz /s/ Fabio Schettino

Name: Paulo Diniz Fabio Schettino

Title: Presidente CFO

Amyris Brasil Ltda. Amyris

Brasil Ltda.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA
COUNTY OF ALAMEDA

On November 28, 2011 before me, Nicole Carlin, Notary Public, personally appeared **Jeryl Hilleman**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal:

/s/ Nicole Carlin
Signature of Notary Public

[Notary Stamp]

[Consulate General of Brazil in San Francisco Stamp]

**BANK CREDIT AGREEMENT - FINANCIAL LOAN
BUSINESS ENTITY**

Cod.: 0001-9

Branch: HEADQUARTERS

Issue Date: 12/21/2011

AGREEMENT N°. : 0436/11

I - The Parties:

1. Creditor: BANCO PINE S.A., hereafter **PINE**, with its head offices at Avenida das Nações Unidas, 8501, 29 and 30 floors - Ed. Eldorado Business Tower, Pinheiros, São Paulo, SP, CEP 05425-070, enrolled with CNPJ/MF under n° 62.144.175/0001-20.

2. ISSUER hereafter:

Name: **AMYRIS BRASIL LTDA**

Address:

R JAMES CLERK MAXWELL, N° 315 - TECHNO PARK - CEP: 13.069-380

City/State:

CAMPINAS / SP

CNPJ:

09.379.224/0001-20

Checking Account N°.

3. Guarantor(s), hereafter **GUARANTOR**

Name:

CPF/ CNPJ

Address:

City/State:

Marital Status and Property Community
Conditions:

II - Conditions:

1. Amount: R\$ 35,000,000.00 (Thirty Five Million Brazilian Reals)

2. Payment City: SÃO PAULO / SP

3. Term: 58 days

**4. Maturity Date:
02/17/2012**

**5. Net Amount Delivered:
R\$ 34,783,770.00**

**6. IOF - Pursuant to Legislation: R\$
216,230.00**

III - Type of Payment:

IV - Other Charges:

A. (X) 119.19% of CDI rate variation calculated by CETIP and published by ANDIMA, plus the interest rates described in item "B".

B. () 0.00 % interest per month, equivalent to 0.00 % per year.

C. () Other:

Interest rate collected: MONTHLY

D. () TAC: R\$

E. () **Daily Unit Amount of early liquidation/VDU: R\$ R\$ 0.00 per day - each early unit (U) of R\$ 1,000.00.**

F. () **Maximum Amount of Financial Compensation per early liquidation/VDU:** (the effective amount will be calculated proportionally to the number of days remaining for the maturity in this Agreement, pursuant to the relevant legislation).

Maximum term for early payment: days.

Maximum amount for early liquidation: R\$

V - Payment Type: Debt on the dates provided in the table below, to the ISSUER bank account.

Maturity Date	Amount (R\$)	Maturity	Amount (R\$)	Maturity	Amount (R\$)
2/17/2012	R\$ 35,000,000.00 + OTHER CHARGES				

VI - Guarantees and description of goods given as the guarantee

Everything is according to the Term(s) of Constitution of Guarantee(s) and/or attached Deed(s), which, after signed,

will become an integral part of this agreement, as if they had been herein written.

The ISSUER will pay PINE under this Bank Credit Agreement, or to its order, at the payment city provided above in the preamble of this, in Brazilian currency, the amount provided in field II in the preamble of this instrument, item "1", added by the financial charges herein agreed, pursuant to the provisions in the relevant legislation and especially the clauses and conditions below provided:

Clause One - PINE grants to the ISSUER a loan at the amount provided in field II in the preamble of this instrument, item "1" and whose net amount, after deducted by the financial charges and the IOF that are early collected, which will be delivered to the ISSUER in the form provided in field III, as soon as it is verified the effective correspondence to the records determined by law, of the guarantees provided in field VI.

Clause Two - The ISSUER will restitute the agreed amount added by the financial charges provided in field IV, according to the form and terms provided in field V. The interest rates agreed in this agreement will be calculated exponentially and capitalized upon the terms provided in field IV, having as the basis for calculation the commercial year of 360 days, except if otherwise provided in the same field IV of the preamble.

§ One - PINE is authorized to debt from the checking account provided in field I or from another freely transacted bank account belonging or that will belong to the ISSUER or by the GUARANTOR the amount corresponding to the amortization or liquidation installments of the debt arising from this agreement, on their respective maturity dates, as provided in field V in the preamble of this instrument.

§ Two - The ISSUER herein authorizes PINE to debt from the freely transacted account provided in field I all and any debts arising from agreements entered into with PINE or other institutions that are member of the BANCO PINE Financial Group, which payment has not been made on its maturity date, with other financial charges and additions provided in an agreement, and it also agrees that the amounts that are debited as such are transferred to credit the respective creditor institution, for payment of all and any outstanding obligations, irrespectively of the nature.

§ Three - For all the purposes and effects of the legal rights included, an eventual need for arithmetic calculations will not mischaracterize they the certainty or the liquidity of the executive security provided in this clause.

Clause Three - A late payment of any amounts due to be paid by the ISSUER, whether related to the principal amount in this agreement, or related to financial charges provided above in the preamble of this instrument, will imply the obligations to pay PINE:

i) interest rates at 1% (one percent) per month or fraction of the month;

ii) non compensatory fine of 2% (two percent) levied over the assessed debt amount, including the financial charges above; and

iii) if PINE is required to file for administrative or judicial means to collect any credit amounts, the attorney fees, established at 10% of the debt balance plus collection fees, including attorney and court fees.

Clause Four - If the rate provided in this agreement to update the monetary debt amount, whether throughout the period this agreement is effective, or the period when payments are late, is eventually extinguished, another rate that legally replaces such rate will be used. If the rate provided in this agreement or its replacement fails to reflect the actual inflation, the updated debt amount will continue to be due, upon the use of a rate that reflects the such actual inflation, selected upon a mutual agreement between PINE and the ISSUER, among those rates that are published by public agencies or by reliable private entities and which make the selected rate widely known.

Paragraph One - A lack of agreement by the parties will constitute a cause for termination of the agreement and consequently the early maturity of the debt within the term of 5 days from the receipt, by the other party, of the notice issued by the party which elects the rate in the preamble of this Clause, when the matured debt will be updated, through its effective payment, by the rate elected in this clause or by the rate which, upon a general consensus, will replace it.

Clause Five - The ISSUER and the GUARANTOR(s) will: (i) not use, neither hire any third parties that use slave labor or violate the rights of children or teenagers, and (ii) parties which fail to respect all and any environmental legislations, including, without limiting, fail to keep all environmental certificates required for the performance of their activities; being fully responsible toward PINE for any financial charges and/or liabilities that may be levied on PINE BU any relevant agencies by virtue of a lack of fulfillment of the relevant policies, or otherwise for any environmental damages that are directly or indirectly caused by the ISSUER or the GUARANTORS due to the use of the financial resources that they are granted by PINE.

Clause Six - A lack of fulfillment by the ISSUER or the GUARANTORS or by any other obliged parties of any of the obligations assumed in this agreement and in any of its attached instruments, or in its addendums, on the respective maturities, as well as the occurrence of any of the provisions provided in paragraph one in this Clause, will cause the immediate maturity of all debt arising from this agreement, provided it is not mitigated within a term of 3 (three) days from the receipt, by the ISSUER of the notice of default sent by PINE, except for line "b" of § One, below.

§ One - PINE may also impute the early maturity of the debt arising from this agreement under the following conditions:

- a) A claim, in good faith, against any security under the ISSUER or the GUARANTOR responsibility;
- b) A request, decree or sanction of any judicial or extrajudicial recovery, bankruptcy or intervention or liquidation or civil insolvency against the ISSUER or the GUARANTOR;
- c) A deny for replacement or strengthening of any constituted guarantee when such guarantee is lost or becomes insufficient;
- d) The pledging of any asset given as a guarantee in a claim filed by another creditor;
- e) The identification of a falsehood or inaccuracy of any statement, information or document that has been provided, signed or delivered by the ISSUER or the GUARANTOR;
- f) The impossibility of using any rate or precept established upon the provisions in this agreement, by an act of a government, legislative body or regulatory body;
- g) Any other of the events provided in articles 333 and 1.425 of the Brazilian Civil Code;
- h) If the ISSUER or the GUARANTOR(s) fails to fulfill they of their obligations established in the social-environmental legislations, as provided in Clause Five;
- i) A default, by the ISSUER or any GUARANTORS of any other obligation, whether or not monetary, toward PINE.

§ Two - PINE may also impute the debt as early matured in case of maturity, for any reason, or in case of a lack of renewal of any operation or set of derivative operations that the ISSUER is has connected to this credit operation, from the perspective that, for maintenance of a balanced agreement, the derivatives operation(s) and this agreement mature on the same date.

§ Three - Before PINE imputes the early maturity of the debt, under the provisions of prior paragraph, the ISSUER and the GUARANTORS and any of other parties responsible for the obligations assumed in this clause and that are party(ies) in the derivative(s) operation(s), will have the opportunity to, within 2 (two) business days:(a) to notify their interest to expand/renew the term of such derivatives operation(s), when they agree, as of now, to enter on the same date as the notice date, all and any instruments that are required for this purpose; OR

(b) propose a renewal to the terms of the credit operation in this agreement, especially, without limiting, the financial charges provided in field IV in the preamble, while adopting, in case of financial charges, an interest rate resulting from the addition of **119.19% (one hundred and nineteen, dot, nineteen percent)** of the variation of the DI (Depósitos Interfinanceiros, Interfinancial Deposits), calculated by CETIP and published by ANDIMA, hereby agreeing to enter, on the same date as their notice, the relevant amendment to this agreement and any other instruments that are required for this purpose.

§ Four - It is herein established that the alternatives provided in paragraphs two and three above, are the ISSUER or the GUARANTOR sole discretion and the sole discretion of any other parties in the obligation, and PINE is not required to accept any such amendment, renewal or renegotiation of the operations.

Clause Seven - A waiver by PINE, as well as the lack of the immediate demand of any credit or receipt after the maturity date of any debt will not constitute a renewal or modification to the agreement, neither a precedent to be invoked by the ISSUER or the GUARANTOR, neither will mean a renounce to any right or the immediate execution of such debt.

Clause Eight - The ISSUER and the GUARANTOR irrevocably and irreversibly authorize PINE to provide for the equalization described in article 368 of the Brazilian Civil Code between the debt arising from this agreement and any credit the ISSUER or the GUARANTOR own, whether existing or that will exist, matured or to mature, of which PINE is indebted, represented by any bonds or securities, fixed income securities, balances in freely transacted accounts or any other bond or obligation, which will be imputed under any condition, even in PINE judicial or extrajudicial liquidation. In case of credits to mature, PINE is authorized by the ISSUER and the GUARANTOR to impute their maturity on the same maturity date of the obligations arising from this agreement, so that the such equalization can be operated.

Clause Nine - To ensure the faithful and complete fulfillment of all the obligations, whether principal or accessory, assumed by the ISSUER upon the provisions in this agreement, the GUARANTORS or the ISSUER, if both characteristics are combined in a single entity, a case when it will be designated by any one of the forms, - will constitute, in favor of PINE, the guarantees provided in field VI, upon the terms of the appropriate instruments which, after signed by the parties, will become an integral and inseparable part of this agreement, as if they had been herein written.

§ One - The GUARANTOR declares that it is jointly responsible, along with the ISSUER, for the complete fulfillment of the obligations assumed in this agreement.

§ Two - In the cases of losses, deterioration, devaluation, depreciation or expropriation of assets given under guarantee, the GUARANTORS will be, along with the ISSUER, obliged to replace or strengthen the guarantee, irrespectively of any assessment of any default.

§ Three - The ISSUER hereby authorizes PINE to perform, upon its sole discretion, by its employees or representatives, under the ISSUER exclusive expenses, an inspection and a physical inventory of the assets given under guarantee and which are not under PINE ownership.

§ Four - If, by way of any of the examinations provided in paragraph three above, it is evidenced that there is a reduction to the value of the constituted guarantees in a way that will impact the security or liquidity of PINE credit, the ISSUER will strengthen such constituted guarantees to preserve such security and liquidity of the granted credit.

§ Five - It will be a cause for early maturity of the debt arising from this agreement the implementation of any measure that prevents or adversely affects the performance of the examinations described in paragraph three, as well as the refuse or delay to strengthen the guarantees described in this Clause, provided however, the ISSUER is appropriately notified via a registered mail, there is a failure to fulfill the obligation described in such registered mail within the term of 5 (five) days after its receipt.

§ Six - PINE is authorized to sell to anyone and by the price it assesses the assets, any papers and securities that are the guarantee herein, and use the proceeds from such sale for the amortization or liquidation of the debt arising from this agreement, or others entered by the parties, irrespectively of any notice or judicial or extrajudicial claim, and provided any of such mentioned debts have not been fully liquidated, delivering the ISSUER or the GUARANTORS, as relevant, whichever is eventually in excess.

Clause Ten - The ISSUER will be exclusively responsible for any expenses arising from entering into this agreement and the instruments attached to it, including and specifically their enrollment with relevant Notary's Offices, as well as the expenses to collect the credit from PINE and to provide the guarantees, including those expenses incurred to collect the papers or amounts under guarantee, claims and those incurred with the enrollments of the parties that are co-obligated by this agreement. It will also be under the ISSUER responsibility all taxes levied over the operation herein and over the actions above described.

Paragraph One - If, to safeguard or defend its rights, PINE is required to disburse any amount to cover any of such expenses described above in this Clause, PINE may debt such amounts from the ISSUER or the GUARANTOR freely transacted account at an amount that is sufficient for the reimbursement of such amount.

Clause Eleven - The ISSUER and the GUARANTOR hereby authorize PINE to: (i) check and file records related to its entities or business entities of which they are partners, or administrators and partners or shareholders of said entities, that are eventually found on the Central Bank Credit Information System (Sistema de Informações de Crédito do Banco Central - SCR) and in credit protection bodies, including Serasa and SPC, as well as to provide data to these entities; and (ii) check information on the operations carried out in the currency exchange market related to such entities or business entities of which they are a partners or administrators and the partners or shareholders of these entities, that are eventually found on Central Bank Information System (Sistema de Informações do Banco Central - Sisbacen) or in other currency exchange sources or systems that are eventually made available by the Brazilian Central Bank.

Clause Twelve - Under the provision of an early liquidation, whether full or partial, for the amount to be paid under this credit operation, the ISSUER will pay PINE an amount in Brazilian Reals and collected per day of early payment, as a financial compensation for the early liquidation, according to the Daily Unit Value (Valor Diário Unitário -VDU) provided above in the preamble, Such financial compensation will have the maximum amount provided in line "f" of field "IV" of the preamble in this instrument. Such amount herein stipulated is designed to cover the costs incurred by PINE to carry out this credit operation and keeps a straight and linear relation with the remaining term of the operation and with the amortized amount, being calculated according to the formula below. Under the provision that the credit operation with periodical amortization(s), for calculation of the amount described in this Clause, the maturity(s) of each early installment will be considered:

AMOUNT OF FINANCIAL COMPENSATION = VLA x NDA x VDU

U

Where :

VLA = net early amount (in R\$)

NDA = number of early days

VDU = Daily Unit Value

U = VDU unit (R\$ 1,000.00)

Clause Thirteen - Pursuant to provisions in Law n.º 10.931, dated 08/02/2004, PINE may issue a Certificate of Bank Credit Notes (Certificado de Cédulas de Crédito Bancário - CCCB) based on this agreement, and may negotiate it freely in the market.

Clause Fourteen - PINE may transfer this agreement by endorsement or assign it to third parties, in total or its parts, including the rights arising from this agreement. **Paragraph One** - The ISSUER hereby acknowledges, irrevocably and irreversibly, that the transference of the security, as provided above in the *caption* of this Clause, does not characterize an infringement of any bank secrecy.

Clause Fifteen - The banking services provided as a result from this credit operation will be charged, according to Resolution 3.919 dated 11/25/2010 by the Brazilian Central Bank, according to the price tables made available at the branches and offices corresponding to PINE, or on the website: www.bancopine.com.br.

Clause Sixteen - It is hereby elected the courthouse in the County where PINE is headquartered. PINE has the right to select the ISSUER or the GUARANTOR domiciles, or their guarantors domiciles, as competent domiciles to address any issues arising from this agreement.

Clause Seventeen - This agreement is issued in 03 (three) copies signed by the parties and the undersigned witnesses, where only the copies of creditor BANCO PINE S/A is negotiable.

São Paulo, December 21, 2011.

THE ISSUER/GUARANTOR HEREBY STATE, FOR ALL THE PURPOSES AND EFFECTS, THAT THEY HAVE READ AND AGREED TO ALL THE CONDITIONS ESTABLISHED IN THIS AGREEMENT, ESPECIALLY THOSE PROVIDED ABOVE IN THE PREAMBLE OF THIS INSTRUMENT.

/s/ Fabio Schettino /s/ Mauro Pini França /s/ Rosenda Bosak /s/ Jose Quarezemim

ISSUER: AMYRIS BRASIL LTDA BANCO PINE S/A
Fabio Schettino Mauro Pini França Rosenda Bosak Jose Quarezemim
CFO Amyris Brasil Ltda Procuradora Gerente de Formalização

Witnesses /s/ Jairo Barbosa Gomes /s/ Bruno Cezar Sanches Berreto

name: Jairo Barbosa Gomes name: Bruno Cezar Sanches Berreto

RG: RG:

CPF: illegible CPF: illegible

BANK OF THE WEST

December 23, 2010

Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608

Re: Revolving Credit Facility

Ladies and Gentlemen:

BANK OF THE WEST (the "Lender") is pleased to make available to AMYRIS, INC., a Delaware corporation (the "Borrower"), a revolving credit facility on the terms and subject to the conditions set forth below. This letter agreement (this "Amendment") supersedes and replaces the Pledge Agreement dated as of April 29, 2010 between the Lender and the Borrower (the "Existing Agreement"). Terms not defined herein have the meanings assigned to them in Exhibit A hereto.

1. The Facility.

(a) **The Commitment.** Subject to the terms and conditions set forth herein, the Lender agrees to make available to the Borrower until the Maturity Date a revolving credit facility providing for loans ("Loans") and standby letters of credit ("Letters of Credit") in an aggregate principal amount not exceeding at any time \$10,000,000 (the "Commitment"). Within the foregoing limit, the Borrower may borrow, repay and reborrow Loans and request and extend Letters of Credit until the Maturity Date.

(b) **Borrowings, Conversions, Continuations.** The Borrower may request that Loans be (i) made as or converted to Prime Rate Loans by irrevocable notice to be received by the Lender not later than 2:00 p.m. on the Business Day of the borrowing or conversion, or (ii) made or continued as, or converted to, Eurodollar Rate Loans by irrevocable notice to be received by the Lender not later than 2:00 p.m. three Business Days prior to the Business Day of the borrowing, continuation or conversion. If the Borrower fails to give a notice of conversion or continuation prior to the end of any Interest Period in respect of any Eurodollar Rate Loan, the Borrower shall be deemed to have requested that such Loan be converted to a Prime Rate Loan on the last day of the applicable Interest Period. If the Borrower requests that a Loan be continued as or converted to a Eurodollar Rate Loan, but fails to specify an Interest Period with respect thereto, the Borrower shall be deemed to have selected an Interest Period of one month. Notices pursuant to this Paragraph 1(b) may be given by telephone if promptly confirmed in writing. Each Eurodollar Rate Loan shall be in a principal amount of \$500,000 or a whole multiple of \$10,000 in excess thereof. Each Prime Rate Loan shall be in a minimum principal amount of \$10,000. There shall not be more than 5 different Interest Periods in effect at any time.

(c) **Interest.** At the option of the Borrower, Loans shall bear interest at a rate per annum equal to (i) the Eurodollar Rate plus 3.00%; or (ii) the Prime Rate plus 0.50%. All interest hereunder shall be calculated on the basis of a year of 360 days and actual days elapsed. The Borrower promises to pay interest (i) for each Eurodollar Rate Loan, (A) on the last day of the applicable Interest Period, and, if the Interest Period is longer than three months, on the respective dates that fall every three months after the beginning of the Interest Period, and (B) on the date of any conversion of such Loan to a Prime Rate Loan; (ii) for Prime Rate Loans, on the last Business Day of each calendar quarter; and (iii) for all Loans, on the Maturity Date. If the time for any payment is extended by operation of law or otherwise, interest shall continue to accrue for such extended period. After the date any principal amount of any Loan is due and payable (whether on the Maturity Date, upon acceleration or otherwise), or after any other monetary obligation hereunder shall have become due and payable (in each case without regard to any applicable grace periods), the Borrower shall pay, but only to the extent permitted by law, interest (after as well as before judgment) on such amounts at a rate per annum equal to the Prime Rate plus 2%. Furthermore, at the Lender's discretion, while any Event of Default exists, the Borrower shall pay interest on the principal amount of the Loans at a rate per annum equal to the Prime Rate plus 2%. Accrued and unpaid interest

on past due amounts shall be payable on demand. In no case shall interest hereunder exceed the amount that the Lender may charge or collect under applicable law.

(d) **Evidence of Loans.** The Loans and all payments thereon shall be evidenced by the Lender's loan accounts and records; provided, however, that upon the request of the Lender, the Loans may be evidenced by a promissory note in the form of Exhibit B hereto in addition to such loan accounts and records. Such loan accounts, records and promissory note shall be conclusive absent manifest error of the amount of the Loans and payments thereon. Any failure to record any Loan or payment thereon or any error in doing so shall not limit or otherwise affect the obligation of the Borrower to pay any amount owing with respect to the Loans.

(e) **Loan Fee.** The Borrower promises to pay to the Lender on the effectiveness of the Commitment and on each annual anniversary thereof until the Maturity Date a loan fee equal to \$5,000.

(f) **Repayment.** The Borrower promises to pay all Loans then outstanding on the Maturity Date. The Borrower shall make all payments required hereunder not later than 2:00 p.m. on the date of payment in same day funds in Dollars at the office of the Lender located at San Francisco Commercial Banking Office, 180 Montgomery St., 3rd Floor, San Francisco, CA 94104 or such other address as the Lender may from time to time designate in writing. All payments by the Borrower to the Lender hereunder shall be made to the Lender in full without set-off or counterclaim and free and clear of and exempt from, and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, duties or charges of whatsoever nature imposed by any government or any political subdivision or taxing authority thereof. The Borrower shall reimburse the Lender for any taxes imposed on or withheld from such payments (other than taxes imposed on the Lender's income, and franchise taxes imposed on the Lender, by the jurisdiction under the laws of which the Lender is organized or any political subdivision thereof).

(g) **Prepayments.** The Borrower may, upon three Business Days' notice, in the case of Eurodollar Rate Loans, and upon same-day notice in the case of Prime Rate Loans, prepay Loans on any Business Day; provided that the Borrower pays all Breakage Costs (if any) associated with such prepayment on the date of such prepayment. Prepayments of Eurodollar Rate Loans must be accompanied by a payment of interest on the amount so prepaid. Prepayments of Eurodollar Rate Loans must be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof. Prepayments of Prime Rate Loans must be in a principal amount of at least \$10,000 or, if less, the entire principal amount thereof then outstanding.

(h) **Letters of Credit.**

(i) Subject to the terms and conditions of this letter, from time to time on any Business Day until the Maturity Date, the Lender agrees to issue standby Letters of Credit for the account of Borrower; provided that the aggregate amount of outstanding L/C Obligations shall not exceed \$5,000,000 (the "LC Sublimit"). As of the date of this Agreement, the letters of credit described on Exhibit C are outstanding under the Existing Agreement, and upon the effectiveness of this Agreement, will remain outstanding as Letters of Credit subject to the terms and conditions of this Agreement.

(ii) The Lender shall be under no obligation to issue, extend or amend any Letter of Credit if: (A) any order or decree of any governmental authority, arbitrator or Law shall enjoin, restrain or otherwise inhibit the Lender from issuing such Letter of Credit or shall impose on the Lender any restriction, reserve or capital requirements (for which the Lender is not otherwise compensated under this Agreement) not in effect on the date that the Commitment becomes effective, or shall impose on the Lender any unreimbursed loss, cost or expense which was not applicable on such date; (B) the expiry date of such Letter of Credit, as the same may be extended in accordance with this letter would occur after the Maturity Date; or (C) the issuance of such Letter of Credit would violate policies of the Lender.

(iii) Each Letter of Credit shall be issued, amended or extended upon receipt by the Lender at least two Business Days prior to issuance of a Letter of Credit Application from a responsible officer of the Borrower that is duly completed.

(iv) The Lender will notify the Borrower upon receipt of a drawing under a Letter of Credit, and not later than 1:00 p.m. on the date of payment, the Borrower shall reimburse the Lender in an amount equal to such drawing. If the Borrower fails to so reimburse the Lender (and without limiting the Borrower's obligation to so reimburse the Lender), the Borrower shall pay interest on the amount drawn in accordance with the Letter of Credit Application for such Letter of Credit.

(v) The obligation of Borrower to reimburse Bank for drawings under Letters of Credit shall be absolute, unconditional and irrevocable and shall be paid strictly in accordance with this Agreement under all circumstances, including: (A) any lack of validity or enforceability of any Letter of Credit, this Agreement or any Loan Document; (B) the existence of any claim, counterclaim, set-off, defense or other right that Borrower may have at any time against any beneficiary or transferee of any Letter of Credit (or any other Person); (C) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any Letter of Credit; (D) any payment by the Lender under any Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the Lender under any Letter of Credit to any trustee in bankruptcy, debtor in possession, assignee for the benefit of creditors or other assignee or representative; and (E) any other circumstances, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower.

(vi) The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will immediately notify the Bank. The Borrower shall be conclusively deemed to have waived any such claim unless notice is so given.

(vii) The Borrower agrees that the Lender shall not have any responsibility to obtain any document (other than drafts, certificates and documents expressly required by Letters of Credit) or to ascertain or inquire as the validity or accuracy of any such document or the authority of any Person submitting any such document. Neither the Lender nor any of its affiliates, officers, directors, employees, agents or attorneys-in-fact, correspondents, participants or assignees shall be liable or responsible for any of the matters described in herein except to the extent of any direct damages suffered by the Borrower that were caused by the Lender's willful misconduct or gross negligence.

(viii) Without limiting the provisions of clause (iv) of this Paragraph 1(h), upon request of the Lender after it honors a drawing under a Letter of Credit for which it is not reimbursed by the end of the first Business Day after the date of payment, on the Maturity Date or if an Event of Default shall

occur, Borrower shall immediately cash collateralize all outstanding Letter of Credit obligations. Immediately upon the expiration or other termination of a Letter of Credit, the Lender shall return to the Borrower the full amount of all cash collateral held by Bank to Cash Collateralize such Letter of Credit.

(ix) Borrower shall pay to Bank a Letter of Credit fee for each Letter of Credit calculated at the rate of 1% per annum on the daily maximum amount available to be drawn under such Letter of Credit. Such fees shall be computed on each Letter of Credit in advance and shall be due on the date on which such Letter of Credit is issued and on each annual anniversary date thereafter until

such Letter of Credit expires or otherwise terminates. Borrower shall pay to Bank on demand, on a nonrefundable basis, the customary issuance, presentation, amendment and other processing fees and other standard costs and charges of Bank relating to letters of credit generally.

(x) In the event of any conflict between the terms hereof and the terms of any Letter of Credit Application, the terms hereof shall control.

(i) Security Interest.

(i) As security for the payment or performance, as the case may be, in full of its Obligations; and any extensions, renewals or modifications of its Obligations, Borrower hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to Bank, its successors and assigns, and hereby grants to Bank, its successors and assigns, a security interest in, all of Borrower's right, title and interest in, to and under the Collateral (the "**Security Interest**").

(ii) The Security Interest is granted as security only and shall not subject Bank to, or in any way alter or modify, any obligation or liability of Borrower with respect to or arising out of the Collateral.

(iii) Borrower represents and warrants to Bank that: (A) the Security Interest constitutes (1) a legal and valid security interest in all the Collateral securing the payment and performance of the obligations of the Borrower hereunder, to the extent a security interest therein can be created under the Uniform Commercial Code and (2) subject to the filing of financing statements, a perfected security interest in all Collateral in which a security interest may be perfected by filing pursuant to the Uniform Commercial Code; (B) the Collateral is owned by the Borrower free and clear of any Lien, except for Permitted Liens; (C) except in favor of the Lender, the Borrower has not filed or consented to the filing of any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Collateral.

(iv) The Borrower agrees (A) to notify the Lender in writing of any change (i) in its official name or in any trade name used to identify it in the conduct of its business or in the ownership of its properties, (ii) in its jurisdiction of organization, the location of its chief executive office, its principal place of business, any office in which it maintains books or records relating to Collateral owned by it or any office or facility at which Collateral owned by it is located (including the establishment of any such new office or facility), (iii) in its identity or corporate structure or (iv) in its organizational identification number; (B) not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code that are required in order for the Lender to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the Collateral subject only to Permitted Liens; (C) promptly to notify the Lender if any material portion of the Collateral owned or held by the Borrower is damaged or destroyed; (D) to maintain, at its own cost and expense, such complete and accurate records with respect to the Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which the Borrower is engaged, but in any event to include complete accounting records indicating all payments and proceeds received with respect to any part of the Collateral, and, at such time or times as the Lender may reasonably request, promptly to prepare and deliver to the Lender a duly certified schedule or schedules in form and detail reasonably satisfactory to the Lender showing the identity, amount and location of any and all material items of Collateral; (E) at its own cost and expense, to take any and all actions necessary to defend title to the Collateral against all Persons and to defend the Security Interest of the Lender in the Collateral and the priority thereof against any Permitted Lien; (F) at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Lender may from time to time reasonably request to better assure, preserve, protect and perfect the Security

Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this letter, the granting of the Security Interest and the filing of any financing statements (including fixture filings) or other documents in connection herewith or therewith; (G) the Lender and its agents may, at reasonable intervals and upon reasonable prior notice have the right, at the Borrower's own cost and expense, to inspect the Collateral, all records related thereto and the premises upon which any of the Collateral is located, to discuss the Borrower's affairs with the officers of the Borrower and (with the participation of or prior notice to such officers) its independent accountants and to verify under reasonable procedures the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral, including, in the case of accounts or Collateral in the possession of any third Person, by contacting account debtors or the third Person possessing such Collateral for the purpose of making such a verification; (H) at its option, upon prior written notice to the Borrower, the Bank may, subject to any right that the Borrower may have under this letter or any other Loan Document to contest the same, discharge past due taxes, assessments, charges, fees, and Liens (other than Permitted Liens) at any time levied or placed on the Collateral and may pay for the maintenance and preservation of the Collateral to the extent the Borrower fails to do so as required by the Loan Documents, and the Borrower agrees to reimburse the Bank on demand for any payment made or any expense incurred by Bank pursuant to the foregoing authorization; provided, however, that nothing in this Paragraph 1 shall be interpreted as excusing the Borrower from the performance of, or imposing any obligation on the Lender to cure or perform, any covenants or other promises of the Borrower with respect to taxes, assessments, charges, fees, or Liens and maintenance as set forth herein or in the other Loan Documents; (I) not make or permit to be made an assignment, pledge or hypothecation of the Collateral or shall grant any other Lien in respect of the Collateral, except Permitted Liens; (J) at its own expense, agrees to maintain or cause to be maintained insurance covering physical loss or damage to the Collateral in accordance with this letter.

(v) The Borrower irrevocably makes, constitutes and appoints the Lender (and all officers, employees or agents designated by the Lender) as the Borrower's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of Collateral under policies of insurance, endorsing the name of the Borrower on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that the Borrower at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Lender may without waiving or releasing any obligation or liability of the Borrower hereunder or any Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Lender deems advisable. All sums disbursed by the Lender in connection with this Paragraph 1, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable, upon demand, by Borrower to the Lender and shall be additional obligations of the Borrower to the Lender secured hereby.

(vi) Upon the occurrence and during the continuance of an Event of Default, the Borrower agrees (a) to deliver each item of Collateral to the Lender on demand and (B) that the Lender shall have the right at the same time with or without legal process and with or without prior notice or demand for performance, to take possession of the Collateral and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law. Without limiting the generality of the foregoing, the Borrower agrees that the Lender shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Collateral, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Lender shall deem appropriate. The Lender shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the

Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the

Lender shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of the Borrower, and the Borrower hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal which the Borrower now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. Except in the case of Collateral that is perishable or threatens to decline speedily in value, is of a type customarily sold on a recognized market or is subject to collection and application against obligations hereunder, the Lender shall give the Borrower 10 days' written notice (which the Borrower agrees is reasonable notice within the meaning of the Uniform Commercial Code as in effect in California or its equivalent in other jurisdictions) of the Lender's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Lender may fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Lender may (in its sole and absolute discretion) determine. The Lender shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Lender may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Lender until the sale price is paid by the purchaser or purchasers thereof, but the Lender shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Paragraph, the Lender may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of the Borrower (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any obligation hereunder from the Borrower as a credit against the purchase price, and the Lender may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to the Borrower therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Lender shall be free to carry out such sale pursuant to such agreement, and the Borrower shall not be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Lender shall have entered into such an agreement all Events of Default shall have been remedied and the obligations hereunder paid in full. As an alternative to exercising the power of sale herein conferred upon it, Bank may proceed by a suit or suits at law or in equity to foreclose the Security Interest and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

2. Conditions Precedent to Loans and Letters of Credit.

(a) **Conditions Precedent to Initial Loan.** As a condition precedent to the initial Loan and/or Letter of Credit hereunder, the Lender must receive the following from the Borrower in form satisfactory to the Lender:

- (i) the enclosed duplicate of this Agreement duly executed and delivered on behalf of the Borrower;
- (ii) a certified borrowing resolution or other evidence of the Borrower's authority to borrow;
- (iii) a certificate of incumbency;
- (iv) if requested by the Lender, a promissory note as contemplated in Paragraph 1(d) above; and
- (v) such other documents and certificates (including legal opinions) as the Lender may reasonably request.

(b) **Conditions to Each Borrowing, Letter of Credit Issuance, Continuation and Conversion.** As a condition precedent to each borrowing (including the initial borrowing), continuation and conversion of any Loan and/or issuance of any Letter of Credit:

- (i) the Borrower must furnish the Lender with, as appropriate, a notice of borrowing, continuation or conversion and/or Letter of Credit application that is in a form and in substance satisfactory to the Lender;
- (ii) except to the extent expressly relating to an earlier date, each representation and warranty set forth in Paragraph 3 below shall be true and correct in all material respects as if made on the date of such borrowing, issuance, continuation or conversion; and
- (iii) no Default shall have occurred and be continuing on the date of such borrowing, issuance, continuation or conversion.

Each notice of borrowing, Letter of Credit issuance and notice of continuation or conversion shall be deemed a representation and warranty by the Borrower that the conditions referred to in clauses (ii) and (iii) above have been met.

3. Representations and Warranties. The Borrower represents and warrants that:

(a) **Existence and Qualification; Power; Compliance with Laws.** It (i) is a corporation duly organized or formed, validly existing and in good standing under the laws of the state of its organization or formation, (ii) has the power and authority and the legal right to (A) own and operate its properties, to lease the properties it operates and to conduct its business and (B) execute, deliver and perform its obligations under the Loan Documents, (iii) is duly qualified and in good standing under the laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, and (iv) is in compliance with all laws, except in each case referred to in clause (ii)(A), clause (iii) or clause (iv), to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect.

(b) **Authorization; Enforceable Obligations; No Contravention.** The execution, delivery and performance of this Agreement and the other Loan Documents by the Borrower have been duly authorized by all necessary action, and this Agreement is and the other Loan Documents, when executed, will be legal, valid and binding obligations of the Borrower, enforceable in accordance with their respective terms. The execution, delivery and performance of this Agreement and the other Loan Documents are not in contravention of law or of the terms of the Borrower's organic documents and will not result in the breach of or constitute a default under, or result in the creation of a Lien or require a payment to be made under any indenture, agreement or undertaking to which the Borrower is a party or by which it or its property may be bound or affected.

(c) **Financial Statements; No Material Adverse Effect.** The audited consolidated balance sheet and statements of earnings and cash flow of the Borrower and its Subsidiaries as of December 31,

2009 present fairly the consolidated financial condition of the Borrower and its Subsidiaries as of such date in accordance with generally accepted accounting principles applied on a consistent basis, and since such date, there has been no event or circumstance that has or would reasonably be expected to have a Material Adverse Effect.

(d) **No Material Litigation.** No litigation or governmental proceeding is pending or, to the best knowledge of the Borrower, threatened by or against the Borrower which, if adversely determined, would reasonably be expected to have a Material Adverse Effect.

(e) **No Default.** No Default has occurred and is continuing.

(f) **Use of Proceeds.** The proceeds of the Loans will be used solely for general business and in accordance with requirements of law, and will not be used, directly or indirectly, immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

(g) **ERISA.** Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code, and other Federal or state law, including all requirements under the Code or ERISA for filing reports, and benefits have been paid in accordance with the provisions of such Plan except where the failure to be in compliance in all material respects would not reasonably be expected to have a Material Adverse Effect.

(h) **Environmental Matters.** All facilities owned or leased by the Borrower or its Subsidiaries have been and continue to be in material compliance with all material environmental laws and regulations.

(i) **Full Disclosure.** No statement (whether written or oral) made by the Borrower to the Lender in connection with this Agreement (including the negotiation hereof), or in connection with any Loan, contains any untrue statement of a material fact or omits a material fact necessary to make the statement made not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

(j) **Taxpayer Identification Number.** The Borrower's true and correct U.S. taxpayer identification number is set forth beneath its signature below.

4. **Covenants.** So long as principal of and interest on any Loan or any other amount payable hereunder or under any other Loan Document remains unpaid or unsatisfied and the Commitment has not been terminated:

(a) **Information.** The Borrower shall deliver to the Lender:

(i) as soon as available and in any event within 105 days after the end of each fiscal year of the Borrower a consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such fiscal year and the related consolidated statements of income, changes in shareholders' equity, and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all prepared in accordance with generally accepted accounting principles applied on a consistent basis and certified by independent public accountants of nationally recognized standing;

(ii) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower a consolidated balance sheet of the Borrower and its Subsidiaries as of the end of such quarter and the related consolidated statement of income for such quarter and for the portion of the Borrower's fiscal year then ended, and the related consolidated statements of cash flows and changes in shareholders' equity for the portion of the fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding quarter and the corresponding portion of the Borrower's previous fiscal year;

(iii) promptly upon the Borrower's obtaining knowledge of any Default, a certificate of the chief financial officer of the Borrower setting forth the details thereof and any action that the Borrower is taking or proposes to take with respect thereto; and

(iv) from time to time such additional information regarding the financial condition or business of the Borrower and its Subsidiaries as the Lender may reasonably request.

Financial statements required to be delivered pursuant to clauses (i) and (ii) of this Paragraph 4(a) (to the extent any such financial statements are included in materials otherwise filed with the Securities and Exchange Commission ("SEC")) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed beneath its signature hereto; provided that the Borrower shall notify the Lender of the posting of any such financial statements.

(b) **Other Covenants.** The Borrower shall, and shall cause each of its Subsidiaries to:

(i) preserve and maintain all of its rights, privileges, and franchises necessary or desirable in the normal conduct of its business;

(ii) comply with the requirements of all applicable laws, rules, regulations, and orders of governmental authorities except where the failure to do so would not reasonably be expected to have a Material Adverse Effect;

(iii) pay and discharge when due all taxes, assessments, and governmental charges or levies imposed on it or on its income or profits or any of its property, except for any such tax, assessment, charge, or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained except where the failure to do so would not reasonably be expected to have a Material Adverse Effect;

(iv) except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect, maintain all of its properties owned or used in its business in good working order and condition ordinary wear and tear excepted;

(v) permit representatives of the Lender, during normal business hours, to examine its books and records, to inspect its properties, and to discuss its business and affairs with its officers, directors, and accountants;

(vi) maintain insurance in such amounts, with such deductibles, and against such risks as is customary for similarly situated businesses;

and

(vii) maintain its primary depository and operating accounts with Lender.

(c) Financial Covenants. The Borrower shall,

(i) during each fiscal quarter, maintain Liquidity of no less than (a) Ten Million Dollars (\$10,000,000) plus (b) an amount equal to (A) two times (B) "Net Cash Used in Operating Activities" of Borrower, calculated using the Borrower's Condensed Consolidating Statements of Cash Flows reflected in the most recent quarterly filing of the Borrower with the SEC; and

(ii) as of the end of each fiscal quarter, maintain a Current Ratio equal to or greater than 2.00 to 1.00.

5. Events of Default. The following are "Events of Default:"

(a) The Borrower fails to pay any principal of any Loan as and on the date when due or the Borrower fails to reimburse the Lender for any drawing under a Letter of Credit as and when required hereunder; or

(b) The Borrower fails to pay any interest on any Loan, or any commitment fee due hereunder, or any portion thereof, within three days after the date when due; or the Borrower fails to pay any other fee or amount payable to the Lender under any Loan Document, or any portion thereof, within five days after the date due; or

(c) The Borrower fails to perform or observe any term, covenant or agreement contained in Paragraph 4(a) or 4(c) hereof; or

(d) The Borrower fails to perform or observe any other covenant or agreement (not specified above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days; or

(e) Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(f) The Borrower or any of its Subsidiaries (i) fails to make any payment in respect of any indebtedness (other than indebtedness hereunder) in an aggregate amount in excess of \$1,000,000 or guaranty obligation in excess of \$1,000,000 when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise), or (ii) fails to observe or perform any other agreement or condition relating to any such indebtedness or guaranty obligation or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur, the effect of which default or other event is to result in such indebtedness being demanded or becoming due or being repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such indebtedness being made, prior to its stated maturity, or such guaranty obligation becoming payable or cash collateral in respect thereof being demanded; or

(g) The Borrower or any of its Subsidiaries institutes or consents to the institution of any proceeding under Debtor Relief Laws, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of the Borrower or such Subsidiary and the appointment continues undischarged or unstayed for 60 calendar days; or any proceeding under Debtor Relief Laws relating to the Borrower or any Subsidiary or to all or any material part of the Borrower's or such Subsidiary's property is instituted without the consent of the Borrower or such Subsidiary and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(h) The Borrower is unable or admits in writing its inability or fails generally to pay its debts as they become due; or

(i) One or more final judgments against the Borrower or any of its Subsidiaries is entered for the payment of money in an aggregate amount (as to all such judgments) in excess of \$1,000,000 and such judgment remains unsatisfied without procurement of a stay of execution within 30 calendar days after the date of entry of judgment; or

(j) Any Loan Document, at any time after its execution and delivery and for any reason other than the agreement of the Lender or satisfaction in full of all the indebtedness hereunder, ceases to be in full force and effect or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable in any material respect; or the Borrower denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(k) Any event or circumstance occurs that has a Material Adverse Effect.

Upon the occurrence of an Event of Default, in addition to exercising any other rights that it may have hereunder or under applicable law or in equity, the Lender may declare the Commitment to be terminated, whereupon the Commitment shall be terminated, and/or declare all sums outstanding hereunder and under the other Loan Documents, including all interest thereon, to be immediately due and payable, whereupon the same shall become and be immediately due and payable, without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind or character, all of which are hereby expressly waived; provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States of America, the Commitment shall automatically terminate, and all sums outstanding hereunder and under each other Loan Document, including all interest thereon, shall become and be immediately due and payable, without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind or character, all of which are hereby expressly waived.

6. Miscellaneous.

(a) All financial computations required under this Agreement shall be made, and all financial information required under this Agreement shall be prepared, in accordance with generally accepted accounting principles consistently applied.

(b) All references herein and in the other Loan Documents to any time of day shall mean the local (standard or daylight, as in effect) time of Pacific time.

(c) The Borrower shall be obligated to pay all Breakage Costs.

(d) If at any time the Lender, in its sole discretion, determines that (i) adequate and reasonable means do not exist for determining the Eurodollar Rate, or (ii) the Eurodollar Rate does not accurately reflect the funding cost to the Lender of making such Loans, the Lender's obligation to make or maintain

Eurodollar Rate Loans shall cease for the period during which such circumstance exists.

(e) The Borrower shall reimburse or compensate the Lender, upon demand, for all costs incurred, losses suffered or payments made by the Lender which are applied or reasonably allocated by the Lender to the transactions contemplated herein (all as determined by the Lender in its reasonable discretion) by reason of any and all future reserve, deposit, capital adequacy or similar requirements against (or against any class of or change in or in the amount of) assets, liabilities or commitments of, or

extensions of credit by, the Lender; and compliance by the Lender with any directive, or requirements from any regulatory authority, whether or not having the force of law.

(f) No amendment or waiver of any provision of this Agreement or of any other Loan Document and no consent by the Lender to any departure therefrom by the Borrower shall be effective unless such amendment, waiver or consent shall be in writing and signed by a duly authorized officer of the Lender, and any such amendment, waiver or consent shall then be effective only for the period and on the conditions and for the specific instance specified in such writing. No failure or delay by the Lender in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other rights, power or privilege.

(g) Except as otherwise expressly provided herein, notices and other communications to each party provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed or sent by telecopy to the address set forth below such party's name on the signature pages hereto or such other address as may be provided from time to time by such party. Any such notice or other communication sent by overnight courier service, mail or telecopy shall be effective on the earlier of actual receipt and (i) if sent by overnight courier service, the scheduled delivery date, (ii) if sent by mail, the fourth Business Day after deposit in the U.S. mail first class postage prepaid, and (iii) if sent by telecopy, when transmission in legible form is complete. All notices and other communications sent by the other means listed in the first sentence of this paragraph shall be effective upon receipt. Notwithstanding anything to the contrary contained herein, all notices (by whatever means) to the Lender pursuant to Paragraph 1(b) hereof shall be effective only upon receipt. Any notice or other communication permitted to be given, made or confirmed by telephone hereunder shall be given, made or confirmed by means of a telephone call to the intended recipient at the number specified in writing by such Person for such purpose, it being understood and agreed that a voicemail message shall in no event be effective as a notice, communication or confirmation hereunder.

The Lender shall be entitled to rely and act upon any notices (including telephonic notices of borrowings, conversions and continuations) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify each Indemnitee from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other communications with the Lender may be recorded by the Lender, and the Borrower hereby consents to such recording.

(h) This Agreement shall inure to the benefit of the parties hereto and their respective successors and assigns, except that the Borrower may not assign its rights and obligations hereunder. The Lender may at any time (i) assign all or any part of its rights and obligations hereunder to any other Person with the consent of the Borrower, such consent not to be unreasonably withheld, provided that no such consent shall be required if the assignment is to an affiliate of the Lender or if a Default exists, and (ii) grant to any other Person participating interests in all or part of its rights and obligations hereunder without notice to the Borrower. The Borrower agrees to execute any documents reasonably requested by the Lender in connection with any such assignment. All information provided by or on behalf of the Borrower to the Lender or its affiliates may be furnished by the Lender to its affiliates and to any actual or proposed assignee or participant.

(i) In addition to any rights and remedies of the Lender set forth herein or provided by law, upon the occurrence and during the continuance of any Event of Default, the Lender is authorized at any time and from time to time, without prior notice to the Borrower (any such notice being waived by Borrower to the fullest extent permitted by law), to set off and apply any and all deposits (general or

special, time or demand, provisional or final) at any time held by, and other indebtedness at any time owing by, the Lender to or for the credit or the account of the Borrower against any and all obligations owing to the Lender hereunder or under any other Loan Document, now or hereafter existing, irrespective of whether or not the Lender shall have made demand under this Agreement or any other Loan Document. The Lender agrees promptly to notify the Borrower after any such set-off and application; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application.

(j) The Borrower shall pay the Lender, on demand, all reasonable out-of-pocket expenses and legal fees (including the allocated costs for in-house legal services) incurred by the Lender in connection with the enforcement of this Agreement or any instruments or agreements executed in connection herewith.

(k) The Borrower shall indemnify and hold harmless the Lender, its affiliates, and their respective partners, directors, officers, employees, agents and advisors (collectively the "Indemnitees") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any Subsidiary, or any Environmental Liability related in any way to the Borrower or any Subsidiary, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower against the Lender for breach in bad faith of the Lender's obligations hereunder or under any other Loan Document, if the Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction. The agreements in this Paragraph 6(j) shall survive the termination of the Commitment and the repayment, satisfaction or discharge of all the other obligations and liabilities of the Borrower under the Loan Documents. All amounts due under this Paragraph 6(j) shall be payable within ten Business Days after demand therefor.

(l) If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (i) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (ii) the parties

shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(m) This Agreement may be executed in one or more counterparts, and each counterpart, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

(n) THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS ARE GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA THE BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT AND EACH STATE COURT IN THE CITY OF SAN FRANCISCO, CA AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY OF THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. THE BORROWER IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO THE BORROWER AT ITS ADDRESS SET FORTH BENEATH ITS SIGNATURE HERETO. THE BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(o) THE BORROWER AND THE LENDER EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(p) If any action or proceeding is filed in a court of the State of California by or against any party hereto in connection with any of the transactions contemplated by this Agreement or any other Loan Document, (i) the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a "provisional remedy" as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court, and (ii) without limiting the generality of Paragraph 6(i) above, the Borrower shall be solely responsible to pay all fees and expenses of any referee appointed in such action or proceeding.

(q) The Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub.L. 107-56 (signed into law October 26, 2001)) (the "Act"), the Lender is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Lender to identify the Borrower in accordance with the Act. The Borrower shall, promptly following a request by the Lender, provide all documentation and other information that the Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

(r) **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF**

PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[Remainder of page intentionally left blank.]

Please indicate your acceptance of the Commitment on the foregoing terms and conditions by returning an executed copy of this Agreement to the undersigned not later than December 23, 2010.

BANK OF THE WEST

By: /s/ Lebbeus S. Case, Jr.

Name: Lebbeus S. Case, Jr.

Title: Vice President

Address for notices hereunder:

Bank of the West
San Francisco Commercial Banking Office
180 Montgomery Street, 3rd Floor
San Francisco, CA 94104
Attention: Lebbeus S. Case, Jr., Vice President

With a copy to:

Morrison & Foerster LLP
555 West Fifth Street, Suite 3500
Los Angeles, CA 90013-1024
Attention: Pauline M. Stevens, Esq.

Accepted and agreed to as of the date first written above:

AMYRIS, INC.

By: /s/ Jeryl Hilleman

Name: Jeryl Hilleman

Title: CFO

U.S. Taxpayer Identification Number: 55-0856151

Website Address: www.amyris.com

Date: 12-23-2010

Address for notices hereunder:

Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608
Attention: Jeryl Hilleman, Chief Financial Officer

DEFINITIONS

Breakage Costs:	Any loss, cost or expense incurred by the Lender (including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by the Lender to maintain the relevant Eurodollar Rate Loan or from fees payable to terminate the deposits from which such funds were obtained) as a result of (i) any continuation, conversion, payment or prepayment of any Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise); or (ii) any failure by the Borrower (for a reason other than the failure of the Lender to make a Loan when all conditions to making such Loan have been met by the Borrower in accordance with the terms hereof) to prepay, borrow, continue or convert any Eurodollar Rate Loan on a date or in the amount notified by the Borrower. The certificate of the Lender as to its costs of funds, losses and expenses incurred shall be conclusive absent manifest error.
Business Day:	Any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the State California and, if such day relates to any Eurodollar Rate Loan, means any such day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.
Code:	The Internal Revenue Code of 1986, as amended from time to time.
Collateral:	All now owned or hereafter acquired right, title and interest of Borrower in (a) Accounts, (b) Documents, (c) Chattel Paper, (d) Deposit Accounts, (e) Equipment, Inventory and other Goods, (f) General Intangibles, (g) Instruments and Promissory Notes, (h) Letter of Credit Rights, (i) Commercial Tort Claims, (j) cash and cash accounts, (k) Investment Property, (l) Fixtures, (m) Supporting Obligations and (n) Proceeds of the foregoing; <u>provided, however</u> , that the following items do not constitute Collateral: (i) any Intellectual Property; (ii) any Equipment which is subject to a purchase money Lien permitted under this Agreement in favor of any Person (other than Bank, if the documents relating to such Lien do not permit other Liens, (iii) rights under that certain Plain English Master Lease Agreement dated March 14, 2008, between the Borrower and TriplePoint Capital, LLC, and Equipment financed thereunder, (iv) the Master Lease Agreement with Applied Biosystems dated June 11, 2007 and Equipment financed thereunder, (v) the Master Lease Agreement with Thermo Electron Corporation dated June 4, 2007 and Equipment financed thereunder, (vi) the Siemens Equipment Lease dated February 13, 2008 and Equipment financed thereunder, (vii) more than 65% of the presently existing and hereafter issued and outstanding shares of capital stock of any "controlled foreign corporation" (as defined in the Code) which shares entitle the holder thereof to vote for directors or any other matter, (viii) any interest of Borrower as a lessee or sublessee under a real property lease or an Equipment lease if Borrower is prohibited by the terms of such lease from granting a security interest therein or under which an assignment or Lien would cause a default to occur (other than to the extent that any such term would be rendered ineffective by Sections 9406 through 9408 of the Uniform Commercial Code) and (ix) any General Intangible which is the subject of a written agreement which specifically prohibits assignment thereof but only to the extent of such prohibition, and only to the extent that the terms and provisions of a such written agreement, document or instrument creating or evidencing such property or any rights relating thereto expressly prohibit the granting of a security interest therein, making the granting of a security interest therein a breach or event of default or condition the granting of a security interest therein on the consent of a third party whose consent has not been obtained or would cause, or allow a third party to cause, forfeiture of such property upon the granting of a security interest therein or a breach under any written agreement relating thereto. As used in this definition, " <u>Account Debtor</u> ," " <u>Account</u> ," " <u>Chattel Paper</u> ," " <u>Commercial Tort Claim</u> ," " <u>Commodity Account</u> ," " <u>Commodity Intermediary</u> ," " <u>Deposit Account</u> ," " <u>Documents</u> ," " <u>Entitlement Holder</u> ," " <u>Equipment</u> ," " <u>Fixtures</u> ," " <u>Financial Asset</u> ," " <u>General Intangibles</u> ," " <u>Goods</u> ," " <u>Inventory</u> ," " <u>Investment Property</u> ," " <u>Instruments</u> ," " <u>Letter of Credit Rights</u> ," " <u>Proceeds</u> ," " <u>Promissory Note</u> ," " <u>Securities</u> ," " <u>Securities Account</u> ," " <u>Securities Intermediary</u> ," " <u>Securities Entitlement</u> ," and " <u>Supporting Obligations</u> " shall have the meaning assigned to such terms by the Uniform Commercial Code.

Current Asset:	Current assets as determined in accordance with generally accepted accounting principles.
Current Liability:	Current liabilities as determined in accordance with generally accepted accounting principles.
Current Ratio:	Borrower's total Current Assets divided by Borrower's total Current Liabilities.
Debtor Relief Laws:	The Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States of America or other applicable jurisdictions from time to time in effect affecting the rights of creditors generally.
Default:	Any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.
Dollar or \$:	The lawful currency of the United States of America.
Environmental Laws:	Any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.
Environmental Liability:	Any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.
ERISA:	The Employee Retirement Income Security Act of 1974 and any regulations issued pursuant thereto, as amended from time to time.

Eurodollar Rate:	A fixed rate for an Interest Period determined by Lender's Treasury Desk as being the arithmetic mean of the Bloomberg British Bankers Association LIBOR page as of 11:00 a.m. (London time), on that date, or, if such day is not a Business Day, on the immediately preceding Business Day prior the first day of such Interest Period (adjusted for any and all assessments, surcharges and reserve requirements)
Eurodollar Rate Loan:	A Loan bearing interest based on the Eurodollar Rate.
Event of Default:	Has the meaning set forth in <u>Paragraph 5</u> .
Federal Funds Rate:	For any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; <u>provided</u> that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Lender on such day on such transactions as determined by the Lender.
Hazardous Materials:	All explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.
Indemnitee:	Has the meaning set forth in <u>Paragraph 6(i)</u> .
Interest Period:	For each Eurodollar Rate Loan, (a) initially, the period commencing on the date the Eurodollar Rate Loan is disbursed or converted from a Prime Rate Loan and (b) thereafter, the period commencing on the last day of the preceding Interest Period, and, in each case, ending on the earlier of (x) the Maturity Date and (y) one, two, three or six months thereafter, as requested by the Borrower; <u>provided</u> that: (i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day; and (ii) any Interest Period which begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period.
Lien:	Any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing) securing any indebtedness of the Borrower or any Subsidiary or the property, real or personal, of the Borrower or such Subsidiary, whether now owned or hereafter acquired.

Liquidity:	The following assets owned by the Borrower on an unconsolidated basis and not owned by any Subsidiary of the Borrower which (i) are not the subject of any Lien or other arrangement with any creditor to have his claim satisfied out of the asset (or proceeds thereof) prior to the general creditors of the Borrower, and (ii) may be converted to cash within five (5) days: (a) cash and cash equivalents held in the United States; (b) United States Treasury or governmental agency obligations which constitute full faith and credit of the United States of America; (c) Commercial paper rated P-1 or A1 by Moody's or by S&P, respectively; (d) medium and long-term securities rated investment grade by one of the rating agencies described in (c) above; (e) Eligible Stocks; and (f) mutual funds quoted in The Wall Street Journal which invest primarily in the assets described in (a) through (e) above, where "Eligible Stocks" means any common or preferred stock which (i) is not subject to statutory or contractual restrictions on sales, (ii) is traded on the New York Stock Exchange, American Stock Exchange or included in the National Market tier of NASDAQ and (iii) has, as of the close of trading on an applicable exchange (excluding after hours trading), a per share price of at least \$15.
Loan Documents:	This Agreement, and the promissory note and fee letter, if any, delivered in connection with this Agreement.
Material Adverse Effect:	(a) A material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent) or financial condition of the Borrower or the Borrower and its Subsidiaries taken as a whole; (b) a material impairment of the ability of the Borrower to perform its obligations under any Loan Document; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower of any Loan Document.
Maturity Date:	December 1, 2012, or such earlier date on which the Commitment may terminate in accordance with the terms hereof.
Permitted Lien:	Any Lien on any asset (other than an asset included in the calculation of Liquidity) (a) securing the obligations of the Borrower hereunder; (b) for taxes, assessments and similar charges not yet due; (c) of materialmen, mechanics, warehousemen or carriers or other like Liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (d) in the nature of a purchase money Lien on or in any property acquired or held by the Borrower or any of its Subsidiaries in the ordinary course of business to secure indebtedness outstanding on the date here or permitted to be incurred hereunder; (e) in the nature of an attachment and judgment Lien not otherwise constituting an Event of Default which is in existence less than thirty (30) days after the entry thereof or, with respect to which execution has been stayed, payment is covered in full by insurance or the Borrower in good faith is prosecuting an appeal or other proceedings for review and has set aside on its books such reserves as may be required by generally accepted accounting principles with respect to such attachment or judgment; and (f) incidental to the conduct of the business of the Borrower and its Subsidiaries which was not incurred in connection with borrowed money and which does not in the aggregate materially detract from the value of the property subject thereto or materially impair the use thereof in the operations of such business.
Person:	Any natural Person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

Plan:	Any employee benefit plan maintained or contributed to by the Borrower or by any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code) and insured by the Pension Benefit Guaranty Corporation under Title IV of ERISA.
Prime Rate:	The Lender's prime rate is a rate set by the Lender based upon various factors including the Lender's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the prime rate announced by the Lender shall take effect at the opening of business on the day specified in the public announcement of such change.
Prime Rate Loan:	A Loan bearing interest based on the Prime Rate.
Subsidiary:	With respect to any Person, a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" refer to a Subsidiary or Subsidiaries of the Borrower.

FORM OF PROMISSORY NOTE

\$10,000,000

_____, ____

FOR VALUE RECEIVED, the undersigned, Amyris, Inc., a Delaware corporation (the "Borrower"), hereby promises to pay to the order of Bank of the West (the "Lender") the principal sum of Ten Million and No/100 Dollars (\$10,000,000) or, if less, the aggregate unpaid principal amount of all Loans made by the Lender to and obligations in respect of Letters of Credit issued for the account of the Borrower pursuant to the letter agreement, dated as of even date herewith (such letter agreement, as it may be amended, restated, extended, supplemented or otherwise modified from time to time, being hereinafter called the "Agreement"), between the Borrower and the Lender, on the Maturity Date. The Borrower further promises to pay interest on the unpaid principal amount of the Loans evidenced hereby from time to time at the rates, on the dates, and otherwise as provided in the Agreement.

The loan account records maintained by the Lender shall at all times be conclusive evidence, absent manifest error, as to the amount of the Loans and payments thereon; provided, however, that any failure to record any Loan or payment thereon or any error in doing so shall not limit or otherwise affect the obligation of the Borrower to pay any amount owing with respect to the Loans.

This promissory note is the promissory note referred to in, and is entitled to the benefits of, the Agreement, which Agreement, among other things, contains provisions for acceleration of the maturity of the Loans evidenced hereby upon the happening of certain stated events and also for prepayments on account of principal of the Loans prior to the maturity thereof upon the terms and conditions therein specified.

Unless otherwise defined herein, terms defined in the Agreement are used herein with their defined meanings therein. This promissory note shall be governed by, and construed in accordance with, the laws of the State of California.

AMYRIS, INC.

By ____

Name ____

Title ____

EXISTING LETTERS OF CREDIT

Irrevocable Letters of Credit Outstanding

L/C #	Dollar Amount	Maturity
[*]	[*]	11/9/2011
[*]	[*]	12/10/2011
[*]	[*]	11/9/2011
[*]	[*]	12/9/2011

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

CONFIDENTIAL TREATMENT REQUESTED. CERTAIN PORTIONS OF THIS DOCUMENT HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND, WHERE APPLICABLE, HAVE BEEN MARKED WITH AN ASTERISK TO DENOTE WHERE OMISSIONS HAVE BEEN MADE. THE CONFIDENTIAL MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

**FIRST AMENDMENT TO THE TECHNOLOGY
LICENSE, DEVELOPMENT, RESEARCH AND COLLABORATION AGREEMENT
ENTERED INTO AS OF NOVEMBER 23, 2011**

This First Amendment (the “**First Amendment**”) to the Technology License, Development, Research and Collaboration Agreement entered into as of June 21, 2010 (the “**Agreement**”) is entered into as of November 23, 2011 (the “**First Amendment Date**”) by and between:

AMYRIS, Inc., a Delaware corporation, having its place of business at 5885 Hollis Street, Suite 100, Emeryville, California 94608 (“**AMYRIS**”),

and

TOTAL Gas & Power USA SAS, a company existing and organized under the French laws having its head office located at Tour Coupole, 2 place Jean Millier, 92810 Courbevoie, France (“**TOTAL**”).

AMYRIS and TOTAL are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, on June 21, 2010, AMYRIS and TOTAL Gas & Power USA Biotech, Inc. entered into the Agreement to define the general terms and conditions under which the Parties can establish development projects related to the research, development, production and commercialization of certain products;

WHEREAS, TOTAL Gas & Power USA Biotech, Inc., assigned the Agreement to TOTAL as set forth in that certain letter dated January 11, 2011;

WHEREAS, the Parties have entered into that certain term sheet dated as of July 26, 2011 (the “**Term Sheet**”), pursuant to which the Parties intend to agree upon certain agreements and amendments to the Agreement in order to conduct an exclusive strategic partnership (as described herein) for the development, production and commercialization of Renewable Diesel Products (as defined below) through the formation of a joint venture (such joint venture, whether one joint venture or multiple joint venture entities, as applicable, the “**Holding JV Company**”, “**JV Company**” or “**JV Companies**”) and the conduct of research and development activities to develop and industrialize processes to convert feedstock into Renewable Diesel Products;

WHEREAS, the Parties desire to conduct the above mentioned research and development activities under the terms of the Agreement (as amended by this First Amendment), and they desire to amend the Agreement to describe and address specific provisions pertaining to such activities;

WHEREAS, this First Amendment supersedes the Term Sheet with respect to the matters set forth herein, and sets forth the terms on which the Parties will, as contemplated by the Agreement, cooperate in the development, production and commercialization of Renewable Diesel Product; and

WHEREAS, as of the First Amendment Date, AMYRIS and TOTAL have entered into the certain binding letter describing the Parties' agreements with respect to the structure and operation of a joint venture for the development (if applicable), production and commercialization of JV Products (the "**Cover Letter**").

NOW THEREFORE, for good and valuable consideration the receipt of which is hereby acknowledged, the Parties, intending to be legally bound, agree to the following provisions and to amend the Agreement, as follows:

1. New Definitions. The Parties hereby agree to add the following defined terms to Section 1:

"Additional Non-Exclusive JV Products" means any products in addition to the Initial Non-Exclusive JV Products that the Parties may, from time to time, mutually agree in writing that the JV Company will Make and Sell on a non-exclusive basis.

"Amendment Effective Date" means August 1st, 2011.

"AMYRIS Farnesene Included IP" means any (i) AMYRIS Background IP and any AMYRIS Non-Collaboration IP, in each case that is Controlled by AMYRIS or its Affiliates as of the Amendment Effective Date and (ii) AMYRIS Non-Collaboration IP developed after the Amendment Effective Date, in each case that (x) encompass general means of practicing synthetic biology or (y) are necessary for the R&D Activities contemplated under the Renewable Diesel Product, and the activities of the JV Company. Exhibit A lists the patents and patent applications Controlled by AMYRIS as of the First Amendment Date that are included within AMYRIS Farnesene Included IP under (y) but not (x).

"AMYRIS Hydrogenation IP" means any AMYRIS Background IP and AMYRIS Non-Collaboration IP in each case that is Controlled by AMYRIS or its Affiliates and is necessary in order to hydrogenate farnesene into farnesane.

"Commercial Farnesene Strain" means any Commercial Strain that produces farnesene.

"Cover Letter" has the meaning defined in the recitals of this First Amendment.

"Exclusive JV Products" means (i) the Renewable Diesel Product and (ii) any Products resulting from the Biojet Development Program approved by the Management Committee on March 4, 2011.

"Farnesene Production IP" means any and all (a) AMYRIS Farnesene Included IP and (b) Collaboration IP and (c) Improvement Scope IP, in each case that is necessary to (i) produce farnesene from fermentation of a Farnesene Strain or (ii) purify such farnesene from the fermentation medium to hydrogenation grade.

"Farnesene Renewable Diesel Product" means a Renewable Diesel Product comprising at least farnesene or a farnesene derivative (e.g., farnesane) where the farnesene was produced using a Farnesene Strain.

"Farnesene Strain" means any Strain that produces farnesene.

"Initial Non-Exclusive JV Products" means those certain products designated as such on Exhibit B.

“Holding JV” shall mean the parent JV entity which shall initially be owned 50/50 by AMYRIS and TOTAL (or their respective Affiliates).

“JV Formation Date” means the date of formation of the Holding JV Company.

“JV Principles” means the principles for the JV Companies set forth on Annex C to the Cover Letter.

“JV Product” means an Exclusive JV Product or a Non-Exclusive JV Product, as applicable.

“JV Project” means for the purpose of Section 11 a project undertaken by the Holding JV (or by a Party as an “Independent Project” in accordance with Section 11) to Make and Sell any Exclusive JV Product and shall include, unless otherwise agreed by the Parties, all steps in the value chain from the fermentation process of any raw material up to and including Making and Selling the applicable Exclusive JV Product.

“Manufacture” means make and have made (including practicing and using for the foregoing purposes).

“Non-Exclusive JV Product” means an Initial Non-Exclusive JV Product or an Additional Non-Exclusive JV Product, as applicable.

“Renewable Diesel Development Project” means the renewable diesel project described in the Renewable Diesel Development Project Plan.

“Renewable Diesel Development Project Plan” means the Development Project Plan for the research, development, production, and commercialization of the Renewable Diesel Product as approved by the Parties effective as of the date of this Amendment. Such plan can be amended in writing from time to time as per the Agreement.

“Renewable Diesel Development Project Scope” means the following collective feedstock, host cell, metabolic pathway, Compound and Product:

(a) feedstock consisting of one or both:

(i) [*] (e.g., [*]) or [*], or

(ii) [*]:

(A) [*],

(B) [*],

(C) [*],

(D) [*] and

(E) [*];

(b) a Strain as the host cell;

(c) Mevalonate Pathway or DXP Pathway as the pathway;

(d) an isoprenoid compound as the Compound; and

(e) Renewable Diesel Product as the Product.

[*]

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

“Renewable Diesel Product” means one or more fermentation-produced isoprenoid(s) that may or may not be hydrogenated or hydroprocessed, which when blended with petroleum diesel, meet the ASTM D975 specification, the EN590 European standard or the equivalent of either such standard, in each case for use as a diesel fuel. For the avoidance of doubt, Renewable Diesel Product does not include any blend with petroleum diesel. Capitalized terms not defined in this First Amendment shall have the meaning set forth in the Agreement.

2. Designation of Renewable Diesel Product as a Product and a Large Market Product. The Parties hereby agree that (a) pursuant to Section 2.1 of the Agreement, on and after the Amendment Effective Date, the Renewable Diesel Product shall be considered a Product, notwithstanding the exclusion of Specific Products from the definition of Products, and (b) the Renewable Diesel Product is deemed a Large Market Product and the procedures set forth in Section 2.2(d) of the Agreement with regard to designating Products as Large Market Products are deemed satisfied with regard to the Renewable Diesel Product.
3. Renewable Diesel Development Project. The Parties hereby agree that (a) pursuant to Section 2.2 of the Agreement, as of the First Amendment Date, the Renewable Diesel Development Project is deemed to be approved by the Management Committee in accordance with the terms of the Agreement, (b) the Improvement Scope for the Renewable Diesel Development Project shall not be broader than the Renewable Diesel Development Project Scope, (c) any and all Inventions developed by or on behalf of either Party under the Improvement Scope IP for the Renewable Diesel Development Project, which Inventions relate to the production of farnesene from fermentation of a Farnesene Strain and purification of such farnesene from fermentation medium shall be deemed to be Main IP (and not Improvement Scope IP), and (d) notwithstanding Section 2.4 or any other provision of the Agreement, TOTAL may not exercise the TOTAL R&D Option with respect to a Farnesene Renewable Diesel Product.

The Development Project Plan for the Renewable Diesel Development Project shall include the following parts:

(a) “[*] **Subproject**” which shall mean that portion of the Renewable Diesel Development Project Plan specified as the “[*] Subproject” therein. The R&D Activities for the [*] Subproject commenced as of Amendment Effective Date.

(b) “[*] **Subproject**” which shall mean that portion of the Renewable Diesel Development Project Plan specified as the “[*] Subproject” therein. The [*] Subproject commenced as of the Amendment Effective Date. Any activities that would fall within the scope of the [*] Subproject will, notwithstanding any terms of the Agreement, including this First Amendment, be conducted independently by AMYRIS prior to the JV Formation Date and such independently conducted activities shall be considered outside of the R&D Activities and shall be at AMYRIS’ expense and any Invention generated in the performance of such activities during such period shall be AMYRIS Non-Collaboration IP.

(c) “[*] **Subproject**” which shall mean that portion of the Renewable Diesel Development Project Plan specified as the “[*] Subproject” therein. The [*] Subproject shall commence with a Feasibility Study as of the First Amendment Date.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

4. Governance. The governance of the Renewable Diesel Development Project shall be as follows:
- (a) Before the formation of the Holding JV Company: (i) the [*] Subproject and [*] Subproject will be governed as per the Agreement and (ii) the [*] Subproject will be governed by AMYRIS, provided that, in case of (ii), the Management Committee and the Joint Steering Committee as defined in the Agreement are kept informed of the progress of these subprojects and provided further that such subprojects are conducted in accordance with the Renewable Diesel Development Project Plan. All other aspects of the Renewable Diesel Development Project shall be governed in accordance with the governance provisions set forth in the Agreement.
 - (b) After the formation of the Holding JV Company: All aspects of the Renewable Diesel Development Project shall be governed in accordance with the governance provisions set forth in the Agreement.
5. Use of Collaboration IP. In case (i) the Renewable Diesel Development Project is terminated and (ii) the Holding JV Company is not formed, the Parties hereby agree that the restrictions set forth in Section 2.2(d) of the Agreement regarding use of Collaboration IP in a project competing with the Renewable Diesel Development Project having farnesene as the Lead Compound and Farnesene Renewable Diesel Product as the Product shall not apply to AMYRIS with respect to any Collaboration IP developed under the Renewable Diesel Development Project.
6. Funding. Notwithstanding Sections 2.7(a) and (c) of the Agreement, the Parties hereby agree to fund the Renewable Diesel Development Project as follows:
- (a) TOTAL shall solely fund the first thirty million USD (\$30,000,000) of R&D Costs for R&D Activities constituting the [*] Subproject and the [*] Subproject, collectively, which amounts shall be separate and in addition to the amount of fifty million USD (\$50,000,000) to be funded by TOTAL pursuant to Section 2.7(c) of the Agreement.
 - (b) For any such R&D Costs incurred following the JV Formation Date for R&D Activities constituting the [*] Subproject and the [*] Subproject, collectively, not funded by TOTAL pursuant to the foregoing clause (a), TOTAL shall solely fund such R&D Costs in accordance with the budget in the Renewable Diesel Development Project Plan (i) up to ten million USD (\$10,000,000) (the "**Second Funding Amount**") in calendar year 2012 and (ii) if agreed by the Management Committee, up to an additional ten million USD (\$10,000,000) in calendar year 2013 (which determination shall be made no later than [*] prior to the end of calendar year 2012). All funding provided by TOTAL under this clause (b) will be deemed to be part of the \$50 million to which TOTAL is committed to fund under Section 2.7(c) of the Agreement.
 - (c) For any such R&D Costs for R&D Activities constituting the [*] Subproject and the [*] Subproject, collectively, not funded by TOTAL pursuant to the foregoing clause (a) or (b), the Parties shall share such R&D Costs on an equal basis as set forth in Section 2.7(a) of the Agreement. For clarity, in this

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

particular case of this clause (c), the exception of Section 2.7(c) of the Agreement mentioned in Section 2.7(a) of the Agreement shall not apply.

- (d) For the R&D Costs of R&D Activities constituting the [*] Subproject and performed after the JV Formation Date, the Parties shall share such R&D Costs on an equal basis as set forth in Section 2.7(a) of the Agreement. For clarity, in this particular case of this clause (d), the exception of Section 2.7(c) of the Agreement mentioned in Section 2.7(a) of the Agreement shall not apply.
- (e) If an improvement to a Commercial Farnesene Strain, other than by means of [*] is desired by the JV Company, then the JV Company shall fund such work to be performed by AMYRIS on behalf of the JV Company, provided that such improved Commercial Farnesene Strain is not already licensed to the JV Company under the license agreement to be executed by AMYRIS and the JV Company in connection with the Definitive JV Agreements.
- (f) AMYRIS shall provide to TOTAL two invoices as of the First Amendment Date, as follows:
 - (i) one invoice for the past actual and documented R&D Costs for the Renewable Diesel Project incurred for the period beginning [*] and ending [*] and for which TOTAL is responsible under Section 6 “Funding” of this First Amendment, plus
 - (ii) one invoice for expected R&D Costs in accordance with the budget in the Renewable Diesel Development Project Plan for the Renewable Diesel Project during the Calendar Quarter [*], and for which TOTAL is responsible under paragraph (a) and, if applicable, paragraph (c) of Section 6 “Funding” of this First Amendment.

TOTAL shall pay AMYRIS the invoiced amounts within [*] following receipt of such invoices.

AMYRIS shall provide TOTAL with an updated invoice reflecting the actual and documented amounts of the estimated R&D Costs specified in clause (f) (ii) within [*] after the end of the Calendar Quarter [*].

- 7. Exclusivity. Notwithstanding the provisions of Section 2.8(a) of the Agreement, the one-year period described in the first sentence of Section 2.8(a) shall not apply [*].
- 8. Non-Formation of the Holding JV Company. The Parties agree that if the Definitive JV Agreements (as defined in the Cover Letter) have not been executed by March 31, 2012 or such later date as is mutually agreed in writing by the Parties (the “Holding JV Formation Deadline”), then:
 - (a) the Renewable Diesel Development Project shall terminate;
 - (b) The funding by TOTAL of the remaining R&D Activities in the Renewable Diesel Development Project shall immediately stop (other than for noncancellable amounts)

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

previously incurred by AMYRIS in accordance with the budget for the Renewable Diesel Development Project for activities conducted on or before such date); and

(c) the Renewable Diesel Product shall cease to be a “Product” for the purposes of Article 3 of the Agreement.

9. AMYRIS Included IP.

A. AMYRIS Farnesene Included IP and AMYRIS Hydrogenation IP as listed in Exhibit A shall be considered included in the AMYRIS Included IP pursuant to Section 6.1(c) of the Agreement (without the need for the procedures set forth therein) solely for the Renewable Diesel Development Project for all purposes under the Agreement, except as otherwise provided in this First Amendment. Any other Background IP or Non-Collaboration IP that is Controlled by AMYRIS or its Affiliates may be introduced as AMYRIS Included IP as per the Agreement.

B. Notwithstanding the scope of the licenses otherwise granted or to be granted to the JV Company under the Agreement, including Section 6.6(a) of the Agreement, the license to be granted by AMYRIS to the JV Company for Farnesene Renewable Diesel Product under its interest in the Farnesene Production IP and AMYRIS Hydrogenation IP shall be limited to: (i) [*] license to Make and Sell Farnesene Renewable Diesel Product manufactured using the Commercial Farnesene Strain for the Farnesene Renewable Diesel Product (but not farnesene itself, with respect to which the JV Company shall be granted only the Biofene License as mentioned in Section 9B(ii)), and (ii) [*] license to Manufacture farnesene (such [*] license, the “**Biofene License**”) using the Commercial Farnesene Strain for the Farnesene Renewable Diesel Product solely for (A) the purpose of Manufacturing the Farnesene Renewable Diesel Product from such farnesene and (B) such other purposes as are mutually agreed by AMYRIS and TOTAL in writing, in each case (i) and (ii), in accordance with such license and the terms governing such JV Company. The terms of the Biofene License under Farnesene Production IP shall be subject to conditions [*]. These conditions shall include, but may not be limited to the following: (1) the JV Company will be permitted to engage in [*] with respect to the Commercial Strain for the Renewable Diesel Product, (2) the JV Company will be permitted to transfer the Commercial Farnesene Strain to any contract manufacturer in accordance with the license terms between AMYRIS and the JV Company, (3) the license agreement granting the Biofene License shall include other reasonable provisions, including without limitation, reporting, audit, and inspection rights in order to protect the Farnesene Production IP and the Commercial Farnesene Strain, and (4) the JV Company shall not and shall not allow any other Person to reverse engineer any Commercial Farnesene Strain, engineer any other strain from the Commercial Farnesene Strain, use the Commercial Farnesene Strain, or distribute, disclose, or transfer the Commercial Farnesene Strain or any related AMYRIS Farnesene Included IP to any Third Party (other than a contract manufacturer as described above) in each case for any purpose other than the licensed purpose. Notwithstanding Section 9B, the financial terms of any licenses granted by AMYRIS to the JV Company shall be consistent with the content of the Cover Letter and the JV Principles.

C. AMYRIS has informed TOTAL that AMYRIS has received the following two grants from the U.S. government: (i) Scale-Up and Mobilization of Renewable Diesel & Chemical Production from Common Intermediate Using US-Based Fermentable Sugar

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Feedstocks (IBR Cooperative Agreement), Award No. DE-EE0002869 (the “**IBR Grant**”) and (ii) Biocatalyst Development for the National Advanced Biofuels Consortium (NABC) Subcontract ZFT-0-40623-01 (the “**NABC Grant**”). AMYRIS has further informed TOTAL that none of the subject matter disclosed by the patents and patent applications listed in Exhibit A was funded by either the IBR Grant or the NABC Grant, and TOTAL is relying on such representation in entering into this First Amendment.

TOTAL acknowledges that it is possible that after the Amendment Effective Date, AMYRIS may file one or more patent applications [*], which patent applications disclose inventions generated under either the IBR Grant or the NABC Grant, thereby subjecting such patent applications and any resulting patents and their use to certain restrictions and obligations to the United States government. TOTAL acknowledges that the rights of AMYRIS, TOTAL and their respective Affiliates', and the rights of the JV Company with regard to the applicable patent applications and patents will be subject to any rights of the U.S. government or any other relevant government entity arising as a result of such grants (including march-in rights) and will be subject to any restrictions on such exploitation. In such case, the Management Committee shall agree on how to mitigate or eliminate any adverse impact on the Parties and/or the JV Company.

Before entering into any grant or contract that may provide any government or non-for profit entity any rights (e.g., rights provided to the U.S. Government under 35 U.S. 200 et seq. or any similar provisions of foreign law) to any patent application or patents resulting from work done in connection with such grant or contract that might be useful in connection with the conduct of the Renewable Diesel Development Project or to Manufacture farnesene to make Renewable Diesel Products or to Make and Sell Renewable Diesel Products, AMYRIS shall notify the Management Committee, which shall agree on how to mitigate or eliminate any adverse impact on the Parties and/or the JV Company.

10. Limitation of Rights to Use Farnesene Production IP from Licenses. The Parties hereby agree that, notwithstanding the terms of the Agreement, the licenses granted or to be granted to TOTAL in Sections:

- (i) 6.2(c), 6.3(a), 6.3(d) and 6.3(e) of the Agreement with respect to Renewable Diesel Products will not include the right for TOTAL to use Farnesene Production IP for the production of farnesene from fermentation of a Farnesene Strain and subsequent purification of farnesene to hydrogenation grade, except in each case to the extent necessary for TOTAL to exercise the Exclusive Products Sole Risk Production Right of First Refusal described in Section 11 below for Renewable Diesel Product, and
- (ii) 6.3(b) will exclude the right for TOTAL to use Farnesene Production IP for further optimization of a Commercial Farnesene Strain other than by means of [*].

The foregoing limitations in this Section 10 shall not limit or deprive TOTAL of any rights granted to TOTAL prior to execution of this First Amendment, or that may be granted to TOTAL under the Agreement with respect to (a) any Collaboration IP not made in connection with the Renewable Diesel Development Plan, or (b) with respect to any Product other than a Renewable Diesel Product.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

The Parties also hereby agree that, notwithstanding the terms of Section 10.6 of the Agreement, the license grants set forth in or extended under Section 10.6.1(a) of the Agreement exclude the right for TOTAL to use Farnesene Production IP for the production of farnesene from fermentation of a Farnesene Strain and subsequent purification of farnesene to hydrogenation grade.

11. Exclusive Products Sole Risk Production Right of First Refusal. The Parties agree that the “Production Right of First Refusal” set forth in Section 3.2(d) (i) of the Agreement shall be replaced by the following for the purpose of Exclusive JV Products:

A. The Parties agree that any JV Project may be conducted by one or both Party(ies) or its Affiliate(s) independently from one another and from the Holding JV Company, provided that the applicable Party or its Affiliate (the “**Proposing Party**”) shall offer to the other Party (the “**Receiving Party**”) an Exclusive Products Sole Risk Production Right of First Refusal” as described in this Section 11 to participate in the applicable JV Project on an [*] basis through the Holding JV Company unless otherwise agreed by the Parties (the “**Proposed Project**”).

If the Receiving Party exercises this Exclusive Products Sole Risk Production Right of First Refusal with respect to a particular JV Project, then the Holding JV Company will be the vehicle for the investment of both Parties in the Proposed Project unless otherwise agreed by the Parties. The Proposing Party shall not commence a JV Project for the Exclusive JV Product except in compliance with this Section 11.

B. In the event that a Proposing Party desires to independently launch a JV Project for an Exclusive JV Product (either alone or with one or more Third Parties), it shall first provide the Receiving Party written notice containing a description of the Proposed Project and a description of the terms available to participate in the Proposed Project.

C. If within [*] of receipt of the notice described in Section 11(B) above, the Receiving Party provides notice to the Proposing Party that the Receiving Party or any of its Affiliates desires to enter into such a transaction with the Proposing Party on such terms and conditions, then the Proposing Party shall not commence the Proposed Project without the Receiving Party and/or its Affiliate and the Holding JV Company (or other applicable JV Company) entering into an agreement for the Proposed Project with the Proposing Party (which agreement may include one or more Third Parties).

D. Upon the earlier of (1) the Receiving Party providing the Proposing Party with written notice that the Receiving Party does not wish to enter into such Proposed Project through the Holding JV Company and (2) the expiration of the [*] period following the date the notice described in Section 11(B) above was provided to the Receiving Party (provided that the Receiving Party has not provided the Proposing Party with written notice that it desires to enter into such a transaction as described in Section 11(C) during such [*] period), then, subject to subsection (G) below, the Proposing Party shall thereafter be free to engage in the Proposed Project either alone or with one or more Third Parties outside the JV Company (such project, an “**Independent Project**”).

E. Before entering into any agreement with a Third Party with respect to any activities substantially similar to a Proposed Project on terms more favorable to the Third Party than the terms last offered to and declined by the Receiving Party with respect to the Proposed Project, the Proposing Party shall offer to the Receiving Party the opportunity to participate in such activities on the terms it intends to offer to such Third Party and the [*]

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

offer period (and the corresponding commitment not to commence such activities while the Receiving Party is evaluating its interest in such Proposed Project) shall commence anew.

F. If the Proposing Party elects to engage in an Independent Project, the Receiving Party and/or the Holding JV Company, as needed, shall grant to the Proposing Party on a non-exclusive basis all the licenses necessary to engage in the Independent Project under the intellectual property Controlled by the Receiving Party and/or the Holding JV Company (for clarity such licenses shall include the right to Manufacture, use and import intermediates of the Exclusive JV Product [*] for the purpose of incorporating such intermediates into the Renewable Diesel JV Product and any license required to be granted by the Receiving Party shall not be required to be broader in scope than the rights granted to the Holding JV Company with respect to the applicable Exclusive JV Product and the foregoing licenses may be subject to terms and conditions analogous to those set forth in the license from the Receiving Party to the Holding JV Company). The Proposing Party shall pay the Receiving Party a royalty equal to [*] % of Net Income deriving from the Independent Project. For the purpose of calculating such royalty, Net Income with respect to a unit of any Exclusive JV Products produced under the Independent Project and used by the Proposing Party or its Affiliates internally shall be equal to (A) the then-current market price per unit of such Exclusive JV Products (or, if not available, an appropriate proxy as mutually agreed by the Parties) less (B) the per-unit cost of production associated with such Exclusive JV Products and less (C) per unit selling expenses that the Proposing Party would have incurred had such Exclusive JV Products been sold to a Third Party and less (D) any other deductions that would be typically taken under a Net Income calculation (as described in the example set forth in Exhibit D of the Agreement) if there were a sale to a Third Party.

G. In the event that the Receiving Party declines or otherwise does not exercise the Exclusive Products Sole Risk Production Right of First Refusal within the relevant time period as described above (whether in the first instance or pursuant to clause (E) above), then the Receiving Party may at any time (until expiration of the right as described below) elect to exercise an opportunity to opt in to the Proposed Project on the terms last offered (an **“Exclusive Sole-Risk Opt-In Right”**). The Exclusive Sole-Risk Opt-In Right, if exercised, would be effected by transitioning the Proposed Project to the Holding JV Company (or such other JV Company agreed by the Parties) as promptly as practical and in connection therewith the Proposing Party receiving an amount equal to [*] (**“Repayment Base Amount”**) (where the payment therefore shall be made by the Holding JV Company or as otherwise agreed by the Parties) as follows:

- The Repayment Base Amount plus interest in USD thereon at [*] of the Repayment Base Amount, if the Exclusive Sole-Risk Opt-In Right is exercised prior to [*] of the notice of the Proposed Project to the Receiving Party.
- The Repayment Base Amount plus interest in USD thereon at [*] of the Repayment Base Amount, if the Exclusive Sole-Risk Opt-In Right is exercised after [*] of the notice of the Proposed Project to the Receiving Party but prior to [*] thereof.
- The Repayment Base Amount plus interest in USD thereon at [*] of the Repayment Base Amount, if the Exclusive Sole-Risk Opt-In Right is exercised after [*] of the notice of the Proposed Project to the Receiving Party but prior to [*] thereof.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Each Exclusive Sole-Risk Opt-In Right shall lapse as of [*] of the notice of the Proposed Project to the Receiving Party. If a Receiving Party timely exercises its Sole Risk Opt-In Right, and commits to fund its portion of the Repayment Base Amount for a particular Proposed Project such Proposed Project shall be developed exclusively through the Holding JV.

H. The Exclusive Sole Risk Production Right of First Refusal mechanism described in this Section 11 (i) will not apply to either Party before the completion of the Renewable Diesel Development Project and (ii) will apply only if TOTAL has chosen not to exercise the TOTAL Royalty Option (as defined in Section 12 below).

I. Any Inventions conceived or reduced to practice in the performance of the Independent Project shall be treated under the Agreement (as amended in this First Amendment) as Collaboration IP.

12. TOTAL Option Upon the Renewable Diesel Project Completion Date

As used herein, “Renewable Diesel Project Completion Date” shall be [*] or any other date as determined by the Management Committee to achieve the End-Project Milestone (as defined in the Renewable Diesel Development Project Plan).

A. For a period of [*] following the Renewable Diesel Project Completion Date, TOTAL shall have the option, exercisable in its sole discretion, to notify AMYRIS in writing that TOTAL does not wish to pursue the production or commercialization of the Renewable Diesel Product (such option, the “TOTAL Royalty Option”). Provided TOTAL timely notifies AMYRIS of its decision to exercise the TOTAL Royalty Option (such date of notification, the “Royalty Notification Date”), then the following provisions shall apply:

B. Effective as of the Royalty Notification Date, all of TOTAL's rights in or to any and all Collaboration IP developed during the performance of the Renewable Diesel Development Project Plan (hereinafter, the “Diesel Collaboration IP”) shall terminate and TOTAL shall assign to AMYRIS all right, title and interest of TOTAL in and to Diesel Collaboration IP. TOTAL shall, at AMYRIS' reasonable expense, execute all documents and take all actions reasonably requested by AMYRIS from time to time to perfect AMYRIS' title to and ownership thereof. Prior to the Royalty Notification Date, TOTAL shall not assign or transfer to any of its Affiliates or third parties any such right, title and interest so as to ensure that AMYRIS obtains the benefit of this provision.

C. In consideration of the benefits AMYRIS may derive from the technology and intellectual property developed during the Renewable Diesel Development Project and TOTAL's assignment of its right, title and interest in and to the Diesel Collaboration IP, commencing on the Royalty Notification Date and ending on the date when AMYRIS has paid TOTAL an aggregate amount equal to \$[*] (the “Aggregate Royalty Amount”), AMYRIS shall pay TOTAL a royalty of [*] percent ([*]%) of Net Income (as defined in the Collaboration Agreement) on a yearly basis derived from (i) any licenses under or sales of the Diesel Collaboration IP by AMYRIS or any of its Affiliates to third parties, but not to the extent such licenses or sale relate to the use of the Diesel Collaboration IP for the Initial Non-Exclusive JV Products, and (ii) the Net Income (as defined in the Agreement) of AMYRIS on a consolidated basis other than that derived from a Product resulting from the Biojet Development Program and the Non-Exclusive JV Products (the “TOTAL Diesel IP Royalty”). In addition, in the event AMYRIS sells all or

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substantially all of its renewable diesel business prior to the time the time the Aggregate Royalty Amount has been paid, AMYRIS shall pay TOTAL [*] percent ([*]%) of the net proceeds from such sale up to the then-remaining unpaid amount of the Aggregate Royalty Amount.

For clarity, Net Income shall be calculated in accordance with generally accepted accounting principles consistently applied by AMYRIS and in the event that the foregoing Net Income is negative for a given fiscal quarter, AMYRIS shall not be required to pay any royalty for such fiscal quarter).

D. AMYRIS shall provide TOTAL, upon reasonable advance notice, all information, and access to all advisors and representatives of AMYRIS, as reasonably requested by TOTAL in order for a third party auditor appointed by TOTAL and reasonably acceptable to AMYRIS, and subject to mutually agreeable customary confidentiality restrictions, to verify all calculations and amounts paid pursuant to this Section 12 and to report any inaccuracies to TOTAL.

E. Notwithstanding anything in this Section 12, any JV Company established with regard to JV Products other than Renewable Diesel Products will continue to operate following any exercise of the TOTAL Royalty Option.

F. The TOTAL IP Royalty payments shall cease from the date when the sum of all such TOTAL Royalty payments equals \$[*].

G. Notwithstanding anything in this Section 12, beginning on the [*] from the Royalty Notification Date, the aforementioned royalty in section C (ii) shall be additionally derived from the Non-Exclusive JV Products.

13. Freedom to Operate.

A. Freedom to Operate Analyses. AMYRIS and TOTAL undertake to perform a freedom to operate (“FTO”) analysis in relevant jurisdictions with respect to intellectual property owned or controlled by Third Parties (“Third Party IP”) relevant to the proposed development, production and commercialization of the Farnesene Renewable Diesel Products (“Renewable Diesel Analysis”) prior to the execution of the Definitive JV Agreements and no later than [*], with the objective to determine whether, and to what extent, third party intellectual property rights may limit or preclude (i) the use of the AMYRIS intellectual property to Make and Sell Renewable Diesel Product or (ii) the performance of the Renewable Diesel Project Plan. In addition, prior to starting the development, production or commercialization of any other JV Product in the JV, the Parties shall conduct a similar freedom to operate analysis with regard to Third Party IP relevant to the development, production or commercialization of any JV Products of mutual interest to the Parties from such project on a mutually acceptable timetable. Except as otherwise agreed, the costs of the Renewable Diesel Analysis shall be included in R&D Costs for the [*] Subproject and the costs of any other FTO shall be as mutually agreed.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

B. Common Interest Agreement. Prior to commencing the Renewable Diesel Analysis described above, the Parties shall enter into a common interest agreement (the “Common Interest Agreement”) covering the exchange of information among the Parties and their counsel for the purposes of conducting such an FTO analysis in accordance with Paragraph A.

C. Result of FTO Analysis.

- (i) Within [*] of the completion of the Renewable Diesel Analysis in accordance with the agreed search and evaluation plan detailing specific deliverables and assessments of identified patent applications and patents owned by Third Parties, each Party shall notify the other if it considers that there is a Significant Risk. For the purpose of this section, “Significant Risk” means any risk that Third Party IP may preclude and/or Significantly Delay the development of Renewable Diesel Products in accordance with the Renewable Diesel Development Project Plan or the commercialization of Renewable Diesel Products. If not such notification is provided, then the consequences described in clause (iii)(a) below shall apply.

For the purpose of this Section 13, “Significantly Delay” means an expected delay of [*] or more.

- (ii) Upon receipt of such a notice, the Parties shall discuss their concerns about the Significant Risk, including whether to suspend or terminate any or all of the R&D Activities for the Renewable Diesel Project. If the Parties disagree after discussing for a period of [*] upon receipt of such notice, then each Party shall have the right, at its election to:
 - (A) terminate the Renewable Diesel Development Project, if it believes in good faith that the Significant Risk will have a material adverse impact on the Renewable Diesel Project (i.e., if the Third Party IP appears necessary (i.e., design around would Significantly Delay or significantly increase the cost) for the development, production and/or commercialization of Renewable Diesel Products). Any notice of an intent to terminate on such basis must be provided no later than [*] prior to the Holding JV Formation Deadline as agreed by the Parties; or
 - (B) suspend some or all of the R&D Activities (including the corresponding funding) because it believes in good faith that a Significant Risk may (i) prevent the use of the applicable IP for, or (ii) Significantly Delay the development, production and/or the commercialization of Renewable Diesel Products; any notice of suspension must be provided no later than [*] before the Holding JV Formation Deadline as agreed by the Parties. The suspension period shall last until there is a decision by the Management Committee of any appropriate corrective actions.
- (iii) At the completion of the process described above, the following shall apply: (a) if there is not a termination of the R&D Activities for the Renewable Diesel Project, TOTAL may not decline to enter into the Definitive JV Agreements on the basis of the results of the Renewable Diesel Product Analysis or (b) if there is a termination of the R&D Activities for the

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Renewable Diesel Project, neither Party shall be obligated to enter into any JV Company, except, at TOTAL's request, the Parties shall enter into a JV Company to Make and Sell N.1 and/or N.3 JV Products.

- (iv) Any Dispute regarding whether there is basis for termination as set forth in (A) or suspension as set forth in (B) shall be resolved in accordance with Section 12.2 of the Agreement.

D. Representation and Warranty.

AMYRIS represents and warrants as of the First Amendment Date that to its knowledge there are no pending or issued patent rights of any Third Party that foreclose practice of any AMYRIS Technology for the following purposes: (i) to make farnesene using the Mevalonate Pathway, or (ii) to make or commercialize Farnesene Renewable Diesel Products.

14. Exception to AMYRIS Representations, Warranties and Covenants in Section 8.2(q). The Parties hereby agree that by exception to Section 8.2(q) of the Agreement, Farnesene Strains may be disclosed to any Third Party during the Term by AMYRIS, provided that such disclosure is (a) under conditions of confidentiality and restrictive use to protect their proprietary nature and commercial value and (b) solely in furtherance of AMYRIS' business for products other than Exclusive JV Products.
15. Construction. The principles set forth in Section 13.12 of the Agreement shall apply to this First Amendment. References to Sections are references to sections of the Agreement except as otherwise expressly provided.
16. Amendment Effective Date; Incorporation of Terms; Continuing Effect. This First Amendment shall be deemed effective for all purposes as of the Amendment Effective Date. The amendment to the Agreement set forth in this First Amendment shall be deemed to be incorporated in, and made a part of, the Agreement, and the Agreement and this First Amendment shall be read, taken and construed as one and the same agreement. Except as otherwise expressly amended by this First Amendment, the Agreement shall remain in full force and effect in accordance with its terms and conditions.
17. Entire Agreement. This First Amendment contains the entire agreement between TOTAL and AMYRIS with respect to the subject matter hereof and supersedes any and all prior agreements and understandings, oral and written, with respect to such matters, including the Term Sheet, effective as of July 26, 2011, between AMYRIS and TOTAL Gas & Power USA SAS. In the event of any inconsistency between this First Amendment and the Cover Letter or JV Principles, this First Amendment shall control.

THIS FIRST AMENDMENT IS EXECUTED BY THE AUTHORIZED REPRESENTATIVES OF THE PARTIES AS OF THE DATE FIRST WRITTEN ABOVE.

AMYRIS, Inc.

By: /s/ John G. Melo

Name: John G. Melo

Title: President and CEO

TOTAL Gas & Power USA SAS

By: /s/ A. Chaperon

Name: A. Chaperon

Title: President

Exhibit A
AMYRIS Controlled Patents and Patent Applications within AMYRIS Farnesene Included
IP and AMYRIS Hydrogenation IP

EXHIBIT A

I. Amyris Patents and Patent Applications

Amyris Ref. No.	Serial No & Filing Date	Title	Status
[*]	US 11/754,235 Filed 05/25/2007	Production or Isoprenoids	Issued as US 7,659,097 on 02/09/2010 Published as US 20080274523 on 11/06/2008
[*]	[*]	[*]	
[*]	PCT/US2007/069807 Filed 05/25/2007	Production of Isoprenoids	Published as WO 2007/140339 on 12/06/2007 Entered National Phase in Australia, Brazil, Canada, China, Columbia, El Salvador, Europe, Guatemala, Honduras, India, Indonesia, Japan, South Korea, Malaysia, Mexico, Mozambique, Nigeria, Singapore, South Africa, Trinidad & Tobago, Vietnam
[*]	[*]	[*]	
[*]	PCT/US2007/012467 Filed:05/25/2007	Apparatus for Making a Bio-Organic Compound	Published as WO 2007/139924 on 12/06/2007 Entered National Phase in Australia, Brazil, Canada, China, Columbia, El Salvador, Europe, Guatemala, Honduras, India, Indonesia, Japan, South Korea, Malaysia, Mexico, Mozambique, Nigeria, Singapore, South Africa (issued as 2008/09957 on 08/10/2010), Trinidad & Tobago, Vietnam

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Amyris Ref. No.	Serial No & Filing Date	Title	Status
[*]	US 11/869,673 Filed 10/09/2007	Fuel Compositions Comprising Farnesane and Farnesane Derivatives and Method of Making and Using the Same	Issued as U.S. Patent No. 7,399,323 on 07/15/2008 Published as US 20080098645 on 05/01/2008
[*]	US 11/973,901 Filed 10/09/2007	Fuel Compositions Comprising Farnesane and Farnesane Derivatives and Method of Making and Using the Same	Issued as U.S. Patent No. 7,846,222 on 12/07/2010 Published as US 20080083158 on 04/10/2008
[*]	PCT/US2007/021890 Filed 10/10/2007	Fuel Compositions Comprising Farnesane and Farnesane Derivatives and Method of Making and Using the Same	Published as WO 2008/045555 on 04/17/2008 Entered National Phase in Australia, Brazil, Canada, China, Columbia, El Salvador, Europe, Guatemala, Honduras, Hong Kong, India, Indonesia, Japan, South Korea, Malaysia, Mexico, Mozambique, Nigeria, Singapore, South Africa (issued as 2009/02205 on 09/29/2010), Trinidad & Tobago, Vietnam
[*]	US 12/595,600 Filed 04/14/2008	DXP Production of Isoprenoids	Filed in US from PCT. Published as WO 2008/128159 on 10/23/2008 Published as US 20100178679 on 07/15/2010 DXP pathway
[*]	US 12/234,589 Filed 09/19/2008	Production of Isoprenoids	Published as US 20090137014 on 05/28/2009

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Amyris Ref. No.	Serial No & Filing Date	Title	Status
[*]	US2008/010886 Filed 09/19/2008	Production of Isoprenoids	Published as WO 2009/042070 on 04/02/2009 Entered National Phase in Australia, Brazil, Canada, China, Europe, Japan, India, Mexico, and South Africa
[*]	US 12/753,413 Filed 04/02/2010	Stabilization & Hydrogenation Methods for Microbial-Derived Olefins	Published as US 20100267971 on 10/21/2010
[*]	PCT/US2010/029774 Filed 04/02/2010	Stabilization & Hydrogenation Methods for Microbial-Derived Olefins	Published as WO 2010/115097 on 10/07/2010
[*]	[*]	[*]	
[*]	[*]	[*]	
[*]	[*]	[*]	
[*]	[*]	[*]	
[*]	[*]	[*]	
[*]	[*]	[*]	
[*]	[*]	[*]	

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

II. Patents and Patent Applications Licensed from University of California

Amyris Ref. No.	Serial No & Filing Date	Title	Status
[*]	PCT/US05/026190 Filed: 07/21/05	Genetically Modified Host Cells and Use of Same for Producing Isoprenoid Compounds	Published as WO 2006/014837 on 02/09/06 Entered National Phase in Australia, Brazil, Canada, China, Europe, Japan, Mexico, United States, Vietnam, & South Africa (issued as 2007/00753 on 5/28/2008)
[*]	PCT/US2007/020790 Filed 09/25/07	Production of Isoprenoids and Precursors Thereof	Published as WO 2008/039499 on 04/03/2008 Entered National Phase in Brazil, Europe, India, & United States

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

III. [*]

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

Exhibit B

Initial Non-Exclusive JV Products

	<u>JV Product</u>	<u>For use in the following Fields</u>	<u>Territory</u>
N.1	[*]	[*]	World wide
N.2	[*]	[*]	World wide
N.3	[*]	[*]	World wide
N.4	[*]	[*]	World wide
N.5	[*]	[*]	World wide
N.6	[*]	[*]	World wide
N.7¹	[*]	[*]	World wide

1. N.7 included as an Initial Non-Exclusive JV Product subject to Section 2(C)(ix) of the JV Principles.

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

CONFIDENTIAL TREATMENT REQUESTED. CERTAIN PORTIONS OF THIS DOCUMENT HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND, WHERE APPLICABLE, HAVE BEEN MARKED WITH AN ASTERISK TO DENOTE WHERE OMISSIONS HAVE BEEN MADE. THE CONFIDENTIAL MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

Lease Agreement for the ground floor and first floor side B Building 3 Techno Plaza

LEASE AGREEMENT

1. PARTIES

1.1. LESSOR:

TECHNO PARK EMPREENDIMENTOS E ADMINISTRAÇÃO IMOBILIÁRIA LTDA., with head office in the City of Campinas, at Av. Dr. Moraes Salles, No. 711, 1st Floor, Corporate Taxpayer Identification Number CNPJ/MF No. [*], the articles of organization of which were duly registered with the Registry of Commerce of the State of São Paulo (JUCESP) under No. 35.222.833.504 on November 11, 2008, hereby represented by its manager, **Mr. Miguel Gilberto Pascoal**, Brazilian, married, architect, bearer of Identity Card No. [*], Individual Taxpayer Identification Number CPF No. [*], resident in the city of Campinas, State of São Paulo.

1.2. LESSEE:

AMYRIS BRASIL LTDA., with head office in the City of Campinas, at Rua James Clerk Maxwell, 315, Condomínio Empresarial Techno Park, Corporate Taxpayer Identification Number CNPJ/MF No. 09.379.224/0001-20, herein represented in accordance with its Articles of Organization.

2. SUBJECT MATTER

- 2.1 LESSOR** declares to be the owner and lawful holder of twelve (12) office spaces, No. 11 B to 16B and 21B to 26B, which jointly, inseparably and irreversibly constitute the **Real Property**, totaling a 1,529.98 m² private area, the first six of which are located on the Ground Floor and the other six on the first floor, all in Block “B” of Building “3”, which is part of a commercial development located at Av. John Dalton, No. 301, Lot 2, Block “C”, of the Private Real Estate Development Techno Park Campinas, in the city of Campinas, State of São Paulo, in accordance with the plan approved by the Local Government of the City of Campinas on October 10, 2007, filed under No. 07/11/8807. These office spaces entitle lessee to the use of forty-eight (48) medium-sized dedicated uncovered parking spaces for passenger vehicles, of which thirty-six (36) parking spaces are exclusively reserved for the users of these office spaces and twelve (12) parking spaces are included in the parking spaces reserved for visitors.
- 2.2 LESSEE** declares to be aware that the commercial development where the real property contemplated herein is located is composed of several buildings.
- 2.3** The offices contemplated herein are duly identified in the attached plans No. 1.04 review 09 and 1.05 review 03 of the executive plan, which, after initialed by the parties, are an integral part hereof as **Schedule 1**; the parking spaces exclusively reserved for **LESSEE** shall be delimited by **LESSOR** in the parking areas near building 3, while the parking spaces for visitors shall be located in the parking areas allocated for such purpose, near the main gate

[*] Certain portions denoted with an asterisk have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

ant at the end of the central court.

- 2.4 **LESSOR** hereby assigns to **LESSEE**, by means of an exclusively commercial lease, the office spaces described above. During the whole term of effectiveness hereof, **LESSOR** agrees to (i) guarantee the peaceable possession and use of the Real Property to **LESSEE**, (ii) be liable for any possible defect in the Real Property. This lease may be extended to other uses, in accordance with the provisions of subsection 2.9. below, if and when required for the activities of **LESSEE**.
- 2.5 **LESSOR** declares that the Real Property is in good standing in the public agencies and records, completely free and clear of any property, personal, court-ordered or extrajudicial lien, charge, encumbrance, debt, doubt, levy, provisional attachment, sequestration, statutory or conventional mortgage, overdue tax, fee or contribution of any kind, and it hereby agrees to provide the required documents to prove such good standing until delivery of the keys and, afterwards, at the request of **LESSEE**. **LESSEE** hereby declares that it is fully aware of the fact that with regard to the Public Records, **LESSOR** is still performing the required actions to register the construction of the real property in the record of the applicable real estate district.
- 2.5.1 The parties hereby agree that **LESSEE** shall be solely liable - but it may be assisted by **LESSOR** to the possible extent - to obtain from the applicable public authorities the operating permit and other authorizations required to its activities at the site, it being understood that **LESSOR** shall not have any liability in this regard, except with reference to the proper documentation for which it is responsible under Local Law No. 11749, of November 13, 2003, i.e., **LESSOR** shall provide: (i) the Plan approved by the Local Government of Campinas with regard to the building; (ii) the Building Permit (iii) a Certificate of Inspection issued by the SANASA, (iv) a Certificate of Inspection issued by the Fire Department, (v) CCO- Certificate of Completion of Works, (vi) copies of the Urban Real Estate Tax (IPTU) payment voucher relating to the unified Lot No. 2 of Block "C" of the Real Estate Development Techno Park Campinas, where the Real Property is located; (vii) updated documents proving ownership of the lot where the Real Property is built (updated certificate of the Real Property record) issued by the competent Register of Deeds. The aforementioned documents shall be provided by **LESSOR** to **LESSEE** within up to 30 days after the date of execution hereof. After compliance with the legal requirements as set forth in this section, **LESSEE'S** possible failure to obtain the required permits shall not be a reason for termination hereof, provided the cases where **LESSEE'S** failure to obtain the permits results from lack of the documents and actions to be obtained and/or performed by **LESSOR**.
- 2.6 The office spaces hereby leased shall be delivered by **LESSOR** to **LESSEE** in accordance with the original plans, finishing and specifications - as set forth in the aforementioned **Schedule 1** - and with the changes requested by **LESSEE**, as provided in subsections 2.6.1 and 2.6.3 below, which shall be included in a Layout prepared by **LESSEE**

and which, after approved by **LESSOR**, shall be an integral part of the Agreement in the form of **Schedule 2** (layout). **LESSOR** shall make these changes within up to 60 days after approval thereof. After completion of these services, the delivery of the real property shall be formalized. Such delivery shall be preceded by an inspection by the parties, on a previously scheduled date and time, on which occasion the parties shall draw up the corresponding instrument of receipt of the keys and applicable annotations on the situation of the Real Property ("Initial Instrument of Inspection"), especially with regard to possible improvements and works carried out by **LESSEE** that may be removed at the end of the lease, pursuant to the provisions of subsection 8.3.

- 2.6.1. The office spaces' dividing walls shall be removed to create a larger internal space.
- 2.6.2. The main coating, finishing and installation of the internal areas contemplated in the original plan, as described below, shall not be changed:
 - i) Carpeted raised floor - 12-15 cm;
 - ii) Drywall and acoustic plates;
 - iii) Lamps - type and position;
 - iv) Ducts, position of air supply diffusers and return air filter grilles and individual air conditioning system equipment of each office space.
- 2.6.3. **LESSOR** shall change, at its expenses, the original configuration of the bathroom facilities, provided the new solution proposed by **LESSEE** in Schedule 2 - Layout - observes the original position thereof and adopts, in the event of unification of adjacent facilities, the alternative plan developed by **LESSOR**.
- 2.6.4. The following services and facilities, which shall be planned and carried out for the sole account and risk of **LESSEE**, are not included in **LESSOR'S** obligations because they depend on the specific needs of **LESSEE**:
 - i) Electrical and telecommunications cabling under the raised floor, from the internal power boards of each office space - Circuit Distribution Panel-Type for electrical cabling and Communications Box for telecommunications and data - including installation of the corresponding outlets and connections on the raised floor plates;
 - ii) Internal dividing walls of any kind, including dividing walls between the internal open spaces - OPEN FLOOR - and meeting rooms, executive board rooms, reception, access, data processing and other areas, provided they are not included in the original plan (**Schedule 1**) and in **Schedule 3** mentioned below, it being understood that the suggestions included in presentations and indicative documents prepared by **LESSOR** shall not be deemed included in the real property. These dividing walls

shall be installed on the raised floor and may not exceed a 300 kg/ml load, and they shall have dimensioned grilles to ensure air conditioning return;

iii) Furniture;

iv) No-Breaks and/or power stabilizers; and

v) Additional equipment of any kind. With regard to air conditioning, **LESSOR** informs that the units leased hereunder are already equipped with twelve (12) air conditioning units, one in each office space, as well as with the required distribution piping. Should **LESSEE** wish to install any additional air conditioning unit, **LESSEE** shall be solely responsible for such installation.

2.6.5 In accordance with the modifications above, which are included in **Schedule 2** mentioned in subsection 2.6, **LESSOR** shall prepare, based on Schedule I, a drawing designated Plan of the Ground Floor and 1st Floor with the basic information for lease of the unified office spaces No. 11B to 16B and 21B to 26B, which, after initialed by the parties, shall be attached hereto as **Schedule 3**.

2.7. The telecommunications and data transmission facilities contemplated in the original plan, which are made available to **LESSEE** in each internal communication box, are composed of five metallic pairs per office space.

2.8. The wiring demand per office space may not exceed the installed power of the Circuit Distribution Panel-Type of the original wiring plan, which corresponds to 20,080 watts, of which 8,640 watts correspond to the standard air conditioning system and 2,340 watts to the lighting circuits, and a current of 9,100 watts per office space shall be available for the equipment to be installed, totaling 54,600 watts for the six (6) office spaces leased hereunder.

2.8.1 The electric plan for the internal networks, for which **LESSEE** shall be responsible in accordance with the provisions of subsection 2.6.4.i above, shall distribute the equipment so that the electric currents installed do not exceed the aforementioned limit per office space, based on the list of equipment and respective rating, the total amount of which shall be compatible with the electric current provided in all office spaces of a given floor, taking into consideration the demand factor and the operation of the additional air conditioning equipment in alternate times and not simultaneously to the operation of the main system.

2.8.2. Whenever currents that exceed the amounts contemplated in the original plan are installed in the wiring, **LESSEE** shall substitute the cables and corresponding circuit breaker, always observing the limit of 20,080 w per Circuit Distribution Panel-Type.

2.9. **LESSEE** declares to be aware that the other office spaces of building “3” and of the other buildings of the development may be occupied by non-disturbing business companies,

service providers and industries, in accordance with the criteria and classifications to be established and defined in the Declaration of Condominium, subject to the limitations imposed by the “Law on the Use and Occupation of Land” of the Local Government of the City of Campinas - Law No. 6031, of December 29, 1988.

- 2.10 **LESSOR** shall provide **LESSEE** with an electronic file (.plt) containing the original architecture, piping, wiring and telecommunications plan required for the plans for which **LESSEE** is responsible. **LESSEE** shall send **LESSOR** the documents listed below, which relate to the companies and independent contractors hired by **LESSEE** to execute the finishing, dividing walls, infrastructure networks and other services for which **LESSEE** is responsible: (i) Technical Responsibility Annotations (ARTs) of the professionals responsible for the plans and works; (ii) complete identification of the legal representative(s); (iii) Environmental Risk Prevention Program (PPRA); (iv) Occupational Health Program (PCMSO); (v) list of the employees involved in the works with identification and number of the social-security card; (vi) copies of the SOCIAL-SECURITY CARD (card identification page, employee identification page, contract page); (vii) Occupational Health Certificate (ASO); (viii) Instrument of Delivery of Individual Protection Equipment (EPI); (ix) Certificate of NR-18 safety training in accordance with the function; (x) in the event of electricians, NR-10 training and, in the event of ditchers, NR-33 training.
3. **TERM**
- 3.1 This lease shall be effective for five (5) years, from November 15, 2011 through November 14, 2016, subject to the provisions of article 4 of Law No. 8245, of October 18, 1991.
- 3.2 Taking into consideration the need for sufficient time for installation of the **LESSEE**, **LESSOR** shall authorize **LESSEE** to initiate, for its account and risk, the works relating to the facilities for which it is responsible up to 60 days before final delivery of the office spaces, provided this is technically feasible, it being understood that the office spaces hereby leased shall only be deemed delivered and in the possession of **LESSEE** upon actual delivery of the keys, along with the documents referred to in subsection 2.5 above, which will occur on November 15, 2011.
- 3.2.1 In the event **LESSEE** fails to timely prepare and deliver to **LESSOR** the Lay-out (Schedule 2) of its facilities, so that **LESSOR** has a term of 60 days before the date of commencement of the lease to carry out the works and facilities for which it is responsible, the actual delivery of the keys and signature of the “Instrument of Delivery and Receipt” shall be postponed for a period corresponding to the delay for approval of Schedule 2, without prejudice to the effective date hereof, in case **LESSEE** is exclusively responsible for this delay.
- 3.2.2 The installations for which **LESSEE** is responsible, which include the responsibilities set forth in subsection 2.6.4 above, may not prevent compliance with the obligations of **LESSOR**, for which reason its corresponding plans shall be submitted to **LESSOR** for

approval along with the Lay-out - Schedule 2 - of the facilities.

4. RENT

4.1 The monthly rent hereof is sixty-three thousand four hundred and ninety-five Brazilian *reais* (R\$63,495.00), which **LESSEE** agrees to pay by the fifth (5th) day of the month following the month of maturity, by means of credit to the checking account held by **LESSOR** with Banco Bradesco, branch 2002-08, checking account No. 6852-7, or, should there not be any, at the principal business office of **LESSOR**, during business hours, or at any other address at the discretion of **LESSOR**.

4.1.1 The parties agree that the initial term for payment of the rent shall be November 15, 2011, when the real property will be delivered, as set forth in subsection 3.2 above. The first monthly rent shall be due on November 30, 2011, to be paid by **LESSEE** to **LESSOR** proportionally to the 15-day period, by December 5, 2011. In case the Real Property is not delivered within the term established in subsection 3.2 above or in case the Real Property is not ready to be received by **LESSEE**, the initial term set forth in this subsection shall be extended and **LESSEE** shall have no obligation with regard to the payment of rent, it being understood that the effective date of the Lease and the initial term for the payment of rent shall only commence after actual delivery of the Real Property, by means of actual delivery of the keys and signature of the Instrument of Receipt by **LESSEE**.

4.2 In the event of failure to pay the rent within the term established above, **LESSEE** shall pay interest at the rate of one percent (1%) per month or fraction of a month, and adjustment for inflation in accordance with the General Market Price Index disclosed by the Getúlio Vargas Foundation (IGP-M FGV), from the maturity date to the date of actual payment, in addition to the payment of a fine corresponding to two percent (2%) of the overdue amount.

4.2.1 In the event of failure to pay two consecutive monthly rentals, in addition to the penalties contemplated in subsection 4.2 above, **LESSEE** shall be subject to the provisions of subsection 13.2 below.

5. ADJUSTMENT

5.1 The monthly rent shall be adjusted annually, after 12 months after execution hereof, by the variation of the IGP-M, as compiled and disclosed by the Getúlio Vargas Foundation, and the reference date shall be August 1st, 2011. Should it not be possible to use this index, for any reason, the following indices shall be adopted, in the following order: Consumer Price Index, as disclosed by the Foundation Institute of Economic Research (IPC/FIPE), Broad Consumer Price Index (IPCA) and General Price Index - Domestic Availability (IGP-DI), or another index that best reflects the inflation of the period, as defined by mutual agreement of the parties.

6. **RESPONSIBILITIES OF LESSEE**

6.1 During the whole term of the lease agreed hereunder, **LESSEE** shall be solely liable for compliance with the following obligations:

- a) Payment of the Urban Real Estate Tax (IPTU) and other local fees levied or that come to be levied on the Real Property leased hereunder, i.e., the ideal fractions of land and private and common built areas relating to office spaces 11 B to 16B and 21B to 26B, as well as any other fees charged by the public authorities or public-utility companies with regard to the units that are the subject matter of this lease.
- b) Payment of the share of the Monthly Contribution Fee relating to Lot 2 of Block C owed to the Techno Park Campinas Owners' Association-ASSOCITECH, which shall be proportional to the private area leased and which refers to the maintenance, management and security and to the payment of fees, charges and taxes relating to the private real estate development Techno Park Campinas.
- c) Payment of the condominium charges relating to the current expenses with maintenance of the common areas, their buildings and equipment, management, security and payment of fees, charges and taxes relating to the Techno Plaza development or, in the future, Techno Plaza Condominium, proportionally to the private area leased hereunder compared to the total private area of building "3" - which corresponds to fifty percent (50%) - and proportionally to the total private area of building "3" compared to the total private area of the development, which will correspond to 23.8413% when the development is completed. Taking into consideration that the development is being built in phases, its total private area to be taken into consideration shall be the area corresponding to all completed buildings, disregarding those under construction and those that have not been initiated; the applicable rates may be changed upon registration of the condominium, in view of final adjustments in the specifications, which shall be reflected in the plans for the Local Government of the City of Campinas ("occupancy permit").
- d) Payment of the share of water (Sanasa) and power (CPFL) consumption and telephone expenses relating to the common facilities of the development, whenever they are not included in the condominium charges referred to above.
- e) Individual consumption of any kind.
- f) Share in the expenses with extraordinary maintenance and conservation services for the common areas and facilities of the development and of the corresponding equipment and facilities provided, including, without limitation to, paving, gardens, wiring network and installation, piping and telecommunication systems, pumps and fire protection

equipment, in order to maintain the same conditions of use of operation of new equipment.

- g) Payment of the share in the annual insurance against fire and liability insurance taken out to cover risks relating to the common buildings and facilities of the development, the amounts of which shall always take into consideration the adjusted costs of the insured assets.
- h) Payment to **LESSOR** of the annual insurance premium relating to the insurance directly taken out by **LESSOR** with a reputable insurance company at market prices, with regard to the private areas involved in this lease, covering the risk of fire, lightning, explosions, windstorms, airplane crashes and civil liability, it being understood that the insured amount shall be based on an amount of up to eighty (80) times the amount of the monthly rent in effect, except if such coverage has already been agreed in the insurance mentioned in the preceding item. The aforementioned liability insurance shall take into consideration the activities carried out at the site. **LESSOR** agrees to provide **LESSEE** with a copy of the policy mentioned in this section, which shall inform the contracted coverage and the schedule for payment of the premium.

7. **TAXES AND FEES**

7.1 During the lease period, **LESSEE** shall be solely liable to pay the local taxes and fees levied on the real property, even if on a proportional basis, with regard to the office spaces leased hereunder. **LESSEE** shall not be liable for the payment of taxes and fees levied before the lease, which shall be paid by **LESSOR**, even if they are assessed in the future. **LESSOR** agrees to provide **LESSEE** with the IPTU payment voucher for the current fiscal year, as well as with all other bills that are in its possession, always before the maturity dates, under penalty of being liable for the resulting delinquency fines and charges.

7.2 The Party that fails to comply with its statutory obligations shall reimburse the aggrieved party for any possible fine imposed by the public authorities as a result of irregularities resulting from actions or failures to act exclusively attributable to one of the Parties.

8. **CONSERVATION**

8.1 **LESSEE** agrees to maintain the real property leased hereunder in the same conditions of use as it was received and to return it in the same conditions upon termination hereof, normal wear and tear excepted.

8.1.1 Except for the changes in the Real Property Layout carried out by **LESSOR** in accordance with the provisions of subsection 2.6 and items 2.6.1, 2.6.2 and 2.6.3 thereof, **LESSOR** may, at the end of the lease period, accept return of the real property with all or some of the improvements carried out by **LESSEE**, subject to the provisions of subsection 8.3 below.

- 8.2 **LESSEE** agrees to contract from a company with established technical qualification the preventive and corrective air conditioning maintenance services, so as to guarantee the perfect operation of this equipment during the entire lease period and the good state of conservation thereof at the end of the lease period, normal wear and tear excepted; this company shall be contracted within up to 60 days after the effective date of the lease, and it shall be preliminarily approved or rejected by **LESSOR** in writing within up to seven (7) business days after presentation of the corresponding technical offer by **LESSEE**.
- 8.3 Except for the works affecting the real property safety, for which **LESSOR** shall always be solely liable, **LESSEE** may, with the written consent of **LESSOR**, make the improvements deemed convenient in the private areas leased hereunder, removing such improvements at the end of the lease period in case **LESSOR** is not interested in the maintenance and possible acquisition thereof, and whenever such removal does not damage the units themselves and the building where they are located.
9. **PUBLIC REQUIREMENTS**
- 9.1 **LESSEE** shall meet the applicable requirements defined by the Public Authorities and which are directly related to the activities it will carry out in the units that are the subject matter of this lease.
- 9.2.1 In the event of expropriation of the real property, wholly or in part, or in case a certain use is prohibited by the competent authorities, this instrument shall be terminated by operation of law and no indemnification shall be owed by one of the parties to the other, provided the right of any of the parties to individually or jointly claim damages to the expropriator.
10. **INSPECTIONS**
- 10.1 **LESSOR** may examine and inspect the real property leased in business days and hours (i) scheduled five (5) days in advance for routine inspections or (ii) at any time in the event immediate intervention is required, including, without limitation to, in the event of inefficient operation of the facilities, leakage in pipes, wiring problems, inefficient operation of the air conditioning system, structural problems, roof infiltration and others.
- 10.2 Should any urgent intervention be required, **LESSOR** shall orally inform the person specifically designated by **LESSEE** for such purpose of the urgency, by telephone and even outside normal business hours, and **LESSEE** shall be required to grant access to its facilities as soon as possible.

11. **ASSIGNMENT AND TRANSFER**

11.1 **LESSEE** may not assign, transfer, lend or sublease the real property that is the subject matter hereof, wholly or in part, without the express consent of **LESSOR**, except for companies of the same economic group as **LESSEE**, it being understood that **LESSEE** shall remain jointly and fully liable to **LESSOR** for all obligations hereunder.

12. **RECORDS**

12.1. The parties hereby authorize their respective representatives to promote all required recordation, registrations and filings with the competent registrars for registration of this agreement, and **LESSEE** shall incur any possible expense in case it is interested in the registration.

12.2. **LESSOR** shall mention effectiveness of this Agreement in the deed of sale, gift or other instrument of alienation of the Real Property, pursuant to the provisions of article 8 of Law No. 8245/91, to which terms and conditions the future acquirer shall subrogate, it being understood that all terms and conditions of the Agreement shall prevail.

12.2.1 While the Agreement is not recorded and registered with the competent Register of Deeds, **LESSOR** shall be required, in the event of alienation of the Real Property, as a prior and essential condition for the possible sale, to enter into an agreement whereby the third parties acquiring the Real Property agree to fully comply with this instrument, under penalty of **LESSOR** being held liable for damages and contractual penalty.

13. **FINES**

13.1 The parties agree on a compensatory fine corresponding to three (3) times the rent at the time of the event in the event of violation of any contractual or statutory obligation hereunder, provided such obligation is not complied with within ten (10) business days after the applicable notice. In the event of early return of the real property by **LESSEE** within a term shorter than the term mentioned in subsection 3.1 above, the fine to be imposed shall also correspond to three (3) times the rent and be reduced proportionally to the term of the lease already elapsed.

13.2 Subject to the provisions of Subsection 13.1, should any of the parties fail to comply with any of the obligations hereby agreed and to cure such default within the term established in subsection 13.1 above, the innocent party shall be entitled to terminate this instrument by means of written notice, and in addition to the damages possibly owed, the defaulting party shall pay a fine corresponding to three (3) times the monthly rent in effect at the time mentioned in subsection 13.1 above, plus statutory interest and adjustment for inflation.

14. **GUARANTEE**

14.1. In order to guarantee this instrument, **LESSEE** shall post a bond in an amount corresponding

to three (3) times the monthly rent, which shall be credited to a checking account held by **LESSOR** and designated for payment of the rent or performance bond agreed with a first class Institution previously approved by **LESSOR**. Within up to thirty (30) days, **LESSEE** shall decide for one of the forms of guarantee, performance bond or the posting of bond, and present the insurance policy or post the bond.

Paragraph 1 - The amount of the bond shall be used to guarantee any possible failure to comply with the obligations assumed by **LESSEE** with regard to the rent and contractual charges during effectiveness hereof. Should such amount be used for compliance with obligations of **LESSEE**, such amount shall be replenished by **LESSEE** within up to thirty (30) days after the use thereof, under penalty of termination of this agreement with cause by **LESSOR**.

Paragraph 2 - After the end of the lease by means of delivery of the keys and subject to the requirements contemplated in this agreement for validity thereof, **LESSOR** shall return, within at most three (3) business days, the balance of the amount credited with the net yield, i.e., net of the income tax levied in the event of investment in a savings account by legal entities, should it be applicable, calculated in accordance with the Savings Account investment index, less the amounts possibly used and not replenished pursuant to the provisions of paragraph 1 above.

15. **FINAL PROVISIONS**

- 15.1 This instrument is irrevocable and irreversible and shall be binding upon the parties, their heirs and successors.
- 15.2 No forbearance between the parties with regard to any failure to comply with the obligations assumed hereunder shall constitute a precedent or novation of the provisions hereof, which shall require a written agreement.
- 15.3 In the event of sale, contract for deed, assignment or commitment to assign rights or accord and satisfaction or any other form of alienation of the real property leased hereunder, **LESSEE** shall have the right of first refusal to acquire it under the same conditions as third parties. For **LESSEE** to be able to exercise such right, **LESSOR** shall give it written notice of all conditions of the transaction it wishes to carry out and the place where and the time when **LESSEE** may examine the certificates and documents related to such transaction, and **LESSOR** grant **LESSEE** a term of no less than thirty (30) days to irrevocably and irreversibly exercise its right of first refusal in writing.
- 15.4 All notices, communications or information exchanged between the Parties and addressed to their representatives shall be sent in writing to the addresses identified in the preamble

hereof, unless other addresses have been informed in writing at least ten (10) days in advance.

- 15.5 None of the Parties shall be liable for failure to comply with its contractual obligations in the event of act of God or force majeure, pursuant to the provisions of article 393 of the Brazilian Civil Code, for which purpose it shall immediately inform the other Party of the occurrence of such event within up to two (2) days after the event, further informing the adverse effects produced by the event.
- 15.6 Any provision of this instrument may only be amended by means of the execution of a written amendment.
- 15.7 Notwithstanding any provision to the contrary contained herein, none of the parties, their affiliates and/or employees or representatives shall be held liable to the other party for any indirect damage, loss of profits, loss of revenue, loss of business and others. An example of indirect damage is any damage suffered by **LESSOR** in a possible loan taken out by **LESSOR** that results in a penalty for late payment if the amount owed could have been paid had **LESSEE** not failed to pay the monthly rent hereunder. Another example of indirect damage is any loss suffered by **LESSEE** as a result of the severance payment to a certain receptionist hired by **LESSEE** to work in the real property contemplated in this Lease, and whose employment contract had to be terminated as a result of the sale of the real property by **LESSOR** to third parties. The parties shall only be held liable for indirect damages in case it is established that they have been caused by the parties.
- 15.8 In case any term or provision hereof is held invalid, null, unenforceable or illegal, the remaining terms or provisions shall in no way be affected thereby and shall remain in full force. Should the invalid, illegal or unenforceable provision be deemed an essential element of this Instrument, the Parties shall immediately negotiate valid, legal and enforceable substitutive provisions acceptable to both Parties and which reflect the intent of the Parties with regard to the invalid, illegal or unenforceable provisions.
- 15.9 **LESSOR** may not: a) use this Instrument to guarantee any debt or obligation to third parties. b) issue duplicate invoices with regard to any amount owed hereunder and c) discount or trade any invoice issued by it hereunder in banks, financial institutions, factoring companies or even with individuals.
- 15.10 The parties hereby elect the courts of the Judicial District of the real property to resolve any issue hereunder, provided the parties hereby waive any other court.

IN WITNESS WHEREOF, the parties execute this instrument in three counterparts of equal contents, together with the witnesses identified below.

Campinas, August 10, 2011.

LESSOR: /s/ Miguel Gilberto Pascoal
 TECHNO PARK EMPREENDIMENTOS E
 ADMINISTRAÇÃO IMOBILIÁRIA LTDA.
 Miguel Gilberto Pascoal

LESSEE: /s/ Fabio Schettino /s/ Mauro Pini França
 AMYRIS BRASIL LTDA

WITNESSES:

/s/ Ana Paula Souza _____

SUBSIDIARIES OF THE REGISTRANT

Subsidiaries	State or Other Jurisdiction of Incorporation or Organization
Amyris Fuels, LLC	Delaware
AB Technologies LLC	Delaware
Amyris Brasil Ltda.	Brazil
SMA Indústria Química S.A.	Brazil

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-172514) of Amyris, Inc. of our report dated February 28, 2012 relating to the consolidated financial statements and financial statement schedule, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

San Jose, California

February 28, 2012

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

PURSUANT TO RULE 13a-14(c) and 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, John Melo, certify that:

1. I have reviewed this Annual Report on Form 10-K of Amyris, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ JOHN MELO

John Melo

President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO RULE 13a-14(c) and 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Jeryl Hilleman, certify that:

1. I have reviewed this Annual Report on Form 10-K of Amyris, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2012

/s/ JERYL HILLEMAN

Jeryl Hilleman
Chief Financial Officer

**Certification of CEO Furnished Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 of The Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Amyris, Inc. (the "Company") on Form 10-K for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof, I, John Melo, Chief Executive Officer of the Company, certify for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

(i) the Annual Report of the Company on Form 10-K for the year ended December 31, 2011 (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ JOHN MELO

John Melo
President and Chief Executive Officer
(Principal Executive Officer)

**Certification of CFO Furnished Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 of The Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Amyris, Inc. (the “Company”) on Form 10-K for the year ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof, I, Jeryl Hilleman, Chief Financial Officer of the Company, certify for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge,

(i) the Annual Report of the Company on Form 10-K for the year ended December 31, 2011 (the “Report”), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2012

/s/ JERYL HILLEMAN

Jeryl Hilleman
Chief Financial Officer
(Principal Financial Officer)

