UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2012
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	**55-0856151**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608
(510) 450-0761
(Address and telephone number of principal executive offices)

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 pursuance 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 whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	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 ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	**Outstanding at April 27, 2012**
Common Stock, $0.0001 par value per share	56,318,669 shares

AMYRIS, INC.

QUARTERLY REPORT ON FORM 10-Q

For the Quarterly Period Ended March 31, 2012

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Amyris, Inc.

Condensed Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Amounts)
(Unaudited)

	March 31, 2012	December 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	$ 103,417	$ 95,703
Short-term investments	60	7,889
Accounts receivable, net of allowance of $245 and $245, respectively	4,707	6,936
Inventories	8,921	9,070
Prepaid expenses and other current assets	9,059	19,873
Total current assets	126,164	139,471
Property and equipment, net	150,702	128,101
Other assets	35,801	43,001
Goodwill and intangible assets	9,441	9,538
Total assets	$ 322,108	$ 320,111
Liabilities and Equity		
Current liabilities:		
Accounts payable	$ 26,010	$ 26,379
Deferred revenue	3,411	3,139
Accrued and other current liabilities	30,860	30,982
Capital lease obligation, current portion	3,260	3,717
Debt, current portion	29,015	28,049
Total current liabilities	92,556	92,266
Capital lease obligation, net of current portion	1,986	2,619
Long-term debt, net of current portion	37,485	13,275
Deferred rent, net of current portion	9,619	9,957
Deferred revenue, net of current portion	4,087	4,097
Other liabilities	43,980	37,085
Total liabilities	189,713	159,299
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 March 31, 2012 and December 31, 2011; 56,307,834 and 45,933,138 shares issued and outstanding as of March 31, 2012 and December 31, 2011, respectively	6	5
Additional paid-in capital	613,166	548,159
Accumulated other comprehensive loss	(4,540)	(5,924)
Accumulated deficit	(475,736)	(381,188)
Total Amyris, Inc. stockholders' equity	132,896	161,052
Noncontrolling interest	(501)	(240)
Total stockholders' equity	132,395	160,812
Total liabilities and stockholders' equity	$ 322,108	$ 320,111

See the accompanying notes to the unaudited condensed consolidated financial statements.

Amyris, Inc.

Condensed Consolidated Statements of Operations
(In Thousands, Except Share and Per Share Amounts)
(Unaudited)

	Three Months Ended March 31,	
	2012	**2011**
Revenues		
Product sales	$ 26,307	$ 34,020
Grants and collaborations revenue	3,162	3,154
Total revenues	29,469	37,174
Cost and operating expenses		
Cost of product sales	43,811	34,382
Loss on purchase commitments and write off of production assets	36,652	—
Research and development	21,344	19,736
Sales, general and administrative	21,715	15,978
Total cost and operating expenses	123,522	70,096
Loss from operations	(94,053)	(32,922)
Other income (expense):		
Interest income	606	301
Interest expense	(1,054)	(577)
Other income (expense), net	(151)	51
Total other income (expense)	(599)	(225)
Loss before income taxes	(94,652)	(33,147)
Provision for income taxes	(244)	—
Net loss	$ (94,896)	$ (33,147)
Net loss attributable to noncontrolling interest	348	10
Net loss attributable to Amyris, Inc. common stockholders	$ (94,548)	$ (33,137)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.88)	$ (0.76)
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	50,214,192	43,851,142

See the accompanying notes to the unaudited condensed consolidated financial statements.

Amyris, Inc.

Condensed Consolidated Statements of Comprehensive Loss
(In Thousands)
(Unaudited)

	Three Months Ended March 31,	
	2012	2011
Comprehensive loss:		
Net loss	$ (94,896)	$ (33,147)
Change in unrealized loss on investments	—	5
Foreign currency translation adjustment, net of tax	1,471	540
Total comprehensive loss	(93,425)	(32,602)
Loss attributable to noncontrolling interest	348	10
Foreign currency translation adjustment attributable to noncontrolling interest	(87)	—
Comprehensive loss attributable to Amyris, Inc.	$ (93,164)	$ (32,592)

See the accompanying notes to the unaudited condensed consolidated financial statements.

Amyris, Inc.

Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

(In Thousands, Except Share and Per Share Amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity
December 31, 2011	45,933,138	$ 5	$ 548,159	$ (381,188)	$ (5,924)	$ (240)	$ 160,812
Issuance of common stock upon exercise of stock options, net of restricted stock	107,236	—	383	—	—	—	383
Issuance of common stock in a private placement, net of issuance cost of $340	10,160,325	1	58,386	—	—	—	58,387
Restricted stock units settlement, net of tax withholdings	107,188	—	(283)	—	—	—	(283)
Repurchase of common stock	(53)	—	—	—	—	—	—
Stock-based compensation	—	—	6,521	—	—	—	6,521
Foreign currency translation adjustment, net of tax	—	—	—	—	1,384	87	1,471
Net loss	—	—	—	(94,548)	—	(348)	(94,896)
March 31, 2012	56,307,834	$ 6	$ 613,166	$ (475,736)	$ (4,540)	$ (501)	$ 132,395

See the accompanying notes to the unaudited condensed consolidated financial statements.

Amyris, Inc.

Condensed Consolidated Statements of Cash Flows
(In Thousands)
(Unaudited)

	Three Months Ended March 31,	
	2012	**2011**
Operating activities		
Net loss	$ (94,896)	$ (33,147)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,687	2,105
Inventory write-down to net realizable value	8,127	357
Loss on disposal of property and equipment	2	—
Stock-based compensation	6,521	4,007
Amortization of premium on investments	—	457
Loss on purchase commitments and write off of production assets	36,652	—
Other noncash expenses	113	26
Changes in assets and liabilities:		
Accounts receivable	2,227	305
Inventories	(8,192)	(5,072)
Prepaid expenses and other assets	(691)	(719)
Accounts payable	(2,417)	6,188
Accrued and other liabilities	(12,957)	6,261
Deferred revenue	262	(141)
Deferred rent	(294)	(198)
Net cash used in operating activities	(61,856)	(19,571)
Investing activities		
Purchase of short-term investments	(8,238)	(1,767)
Maturities of short-term investments	—	55,000
Sales of short-term investments	16,449	—
Acquisition of cash in noncontrolling interest	—	344
Purchase of property and equipment, net of disposals	(20,928)	(13,917)
Deposits on property and equipment	(849)	(496)
Net cash provided by (used in) investing activities	(13,566)	39,164
Financing activities		
Proceeds from issuance of common stock, net of repurchases	93	122
Proceeds from issuance of common stock in private placement, net of issuance cost	58,606	—
Principal payments on capital leases	(1,091)	(683)
Proceeds from debt	25,004	7,577
Principal payments on debt	(705)	(3,485)
Initial public offering costs	—	(494)
Net cash provided by financing activities	81,907	3,037
Effect of exchange rate changes on cash and cash equivalents	1,229	86
Net increase in cash and cash equivalents	7,714	22,716
Cash and cash equivalents at beginning of period	95,703	143,060
Cash and cash equivalents at end of period	$ 103,417	$ 165,776

Amyris, Inc.

Condensed Consolidated Statements of Cash Flows—(Continued)
(In Thousands)
(Unaudited)

	Three Months Ended March 31,	
	2012	**2011**
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 755	$ 539
Supplemental disclosures of noncash investing and financing activities:		
Acquisitions of assets under accounts payable and accrued liabilities	$ (321)	$ 2,906
Change in unrealized gain (loss) on investments	$ —	$ 5
Change in unrealized gain (loss) on foreign currency	$ 1,457	$ (517)
Accrued offering cost of common stock in private placement	$ 220	$ —
Accrued issuance cost of convertible notes	$ 99	$ —
Accrued deferred offering costs	$ —	$ 2
Receivable from stock option exercises	$ —	$ 1,373
Issuance of common stock upon exercise of warrants	$ —	$ 3,554
Long term deposits used for fixed assets	$ 11,723	$ —

See the accompanying notes to the unaudited condensed consolidated financial statements.

Amyris, Inc.

Notes to Unaudited Condensed 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 farnesene-derived 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 ("Amyris Fuels") for fuel distribution capabilities in the U.S.

On September 30, 2010, the Company closed its initial public offering ("IPO") of 5,300,000 shares of common stock. 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 March 31, 2012, the Company had an accumulated deficit of $475.7 million and management believes that it will continue to incur losses and cash outflows 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 limited experience producing its products at commercial scale and the Company has 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 finance its operations, its ability to achieve substantially higher production efficiencies than it has to date, timely completion of the construction and the commencement of operations at its 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, 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. 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, in order to fund our operations and other capital expenditures for the next twelve months, in addition to our existing cash, cash equivalents and short-term investments at March 31, 2012, cash inflows from collaboration, grants and product sales, and reductions in cash outflows as a result of planned actions, it will be required to raise additional funds.

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 could result in ownership dilution to existing stockholders and the Company may be subject to restrictive covenants that limit the Company's ability to conduct its business.

Beginning in March 2012, the Company initiated a plan to shift production capacity from the contract manufacturing

facilities to a Company-owned plant that is currently under construction. As a result, the Company evaluated its contract manufacturing agreements and recorded a loss of $31.2 million related to $10.0 million in facility modification costs and $21.2 million of fixed purchase commitments. The Company computed the loss on facility modification costs and fixed purchase commitments using the same lower of cost or market approach that is used to value inventory. The computation of the loss on firm purchase commitments is subject to several estimates, including the cost to complete and the ultimate selling price of any Company products manufactured at the relevant production facilities, and is therefore inherently uncertain. The Company also recorded losses on write off of production assets of $5.5 million related to Amyris-owned equipment at contract manufacturing facilities.

Failure to significantly reduce losses and cash outflows from operations, raise additional capital or to remain in compliance with restrictive 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 interim condensed 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-Q and Regulations S-X statements. Accordingly, they do not include all of the information and notes required for complete financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Form 10-K filed with the Securities and Exchange Commission ("SEC") on February 28, 2012. The unaudited condensed 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 unaudited condensed 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 unaudited condensed 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 unaudited condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Unaudited Interim Financial Information

The accompanying interim condensed consolidated financial statements and related disclosures are unaudited, have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the results of operations for the periods presented. The condensed consolidated results of operations for any interim period are not necessarily indicative of the results to be expected for the full year or for any other future year or interim period.

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	**March 31, 2012**	**December 31, 2011**
Customer A	15%	20%
Customer B	13%	**
Customer C	11%	**
Customer D	10%	**
Customer E	14%	10%
Customer F	10%	**

** *Less than 10%*

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

	Three Months Ended March 31,	
Customers	**2012**	**2011**
Customer A	23%	**
Customer B	**	**
Customer C	**	**
Customer D	**	*
Customer E	**	*
Customer F	**	*
Customer G	**	32%
Customer H	**	14%
Customer J	12%	**

* *Not a customer*
** *Less than 10%*

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. 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 certain financial instruments, such as 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. The fair values of the notes payable, loan payable, convertible notes and credit facility are based on the present value of expected future cash flows and assumptions about current interest rates and the creditworthiness of the Company.

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, and U.S. Government agency securities and notes. 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 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. 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 three months ended March 31, 2012 and 2011. As of March 31, 2012 and December 31, 2011, the Company did not have any other-than-temporary declines in the fair value of its debt securities.

Inventories

Inventories, which consist of ethanol, 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. The Company evaluates the recoverability of its inventories based on assumptions about expected demand and net realizable value. If the Company determines that the cost of inventories exceeds its estimated net realizable value, the Company records a write-down equal to the difference between the cost of inventories and the estimated net realizable value. If actual net realizable values are less favorable than those projected by management, additional inventory write-downs may be required that could negatively impact the Company's operating results. If actual net realizable values are more favorable, the Company may have favorable operating results when products that have been previously written down are sold in the normal course of business. The Company also evaluates the terms of our agreements with its suppliers and establish accruals for estimated losses on adverse purchase commitments as necessary, applying the same lower of cost or market approach that is used to value inventory. Cost is computed on a first-in, first-out basis. Inventory costs include transportation costs incurred in bringing the inventory to its existing location.

For the three months ended March 31, 2012 and 2011, the Company incurred losses totaling $8.1 million and $357,000, respectively, 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 to mitigate such risks. The Company does not engage in speculative derivative activities, and the purpose of 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 March 31, 2012 and December 31, 2011, the Company recorded asset retirement obligations of $1.2 million and $1.1 million, 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 $68,000 and $44,000 for the three months ended March 31, 2012 and 2011, respectively.

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

Balance at December 31, 2011	$	1,129
Additions		—
Foreign currency impacts and other adjustments		32
Accretion expenses recorded during the period		32
Balance at March 31, 2012	$	1,193

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 $263,000 and $408,000 for the three months ended March 31, 2012 and 2011, respectively, related to software development costs pertaining to the installation of a new financial reporting system. For the three months ended March 31, 2012 and 2011, $147,000 and $114,000, respectively, of amortization expense was recorded and as of March 31, 2012 and December 31, 2011, the total unamortized cost of capitalized software was $2.9 million and $2.8 million, respectively.

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. The Company recorded losses on write off of production assets of $5.5 million and zero during the three months ended March 31, 2012 and 2011, 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. 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.

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 use of the acquired assets or the strategy for overall business or significant negative industry or economic trends. If this evaluation indicates that the value of the intangible asset may be impaired, the Company makes 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, the Company 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 the Company's reported financial results. The Company has not recognized any impairment charges on intangible assets through March 31, 2012.

In-Process Research and Development

During 2011, the Company recorded IPR&D of $8.6 million related to the acquisition of Draths Corporation ("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 accounting guidance, since the technology has not yet been proven, the amortization of the acquired IPR&D has not begun. The Company estimates that it could take up to three years before it will have viable products resulting from the acquired technology.

Noncontrolling Interest

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, 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, but such revenues have not been significant to date. 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 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 contract manufacturers and period costs including inventory write-downs resulting from applying lower-of-cost-or-market inventory rules. Cost of farnesene-derived products also include some costs related to the scale-up in production of such products.

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 start-up activities related to a potential facility are expensed and recorded within selling, general and administrative expenses until the facility 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 others 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 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 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, which is expensed on a straight-line basis over the vesting period. The Company accounts for restricted stock unit awards 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 loss are as follows (in thousands):

	March 31, 2012	December 31, 2011
Foreign currency translation adjustment, net of tax	$ (4,540)	$ (5,924)
Total accumulated other comprehensive loss	$ (4,540)	$ (5,924)

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, using the treasury stock method or the as converted method, as applicable. For all periods presented, basic net loss per share was the same as diluted net loss per share because 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):

	Three Months Ended March 31,	
	2012	2011
Numerator:		
Net loss attributable to Amyris, Inc. common stockholders	$ (94,548)	$ (33,137)
Denominator:		
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	50,214,192	43,851,142
Net loss per share attributable to common stockholders, basic and diluted	$ (1.88)	$ (0.76)

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:

	Three Months Ended March 31,	
	2012	2011
Period-end stock options to purchase common stock	7,928,567	6,932,703
Convertible promissory notes	3,536,968	—
Period-end common stock subject to repurchase	5,564	25,446
Period-end common stock warrants	23,339	5,136
Period-end restricted stock units	219,183	341,333
Total	11,713,621	7,304,618

The common stock warrants at March 31, 2012 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 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 adoption of this amended guidance required expanded disclosure in the Company's consolidated financial statements but did not impact financial results.

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 of this amended guidance changed the financial statement presentation and required expanded disclosures in the Company's consolidated financial statements, but did not impact financial results.

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 adoption of this amended guidance did not have any impact on the Company's financial results.

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 or 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 Measurements

The inputs to the valuation techniques used to measure fair value are classified into the following categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

As of March 31, 2012, the Company’s financial assets and financial liabilities are presented below at fair value and classification within the fair value hierarchy as follows (in thousands):

	Level 1	Level 2	Level 3	Balance as of March 31, 2012
Financial Assets				
Money market funds	$ 66,600	$ —	$ —	$ 66,600
Certificates of deposit	20,465	—	—	20,465
Derivative asset	57	—	—	57
Total financial assets	$ 87,122	$ —	$ —	$ 87,122
Financial Liabilities				
Notes payable	$ —	$ 2,859	$ —	$ 2,859
Loan payable	—	19,513	—	19,513
Credit facility	—	18,950	—	18,950
Convertible notes	—	—	24,122	24,122
Derivative liabilities	—	—	—	—
Total financial liabilities	$ —	$ 41,322	$ 24,122	$ 65,444

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. The fair values of money market funds are based on fair values of identical assets. The fair values of the notes payable, loan payable, convertible notes and credit facility are based on the present value of expected future cash flows and assumptions about current interest rates and the creditworthiness of the Company. Market risk associated with our fixed and variable rate long-term debt relates to the potential reduction in fair value and negative impact to future earnings, respectively, from an increase in interest rates.

As of December 31, 2011, the Company's financial assets and financial liabilities are presented below at fair value and classification within the fair value hierarchy as follows (in thousands):

	Level 1	Level 2	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	$ 84,511	$ —	$ —	$ 84,511
Financial Liabilities				
Derivative liabilities	$ 18	$ —	$ —	$ 18
Total financial liabilities	$ 18	$ —	$ —	$ 18

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 March 31, 2012 and December 31, 2011, and their classification on the consolidated balance sheets and consolidated statements of operations, are presented in the following tables (in thousands) except contract amounts:

	Asset/Liability as of			
	March 31, 2012		December 31, 2011	
Type of Derivative Contract	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	15	$ 57	—	$ —
Regulated fixed price futures contracts, included as liability in accounts payable	—	$ —	22	$ 18

Type of Derivative Contract	Income Statement Classification	Three Months Ended March 31,	
		2012	2011
		Gain (Loss) Recognized	
Regulated fixed price futures contracts	Cost of product sales	$ (720)	$ (1,850)

4. Balance Sheet Components

Investments

The following table summarizes the Company's investments as of March 31, 2012 (in thousands):

	March 31, 2012		
	Amortized Cost	Unrealized Gain (Loss)	Fair Value
Short-Term Investments			
Certificates of Deposit	$ 60	$ —	$ 60
Total short-term investments	$ 60	$ —	$ 60

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

Inventories

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

	March 31, 2012	December 31, 2011
Raw materials	$ 2,163	$ 2,191
Work-in-process	936	1,237
Finished goods	5,822	5,642
Inventories, net	$ 8,921	$ 9,070

Prepaid and Other Current Assets

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

	March 31, 2012	December 31, 2011
Advances to contract manufacturers[(1)]	$ 1,032	$ 10,748
Manufacturing catalysts	2,378	3,929
Recoverable VAT and other taxes	2,787	2,193
Other	2,862	3,003
Prepaid and other current assets	$ 9,059	$ 19,873

(1) At March 31, 2012 and December 31, 2011, this amount includes $764,000 and $748,000, respectively, 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):

	March 31, 2012	December 31, 2011
Leasehold improvements	$ 39,704	$ 40,011
Machinery and equipment	56,518	59,657
Computers and software	6,551	6,491
Furniture and office equipment	2,310	2,223
Vehicles	612	596
Construction in progress	74,796	45,318
	$ 180,491	154,296
Less: accumulated depreciation and amortization	(29,789)	(26,195)
Property and equipment, net	$ 150,702	$ 128,101

Property and equipment includes $12.8 million and $13.7 million of machinery and equipment and furniture and office equipment under capital leases as of March 31, 2012 and December 31, 2011, respectively. Accumulated amortization of assets under capital leases totaled $5.1 million and $4.7 million as of March 31, 2012 and December 31, 2011, respectively.

Depreciation and amortization expense, including amortization of assets under capital leases, was $3.6 million and $2.1 million for the three months ended March 31, 2012 and 2011, respectively.

Other Assets

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

	March 31, 2012	December 31, 2011
Deferred charge asset[1]	$ 16,106	$ 18,792
Deposits on property and equipment, including taxes	5,009	17,455
Advances to contract manufacturers, net of current portion [2]	2,739	2,866
Recoverable taxes on purchased property and equipment and inventories	10,201	2,075
Other	1,746	1,813
Total other assets	$ 35,801	$ 43,001

(1) The deferred charge asset relates to the collaboration agreement between the Company and Total (see Note 9).

(2) At March 31, 2012 and December 31, 2011, the amount of $2.7 million and $2.9 million, respectively, 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):

	March 31, 2012	December 31, 2011
Professional services	$ 3,337	$ 4,384
Accrued vacation	2,891	2,761
Payroll and related expenses	7,141	6,343
Construction in progress	1,324	4,992
Tax-related liabilities	1,151	2,180
Deferred rent, current portion	1,318	1,274
Contractual obligations to contract manufacturers	11,228	—
Customer advances	625	3,667
Refundable exercise price on early exercise of stock options	22	30
Other	1,823	5,351
Total accrued and other current liabilities	$ 30,860	$ 30,982

Other Liabilities

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

	March 31, 2012	December 31, 2011
Contingently repayable advance from related party collaborator[1]	$ 31,922	$ 31,922
Bonus payable to contract manufacturer, non-current	2,500	2,500
Contractual obligations to contract manufacturers, non-current	6,446	—
Asset retirement obligations	1,193	1,129
Other	1,919	1,534
Total other liabilities	$ 43,980	$ 37,085

(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 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 parties are currently engaged in discussion regarding the potential terms and timing of an extension to such date. 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 would commence on the royalty notification date and 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 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 March 31, 2012 and 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 $2.3 million and $3.1 million at March 31, 2012 and December 31, 2011. 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 sale/leaseback transaction resulted in a $1.3 million unrealized loss which is being amortized over the life of the assets under lease. Accordingly, the Company recorded a capital lease liability at the present value of the future lease payments of $2.9 million at March 31, 2012 and $3.4 million at December 31, 2011 The incremental borrowing rate used to determine the present values of the future lease payments was 6.5%. The lease obligations expire on January 1, 2015. In connection with the equipment financing transaction, 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 March 31, 2012 are as follows (in thousands):

Years ending December 31:	Sale/Leaseback
2012 (Nine Months)	$ 823
2013	1,098
2014	1,007
2015	289
2016	—
Thereafter	—
Total future minimum lease payments	3,217
Less: amount representing interest	(296)
Present value of minimum lease payments	2,921
Less: current portion	(935)
Long-term portion	$ 1,986

The Company recorded interest expense in connection with its capital leases of $133,000 and $166,000 for the three months ended March 31, 2012 and 2011, respectively. Future minimum payments under capital leases, including the sale/leaseback equipment financing agreement, as of March 31, 2012 are as follows (in thousands):

Years ending December 31:	Capital Leases
2012 (Nine Months)	$ 2,885
2013	1,489
2014	1,006
2015	289
2016	—
Thereafter	—
Total future minimum lease payments	5,669
Less: amount representing interest	(423)
Present value of minimum lease payments	5,246
Less: current portion	(3,260)
Long-term portion	$ 1,986

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 expire at various dates, with the latest expiration in November 2016 and with an estimated annual rent payment of approximately $0.6 million.

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 $1.2 million and $1.1 million for the three months ended March 31, 2012 and 2011, respectively.

The Company has agreements with terminal storage facility vendors for the storage and handling of products. As of March 31, 2012 the Company had $0.3 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 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 $54,000.

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 is used by the Company in its production activities in Brazil. This lease had a term of one year commencing in March 2011 with an estimated annual rent payment of approximately $88,000 and is renewable for up to two years from the end of the initial term. The Company is currently negotiating an extension

to the lease term.

In March 2011, the Company entered into an operating lease on 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 $136,000.

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 $431,000.

Future minimum payments under operating leases as of March 31, 2012, are as follows (in thousands):

Years ending December 31:	Operating Leases - Facilities	Operating Leases - Land	Total Operating Leases
2012 (Nine Months)	$ 4,939	$ 142	$ 5,081
2013	6,288	190	6,478
2014	6,372	190	6,562
2015	6,550	190	6,740
2016	6,681	190	6,871
Thereafter	9,237	2,018	11,255
Total future minimum lease payments	$ 40,067	$ 2,920	$ 42,987

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 March 31, 2012 and December 31, 2011.

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 March 31, 2012, the Company had $0.7 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 a first priority security interest in certain of the Company's equipment and other tangible assets totaling R$24.9 million reais (approximately US$13.7 million based on the exchange rate at March 31, 2012). The Company is a parent guarantor for the payment of the outstanding balance under the BNDES Credit Facility. As of March 31, 2012, the Company had US$10.5 million outstanding under the agreement. Additionally, the Company is required to provide a bank guarantee 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$3.5 million based on the exchange rate at March 31, 2012) 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$3.3 million based on the exchange rate at March 31, 2012). 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 March 31, 2012).

The Company has an 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 this terminalling agreement. As of March 31, 2012, the Company had $47,000 in outstanding commitments under this 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$105,000 based on the exchange rate at March 31, 2012) 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):

	March 31, 2012	December 31, 2011
Credit facilities	$ 19,182	$ 18,852
Notes payable	27,813	3,113
Loans payable	19,505	19,359
Total debt	66,500	41,324
Less: current portion	(29,015)	(28,049)
Long-term debt	$ 37,485	$ 13,275

Credit Facility

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$3.5 million based on the exchange rate at March 31, 2012) 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 March 31, 2012 and December 31, 2011 there were R$1.8 million reais (approximately US$1.0 million based on the exchange rate at March 31, 2012) outstanding 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$8.0 million based on the exchange rate at March 31, 2012) 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 March 31, 2012);
- 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 March 31, 2012 and December 31, 2011, a principal amount of $1.9 million and $2.0 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 March 31, 2012 and December 31, 2011, a principal amount of $0.9 million and $1.1 million, respectively, was outstanding under this note payable.

Convertible Notes

In February 2012, the Company completed the sale of unsecured senior convertible promissory notes in an aggregate principal amount of $25.0 million pursuant to a Securities Purchase Agreement, between the Company and certain investment funds affiliated with Fidelity Investments Institutional Services Company, Inc. The offering consisted of the sale of 3% senior unsecured convertible promissory notes with a March 1, 2017 maturity date and a conversion price equal to $7.0682 per share of common stock, (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. As of the closing of the offering, the notes were convertible into an aggregate of up to 3,536,968 shares of common stock. The conversion price of the Notes is subject to adjustment for proportional adjustments to outstanding common stock and under anti-dilution provisions in case of certain 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, material adverse effect clauses 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. In connection with the offering the Company entered into a Registration Rights Agreement with the note purchasers.

Loans Payable

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 March 31, 2012 and December 31, 2011, a principal amount of $197,000 and $204,000, 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$19.2 million based on the exchange rate at March 31, 2012) (the “Bridge Loan”). The Bridge 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 Caxia may provide the Company with loans of up to approximately R$52.0 million reais (approximately US$28.5 million based on the exchange rate at March 31, 2012) as financing for capital expenditures relating to the Company's manufacturing facility,Paraíso Bioenergia in Brazil. The interest rate for the Bridge Loan is 119.2% of Brazilian interbank lending rate (approximately 12.3% 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. 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 from February 17, 2012 to May 17, 2012. In connection with the extension, the Company is obligated to pay R$129,150 (approximately US$71,000 based on the exchange rate as of March 31, 2012) as tax on the financial transaction as required by Brazilian law. 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 March 31, 2012, a total of R$35.0 million reais was advanced under the Bridge Loan and a principal amount of US$19.2 million was outstanding under this loan.

Letters of Credit

In November 2008, the Company entered into 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, provided, as of March 31, 2012, for 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 March 31, 2012, the Company had sufficient borrowing base levels to draw down up to a total of $6.1 million in short term cash advances and $5.0 million available for letters of credit in addition to those outstanding as of March 31, 2012. As of March 31, 2012 and December 31, 2011, the Company had no outstanding advances and had $0.7 million and $5.0 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 March 31, 2012, the Company was in compliance with its financial covenants under the Credit Agreement.

The Credit Agreement was amended in April 2012 to adjust the borrowing limits and maturity date (see Note 17).

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 is 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 is 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:

The Company is required to comply with the following financial covenants under the credit facility: it must maintain a liquidity of at least $10.0 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 March 31, 2012, the Company was not in compliance with either the liquidity or the current ratio covenant. Events of default 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, which would result in cross defaults under other debt instruments, including the convertible promissory notes described above.

Under this facility, $7.7 million of loans and one letter of credit totaling $2.3 million was outstanding as of March 31, 2012. 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 (the "BNDES Credit Facility") in the amount of R$22.4 million reais (approximately US$12.3 million based on the exchange rate at March 31, 2012) 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 the 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 BNDES Credit Facility is denominated in Brazilian Reais and will not change until the effective release. The credit facility is collateralized by a first priority security interest in certain of the Company's equipment and other tangible assets totaling R$24.9 million reais (approximately US$13.7 million based on the exchange rate at March 31, 2012). The Company 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 the total approved amount (R$22.4 million reais in total debt) available under the 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 March 31, 2012 the Company had R$19.1 million reais (approximately US$10.5 million based on the exchange rate at March 31, 2012) in outstanding advances under the BNDES Credit Facility.

Future minimum payments under the debt agreements as of March 31, 2012 are as follows (in thousands):

Years ending December 31:	Notes Payable	Loans Payable	Credit Facility
2012 (Nine Months)	$ 1,111	$ 19,539	$ 8,636
2013	846	144	2,935
2014	431	45	2,784
2015	431	45	2,621
2016	431	45	2,495
Thereafter	25,492	44	2,528
Total future minimum payments	28,742	19,862	21,999
Less: amount representing interest	(929)	(357)	(2,817)
Present value of minimum debt payments	27,813	19,505	19,182
Less: current portion	(1,231)	(19,335)	(8,449)
Noncurrent portion of debt	$ 26,582	$ 170	$ 10,733

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 a manufacturing facility. SMA is located at the Usina São Martinho mill in Pradópolis, São Paulo state, Brazil. SMA has a 20 year initial term.

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.

The joint venture agreements require the Company to fund the construction costs of the new facility and Usina São Martinho would reimburse the Company up to R$61.8 million reais (approximately US$33.9 million based on the exchange rate as of March 31, 2012) of the construction costs after SMA commences production. Post commercialization, the Company would market and distribute Amyris renewable products and Usina São Martinho would sell feedstock and provide certain other services to SMA. The cost of the feedstock to SMA would be 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 would be 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 would be 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 is 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. Industria e Comércio (such Cosan entities, collectively or individually, "Cosan"), related to the formation of a joint venture (the "JV"), to 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 would 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 (i) 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, and (ii) 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 March 31, 2012, 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 March 31, 2012, there has been no activity in this joint venture.

8. Noncontrolling Interest

Redeemable Noncontrolling Interest

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 the related commercialization agreement provides a substantive minimum price guarantee. Under the terms of the joint venture agreement, the Company directs the design and construction activities, as well as production and distribution. In addition, the Company 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 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 lessor of 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. 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 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 March 31, 2012, 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 include $20.1 million in property and equipment and $6.5 million in other assets, and $0.4 million in current assets. The liabilities include $1.4 million in accounts payable and accrued current liabilities and $0.1 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)	March 31, 2012	December 31, 2011
Assets	$ 26,985	$ 22,094
Liabilities	$ 1,502	$ 2,873

The change in noncontrolling interest for the three months ended March 31, 2012 and 2011 is summarized below (in thousands):

	2012	2011
Balance at January 1	$ (240)	$ 2
Addition to noncontrolling interest	—	346
Foreign currency translation adjustment	87	—
Loss attributable to noncontrolling interest	(348)	(10)
Balance at March 31	$ (501)	$ 338

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 multi-phased 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 March 31, 2012 and December 31, 2011, the Company had recognized a cumulative reduction of $11.8 million and $9.1 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 the collaboration agreement.

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 parties are currently engaged in discussion regarding the potential terms and timing of an extension to such date. 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.

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 milestones are substantive. For the three months ended March 31, 2012 and 2011, the Company recorded $750,000 and $682,000, respectively, of revenue from the collaboration agreement with Firmenich.

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 March 31, 2012, the Company recorded the upfront payment of $5.0 million from Michelin as deferred revenue.

Manufacturing Agreements

In 2010 and 2011, the Company entered into contract manufacturing agreements with Biomin do Brasil Nutricão Animal Ltda. ("Biomin"), Tate & Lyle Ingredients Americas, Inc. ("Tate & Lyle"), Antibióticos, S.A. ("Antibióticos"), Albemarle Corporation ("Albemarle"), and Glycotech (see Note 8) to utilize their manufacturing facilities to produce Amyris products commencing in 2011.

Under the terms of these contract manufacturing agreements, the Company provided necessary equipment for the manufacturing of its products, over which the Company retained ownership. The Company also reimbursed the contract manufacturers for an aggregate of $13.8 million in expenditures related to the modification of their facilities. The Company recorded facility modification costs as other assets and amortized them as an offset against purchases of inventory. Certain of these contract manufacturing agreements also impose fixed purchase commitments on the Company, regardless of the production volumes.

Beginning in March 2012, the Company initiated a plan to shift production capacity from the contract manufacturing facilities to Company-owned plants that are currently under construction. As a result, the Company evaluated its contract manufacturing agreements and recorded a loss of $31.2 million related to the write-off of $10.0 million in facility modification costs and the recognition of $21.2 million of fixed purchase commitments. The Company computed the loss on facility modification costs and fixed purchase commitments using the same lower of cost or market approach that is used to value inventory. The computation of the loss on firm purchase commitments is subject to several estimates, including cost to complete and the ultimate selling price of any Company products manufactured at the relevant production facilities, and is therefore inherently uncertain. The Company also recorded a loss on write off of production assets of $5.5 million related to Amyris-owned production equipment at contract manufacturing facilities.

Subsequent to recording the $31.2 million loss related to facility modification costs and fixed purchase commitments in the three months ended March 31, 2012, the Company will have a remaining aggregate firm purchase commitment related to contract manufacturers of $38.3 million. Based on the Company's current production volumes and estimated cost and selling price the Company does not expect losses on firm purchase commitments beyond what was recorded in the three months ended March 31, 2012. The Company will continue to evaluate the potential for losses in future periods based on updated production and sales

price assumptions.

Paraíso Bioenergia

In March 2011, the Company entered into a supply agreement with Paraíso Bioenergia. 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 farnesene-derived products over the lower of sugar or ethanol alternatives. In conjunction with the supply agreement, the Company also entered into an operating lease on 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 to perform the toll manufacturing services under the agreement. The Company reimbursed Albemarle $10.0 million for all capital expenditures related to the facility modification, which was accounted for as a prepaid asset. 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 March 31, 2012 and December 31, 2011, the Company has recorded a liability of zero and $3.5 million, respectively, for the facility modification costs. In March 2012 the Company recorded a loss of $10.0 million related to the write off of the facility modification costs, described above.

In addition, the Company was required to pay a one-time, non-refundable performance bonus of $5.0 million if Albemarle delivered to the Company a certain quantity of the lubricant base stock by December 31, 2011 or $2.0 million if Albemarle delivered the same quantity by January 31, 2012. Based on Albermarle's performance as of December 31, 2011, the Company concluded that Albermarle had earned the bonus and recorded a liability of $5.0 million as of March 31, 2012. 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.

In February 2012, the Company entered into an amended and restated agreement with Albemarle, which superseded the original contract manufacturing agreement with Albemarle. The term of the new 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 the three months ended March 31, 2012, the Company recorded a corresponding loss related to these fixed purchase commitments, as described above. In addition, fixed costs of $2.0 million per quarter are payable 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.

Supply Agreements

The Company has also entered into agreements for the sale of Biofene and its derivatives directly to customers, including with Procter & Gamble Company ("P&G") for use in cleaning products, with M&G for use in plastics, with Kuraray Co., Ltd. ("Kuraray") for use in production of polymers, with Firmenich and Givaudan SA. ("Givaudan") for ingredients for the flavors and fragrances market, with Method for use in home and personal care products, and with Wilmar International Limited ("Wilmar") for use as a surfactant.

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. 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. Concurrently with the execution of such termination agreement, the parties executed a distribution agreement, pursuant to which the Company appointed Soliance as its exclusive distributor to distribute the Company's squalane in the cosmetic market in the approved territory.

Nikko Chemicals

In August 2011, the Company entered into an agreement with Nikko, a private limited company in Japan, which contemplated 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 an acquisition of assets of Draths related to production of renewable chemicals. 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 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 was 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 has used 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

Private Placement

In February 2012, the Company completed a private placement of its common stock (the "Private Placement") of 10,160,325 shares of common stock at a price of $5.78 for aggregate proceeds of $58.7 million.

In connection with the Private Placement, the Company entered into an agreement with an investor to purchase additional shares of Common Stock for an additional $15.0 million upon satisfaction by the Company of criteria associated with the commissioning of the Company's Paraíso Bioenergia SA production plant in Brazil by March 2013. Additionally, such agreement granted certain investors Board designation rights and certain rights of first investment with respect to future issuances of the Company's securities.

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 March 31, 2012 and December 31, 2011, the Company had zero convertible preferred stock outstanding.

Common Stock Warrants

During the period from January 1, 2008 to September 30, 2010 the Company issued 182,405 warrants in connection with placement agent fees associated with its preferred stock issuance, capital and operating lease agreements and consulting services. Upon the closing of the Company's IPO on September 30, 2010, these 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.

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 Company estimated the fair value of these warrants as of the issuance date to be $193,000 and was recorded as other assets and amortized subsequently over the term of the lease.

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 March 31, 2012.

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 three months ended March 31, 2012 and 2011, zero and 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 three months ended March 31, 2011.

As of March 31, 2012 and December 31, 2011, the Company had the following unexercised common stock warrants outstanding:

Underlying Stock	Expiration Date	Exercise Price per Share	Shares as of March 31, 2012	Shares as of December 31, 2011
Common Stock	1/31/2018	$ 24.88	—	2,884
Common Stock	9/23/2018	$ 25.26	2,252	2,252
Common Stock	12/23/2021	$ 10.67	21,087	21,087
Total			23,339	26,223

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 160,247 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 increase automatically on January 1 of each year starting with January 1, 2011, by a 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 is 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 incentive stock options ("ISOs") or non-statutory stock options ("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. Under the plan, the exercise price of an ISOs and NSOs may not be less than 100% of the fair market value of the shares on the date of grant. The exercise price of any ISOs and NSOs granted to a 10% stockholder may not be less than 110% of the fair value of the underlying stock on the date of grant. The options granted to date generally vest over four to five years.

As of March 31, 2012, options to purchase 3,287,801 shares of our common stock granted from the 2010 Equity Plan were outstanding and 5,360,719 shares of the Company’s common stock remained available for future awards that may be granted from the 2010 Equity Plan. The options outstanding as of March 31, 2012 had a weighted-average exercise price of approximately $23.59 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 ISOs or 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 prices of ISOs and NSOs granted under the 2005 Plan were not 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.

As of March 31, 2012, options to purchase 4,580,766 shares of the Company's common stock granted from the 2005 Stock Option/Stock Issuance Plan remained outstanding and as a result of the adoption of the 2010 Equity Incentive Plan discussed above, zero shares of the Company's common stock remained available for issuance under the 2005 Plan. The options outstanding under the 2005 Plan as of March 31, 2012 had a weighted-average exercise price of approximately $6.63 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. Each twelve-month offering period generally commences on May 16th and November 16th, each consisting of two six-month purchase periods. The purchase price for shares of common stock under the 2010 ESPP is the lesser of 85% 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 increases automatically on January 1st of each year, starting with January 1, 2011, by a 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 459,325 shares were reserved for issuance during the three months ended March 31, 2012 for a cumulative total of 897,799 additional shares reserved for issuance under the automatic increase provision. The Company's Board of Directors or Leadership Development and Compensation Committee is 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.

During the three months ended March 31, 2012 and 2011, zero shares of common stock were purchased under the 2010 ESPP. At March 31, 2012, 762,173 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 three months ended March 31, 2012 was as follows:

	Number Outstanding	Weighted - Average Exercise Price	Weighted - Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
				(in thousands)
Outstanding - December 31, 2011	8,377,016	$ 14.05	7.9	$ 29,127
Options granted	48,050	$ 7.98		
Options exercised	(107,236)	$ 3.50		
Options cancelled	(389,263)	$ 24.50		
Outstanding - March 31, 2012	7,928,567	$ 13.64	7.5	$ 6,984
Vested and expected to vest after March 31, 2012	7,630,066	$ 13.41	7.5	$ 6,961
Exercisable at March 31, 2012	3,956,629	$ 9.07	6.6	$ 6,374

The aggregate intrinsic value of options exercised under all option plans was $596,000 and $10.4 million for the three months

ended March 31, 2012 and 2011, respectively, determined as of the date of option exercise.

The Company's restricted stock units ("RSUs") and restricted stock activity and related information for the three months ended March 31, 2012 was as follows:

	RSUs	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Life (Years)
Outstanding - December 31, 2011	375,189	$ 29.84	1.4
Awarded	—	$ —	—
Vested	(122,673)	$ 30.30	—
Forfeited	(33,333)	$ 30.30	—
Outstanding - March 31, 2012	219,183	$ 29.51	1.2
Expected to vest after March 31, 2012	205,093	$ 29.51	1.1

RSUs are converted into common stock upon vesting. Upon the vesting of RSUs, the Company primarily uses the net share settlement approach, where a portion of the shares are withheld and cancelled as settlement of statutory employee withholding taxes, which decreases the shares issued to the employee by a corresponding value.

The following table summarizes information about stock options outstanding as of March 31, 2012:

	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—$0.10	22,500	3.7	$ 0.10	22,500	$ 0.10
$0.28—$0.28	818,420	4.9	$ 0.28	817,861	$ 0.28
$1.50—$1.50	187,668	5.3	$ 1.50	181,434	$ 1.50
$3.93—$3.93	1,216,710	6.0	$ 3.93	982,039	$ 3.93
$4.31—$5.49	770,749	7.5	$ 4.35	410,571	$ 4.31
$9.32—$9.32	921,628	7.7	$ 9.32	364,806	$ 9.32
$10.44—$16.50	940,230	8.6	$ 14.93	309,703	$ 15.52
$16.53—$24.20	1,069,064	8.3	$ 21.63	381,886	$ 21.81
$24.50—$26.50	211,450	9.2	$ 25.73	10,458	$ 26.12
$26.84—$30.17	1,770,148	8.7	$ 27.30	475,371	$ 27.20
$0.10—$30.17	7,928,567	7.5	$ 13.64	3,956,629	$ 9.07

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 $21,800 and $30,000, respectively, relating to options for 5,564 and 7,929 shares of common stock that were exercised and unvested as of March 31, 2012 and December 31, 2011, respectively. These shares were subject to a repurchase right held by the Company and are included in issued and outstanding shares as of March 31, 2012 and December 31, 2011, respectively.

Stock-Based Compensation Expense

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

	Three Months Ended March 31,	
	2012	2011
Research and development	$ 1,513	$ 977
Sales, general and administrative	5,008	3,030
Total stock-based compensation expense	$ 6,521	$ 4,007

Employee Stock–Based Compensation

During the three months ended March 31, 2012 and 2011, the Company granted options to purchase 48,050 and 120,000 shares of its common stock, respectively, to employees with weighted average grant date fair values of $7.98 and $22.11 per share, respectively. As of March 31, 2012 and December 31, 2011, there were unrecognized compensation costs of $50.0 million and $54.7 million, respectively, related to outstanding employee stock options. The Company expects to recognize those costs over a weighted average period of 2.8 years as of March 31, 2012. Future option grants will increase the amount of compensation expense to be recorded in these periods.

During the three months ended March 31, 2012 and 2011, zero and 321,301 RSUs, respectively, were granted to employees with a weighted average service-inception date fair value of zero and $30.30, respectively. A total of $1.2 million and $967,000 in stock compensation expense was recognized for the three months ended March 31, 2012 and 2011 for RSUs granted to employees. As of March 31, 2012 and December 31, 2011, there were unrecognized compensation costs of $4.9 million and $6.0 million, respectively, related to these RSUs.

During the three months ended March 31, 2012 and 2011, the Company also recognized stock compensation expense related to its 2010 ESPP of $362,000 and $434,000, respectively.

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

	Three Months Ended March 31,	
	2012	2011
Research and development	$ 1,511	$ 964
Sales, general and administrative	4,950	2,748
Total stock-based compensation expense	$ 6,461	$ 3,712

Employee stock-based compensation expense recognized for the three months ended March 31, 2012 included $218,000 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.

Stock-based compensation cost for RSUs is measured based on the closing fair market value of the Company's common stock on the date of grant. Stock-based compensation cost for stock options and employee stock purchase plan rights is estimated at the grant date and offering date, respectively, based on the fair-value 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:

	Three Months Ended March 31,	
	2012	2011
Expected dividend yield	—%	—%
Risk-free interest rate	1.3%	2.3%
Expected term (in years)	5.9	6.0
Expected volatility	75%	87%

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—The 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 is was based on a combination of historical volatility for the Company's stock and 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.

Fair Value of Common Stock— Prior to the IPO, the fair value of the shares of common stock underlying the stock options was determined by the Board of Directors. Because there was no public market for the Company's common stock, the Board of Directors determined the 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 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 three months ended March 31, 2012 and 2011, the Company has not granted options to purchase shares of common stock to nonemployees in exchange for services. Compensation expense of $29,000 and $225,000 was recorded for the three months ended March 31, 2012 and 2011, respectively, for stock-based awards granted to nonemployees. The nonemployee options were valued using the Black-Scholes option pricing model.

During the three months ended March 31, 2012 and 2011, zero and 30,000 restricted stock units, respectively, were granted to nonemployees and a total of $31,000 and $69,000 respectively, in stock compensation expense was recognized by the Company for the three months ended March 31, 2012 and 2011.

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

	Three Months Ended March 31,	
	2012	2011
Expected dividend yield	—%	—%
Risk-free interest rate	1.8%	3.0%
Expected term (in years)	7.3	8.2
Expected volatility	75%	87%

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 zero during the three months ended March 31, 2012 and 2011, 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 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 a business combination with Draths. In connection with the acquisition, the Company issued 362,319 shares of the Company's common stock, of which 41,408 shares were held in escrow and paid $2.9 million in cash. One of the Company's board members was also on the board of Draths.

In February 2012, the Company completed a private placement of its common stock of 10,160,325 shares of common stock at a price of $5.78 for aggregate proceeds of $58.7 million pursuant to a Securities Purchase Agreement, among the Company and existing certain investors including Total and Maxwell (Mauritius) Pte Ltd, each a beneficial owner of more than 5% of our existing common stock at the time of the transaction. Finally, entities affiliated with our existing directors, Mr. Doerr and Dr. Reinach, and an entity that designated our existing director, Ms. Piwnica, to serve on the Board, purchased shares of common stock in the offering.

15. Income Taxes

For the three months ended March 31, 2012, the Company recorded a provision for income taxes of $244,000 which consisted of an accrual of Brazilian withholding tax on an intercompany interest liability. 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 Company is currently under audit by the US Internal Revenue Service for tax year 2008. As of March 31, 2012, the Company has not received an assessment with regard to this audit.

16. 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

	Three Months Ended March 31,	
	2012	2011
United States	$ 26,306	$ 37,174
Brazil	875	—
Europe	1,938	—
Asia	350	—
Total	$ 29,469	$ 37,174

Long-Lived Assets

	March 31, 2012	December 31, 2011
United States	$ 75,373	$ 76,108
Brazil	71,004	48,240
Europe	4,325	3,753
Total	$ 150,702	$ 128,101

17. Subsequent Events

On April 17, 2012, the Company and the Company's wholly-owned subsidiary, Amyris Fuels, LLC ("AFL"), entered into an Amendment to Uncommitted Facility Letter (the "Amendment") with BNP Paribas ("BNPP"), effective as of April 14, 2012. The Amendment amended certain provisions of the Company's Uncommitted Facility Letter, dated as of November 25, 2008 (as amended previously, the "Credit Agreement"), between AFL and BNPP. The Company and AFL entered into the Credit Agreement and related agreements to finance the purchase and sale of fuel and for working capital requirements, as needed, in connection with AFL's business (see Note 6). The Company and AFL entered into the Amendment to extend the maturity date pending the Company's transition out of the AFL business, and plan to repay all amounts remaining outstanding under the Credit Agreement, and to terminate the Credit Agreement, as of the new maturity date.

The Amendment extended the maturity date for amounts outstanding under the Credit Agreement from April 14, 2012 to June 30, 2012. It also reduced (i) the maximum availability under the Credit Agreement from the lower of the borrowing base (as defined in the Credit Agreement, as amended) and $20.0 million to the lower of the borrowing base and $10.0 million, (ii) the sublimit for short-term cash advances from $20.0 million to zero, and (iii) the sub-limit for letters of credit from $5.7 million to $500,000. The Amendment also requires the Company to pay BNPP a minimum compensation fee of $125,000 in connection with the Amendment.

In April 2012, the Company paid $7.7 million of its outstanding loans under the Revolving Credit Facility (see Note 6). In May 2012, the Company also entered into a letter agreement dated May 3, 2012 (the "Credit Facility Amendment") with Bank of the West (the "Bank") amending its Revolving Credit Facility agreement dated December 23, 2010 (the "Credit Facility"). The Credit Facility Amendment reduced the committed amount under the Credit Facility from $10.0 million to approximately $2.3 million, and the letters of credit sublimit from $5.0 million to approximately $2.3 million. The Credit Facility Amendment also modified the current ratio covenant to require a ratio of current assets to current liabilities of at least 1.3:1 (as compared to 2:1 in the Credit Facility), and requires the Company to maintain unrestricted cash of at least $15.0 million in its account with the Bank.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and the related notes that appear elsewhere in this Form 10-Q. These discussions contain forward-looking statements reflecting our current expectations that involve risks and uncertainties 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 II, Item 1A, "Risk Factors," in this Quarterly Report on Form 10-Q 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 businesses that are the property of their respective holders.

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, which oversees the establishment and expansion of our production in Brazil, and Amyris Fuels, which we established to 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. We currently expect to transition out of the Amyris Fuels business during 2012.

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 and plastic additives, home and personal care products and transportation fuels.

In April 2010, we entered into a definitive agreement with Usina São Martinho to establish a joint venture entity for construction and operation of a large-scale production facility in Brazil. In March 2011, we entered into an agreement with Paraíso Bioenergia, under which we are designing and building a fermentation and separation plant on leased space at the Paraíso Bioenergia facility and Paraíso Bioenergia will supply sugar cane juice and other utilities. We now expect the manufacturing facility at Paraíso Bioenergia to be our initial principal focus for production capacity. Based on our shifting manufacturing priorities and uncertainty regarding financing availability, we cannot currently predict when or if our facility at Usina São Martinho will be completed or commence commercial operations.

Total Relationship

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. 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 March 31, 2012, 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 with Total 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, 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 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 parties are currently engaged in discussions regarding the potential terms and timing of an extension to such date. 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 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 $10.0 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 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.

Contract Manufacturing

To support our initial commercial production of Biofene , we entered into contract manufacturing agreements in 2010 and 2011 with Biomin do Brasil Nutricão Animal Ltda. (“Biomin”), Tate & Lyle Ingredients Americas, Inc. (“Tate & Lyle”) and Antibióticos, S.A. (“Antibióticos”) to utilize their manufacturing facilities to produce Amyris products commencing in 2011.

We also established contract manufacturing relationships to support conversion of Biofene into finished chemical products. For example, in January 2011, we entered into a production service agreement with Glycotech under which Glycotech performs finishing steps to convert Biofene into squalane, diesel, base oils for industrial lubricants, and other products. In addition, 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 an amended and restated agreement with Albemarle, which superseded the original contract manufacturing agreement with Albemarle. The term of the new 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 per quarter are payable 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. 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.

Under the terms of these contract manufacturing agreements, we provided necessary equipment for the manufacturing of its products, over which we retained ownership. We also reimbursed the contract manufacturers for an aggregate of $13.8 million in expenditures related to the modification of their facilities, which were recorded facility modification costs as other assets and amortized them as an offset against purchases of inventory. Certain of these contract manufacturing agreements also impose fixed purchase commitments on us, regardless of the production volumes.

Beginning in March 2012, we initiated a plan to shift production capacity from the contract manufacturing facilities to Amyris-owned plants that are currently under construction. As a result, we evaluated our contract manufacturing agreements and recorded a loss of $31.2 million related to $10.0 million in facility modification costs and $21.2 million of fixed purchase commitments. We computed the loss on facility modification costs and fixed purchase commitments using the same lower of cost

or market approach that is used to value inventory. The computation of the loss on firm purchase commitments is subject to several estimates, including cost to complete and the ultimate selling price of any of our products manufactured at the relevant production facilities, and is therefore inherently uncertain. We also recorded a loss on write off of production assets of $5.5 million related to Amyris-owned production equipment at contract manufacturing facilities.

Subsequent to recording the $31.2 million loss related to facility modification costs and fixed purchase commitments in the quarter ended March 31, 2012, we will have a remaining aggregate firm purchase commitment related to contract manufactures of $38.3 million. Based on our current production volumes, estimated cost and selling price we do not expect losses on firm purchase commitments beyond what we recorded in the three months ended March 31, 2012. We will continue to evaluate the potential for losses in future periods based on updated production and sales price assumptions.

During the three months ended March 31, 2012, we incurred $20.2 million of scale-up costs to support our production of farnesene-derived products. These scale-up costs include the contract manufacturing cost related to production of farnesene-derived products and the finishing of farnesene into finished products. In the three months ended March 31, 2012 the Company recorded an inventory write down of $8.1 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. We anticipate that our scale-up production costs will decrease as we continue to improve our processes and increase throughput.

Sales

To commercialize our initial farnesene-derived 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 arrangement 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.

Financing

In December 2011, we received a loan from Banco Pine S.A. to fund capital and other expenditures relating to a manufacturing facility in Brazil. We secured these loans to allow us to continue construction and process development at this plant, and expect to seek additional loans from this bank 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. As of March 31, 2012, a total of R$35.0 million reais, was advanced under the Bridge Loan and a principal amount of $19.2 million was outstanding under this loan.

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

Also in February 2012, we entered into a security purchase agreement to sell $25.0 million in principal amount of unsecured senior convertible promissory notes due in March 1, 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 Amyris, 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 March 31, 2012, we have recognized $348.3 million in revenue, primarily from the sale of ethanol and reformulated ethanol-blended gasoline by our Amyris Fuels subsidiary. As of March 31, 2012, we had an accumulated deficit of $475.7 million. We currently expect to transition out of the Amyris Fuels business during 2012 and we do not expect to be able to replace the revenues lost in the near term as a result of this transition, particularly in 2012 and 2013 while we continue our efforts to establish a renewable products business.

Liquidity

We expect to fund operations for the foreseeable future with cash and investments currently on hand, with cash inflows from collaboration and grant funding, potential cash contributions from product sales, and with new debt and equity financing. 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 subject to risk that we cannot meet milestones, 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. If we are forced to curtail our operations, we may be unable to proceed with construction of certain planned production facilities, including the Usina São Martinho and the Paraíso Bioenergia plants, 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 could suffer dilution. For example, in February 2012, we completed the convertible note financing described above. The convertible notes contain various covenants, including restrictions on the amount of debt we are permitted to incur. Our outstanding debt at any time can not exceed the greater of $200.0 million or 50% of our consolidated total assets. 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 and could cause us to be at risk of defaults. For example, we were in default under our Bank of the West credit facility as of March 31, 2012 based on our failure to maintain a ratio of current assets to current liabilities of equal to or greater than 2:1 and our failure to comply with the liquidity requirement to maintain at least $10.0 million plus two times our quarterly "Net Cash Used in Operating Activities". As a result, Bank of the West could have required us to immediately repay amounts outstanding under such credit facility, which would have resulted in cross defaults under other debt instruments, including our convertible promissory notes .

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 continually look at ways 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, reformulated ethanol-blended gasoline, and 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. We recorded losses on write off of production assets of $5.5 million and zero during the three months ended March 31, 2012 and 2011, respectively.

Inventories

Inventories, which consist of ethanol, reformulated ethanol-blended gasoline and farnesene-derived products, are stated at the lower of cost or market. We evaluate the recoverability of our inventories based on assumptions about expected demand and net realizable value. If we determine that the cost of inventories exceeds its estimated net realizable value, we record a write-down equal to the difference between the cost of inventories and the estimated net realizable value. If actual net realizable values are less favorable than those projected by management, additional inventory write-downs may be required that could negatively impact our operating results. If actual net realizable values are more favorable, we may have favorable operating results when products that have been previously written down are sold in the normal course of business. We also evaluate the terms of our agreements with its suppliers and establish accruals for estimated losses on adverse purchase commitments as necessary, applying the same lower of cost or market approach that is used to value inventory.

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 have used 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 March 31, 2012.

Stock-Based Compensation

Stock-based compensation cost for RSUs is measured based on the closing fair market value of the Company's common stock on the date of grant. Stock-based compensation cost for stock options and employee stock purchase plan rights is estimated at the grant date and offering date, respectively, based on the fair-value using the Black-Scholes option pricing model. 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. The measurement of nonemployee 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 equity 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:

	Three Months Ended March 31,	
	2012	2011
Expected dividend yield	—%	—%
Risk-free interest rate	1.3%	2.3%
Expected term (in years)	5.9	6.0
Expected volatility	75%	87%

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.

Expected volatility is derived from a combination of historical volatility for our stock and the historical volatilities of a 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.

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.

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 March 31, 2012, 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

The following table sets forth our condensed consolidated statement of operations data for the periods shown (in thousands except share and per share amounts):

	Three Months Ended March 31,	
	2012	2011
	(In Thousands, Except share and Per Share Amounts)	
Consolidated Statement of Operations Data:		
Revenues		
Product sales	$ 26,307	$ 34,020
Grants and collaborations revenue	3,162	3,154
Total revenues	29,469	37,174
Cost and operating expenses		
Cost of product sales	43,811	34,382
Loss on purchase commitments and write off of production assets	36,652	—
Research and development[1]	21,344	19,736
Sales, general and administrative[1]	21,715	15,978
Total cost and operating expenses	123,522	70,096
Loss from operations	(94,053)	(32,922)
Other income (expense):		
Interest income	606	301
Interest expense	(1,054)	(577)
Other income (expense), net	(151)	51
Total other income (expense)	(599)	(225)
Loss before income taxes	(94,652)	(33,147)
Provision for income taxes	(244)	—
Net loss	$ (94,896)	$ (33,147)
Net loss attributable to noncontrolling interest	348	10
Net loss attributable to Amyris, Inc. common stockholders	$ (94,548)	$ (33,137)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.88)	$ (0.76)
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	50,214,192	43,851,142

[1] Includes stock-based compensation expense.

Comparison of Three Months Ended March 31, 2012 and 2011

Revenues

	Three Months Ended March 31,		Year-to Year Change	Percentage Change
	2012	2011		
	(Dollars in thousands)			
Revenues				
Product sales	$ 26,307	$ 34,020	$ (7,713)	(23)%
Grants and collaborations revenue	3,162	3,154	8	— %
Total revenues	$ 29,469	$ 37,174	$ (7,705)	(21)%

Our total revenues decreased by $7.7 million to $29.5 million in the first quarter of 2012 from $37.2 million in the same period of 2011, with such decease primarily resulting from decreases in product sales. Revenue from product sales decreased by $7.7 million to $26.3 million primarily from lower sales of ethanol and reformulated ethanol-blended gasoline purchased from third parties in 2012, with a decrease in gallons sold compared to the first quarter of 2011 offset in part by an increase in average selling price per gallon. We sold 1.0 million gallons of ethanol and 7.3 million gallons of reformulated ethanol-blended gasoline in the 2012 compared to 4.3 million gallons of ethanol and 8.7 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, but such revenues have not been significant to date. Grants and collaborations revenue was generally flat for the periods presented.

Nearly all of our revenues to date have come from the sale of ethanol and reformulated ethanol-blended gasoline by our Amyris Fuels subsidiary, with substantially all of the remainder coming from collaborations and government grants. We currently expect to transition out of the Amyris Fuels business during 2012 which will result in the loss of all future Amyris Fuels revenues. We do not expect to be able to replace the revenues lost in the near term as a result of this transition, particularly in 2012 and 2013 while we continue our efforts to establish a renewable products business.

Cost and Operating Expenses

	Three Months Ended March 31,		Year-to Year Change	Percentage Change
	2012	2011		
	(Dollars in thousands)			
Cost of product sales	$ 43,811	$ 34,382	$ 9,429	27%
Loss on purchase commitments and write off of production assets	36,652	—	36,652	nm
Research and development	21,344	19,736	1,608	8%
Sales, general and administrative	21,715	15,978	5,737	36%
Total cost and operating expenses	$ 123,522	$ 70,096	$ 53,426	76%

nm= not meaningful

Cost of Product Sales

Our cost of product sales increased by $9.4 million to $43.8 million in the first quarter of 2012 compared to the same period the prior year. In the first quarter of 2012, we incurred $20.2 million in cost of farnesene-derived products, of which $8.1 million was associated with inventory write downs resulting from applying the lower-of-cost-or-market inventory rules and had no corresponding charge in the prior year. We had a decrease of $10.4 million in costs of ethanol and reformulated ethanol-blended gasoline purchased from third parties, which was based on a decrease in product volume offset in part by an increase in product cost per gallon.

We currently expect to transition out of the Amyris Fuels business during 2012, which will result in a reduction of cost of product sales associated with future Amyris Fuels. We plan to make significant capital expenditures in connection with our mill production plant arrangements, and expect to continue to incur costs in connection with our contract manufacturing arrangements.

We expect cost of product sales associated with farnesene-derived products to decline if and when we achieve full-scale commercial production at a large-scale manufacturing facility and our production cost is reduced with respect to market value of the inventory we produce. We are not able to predict when or if this will occur.

Cost of Product Sales Associated with Loss on Purchase Commitments and Write Off of Production Assets

Beginning in March 2012, we initiated a plan to shift production capacity from the contract manufacturing facilities to Amyris-owned plants that are currently under construction. As a result, we evaluated our contract manufacturing agreements and in the first quarter of 2012, recorded a loss of $31.2 million related to facility modification costs and fixed purchase commitments. We computed the loss on facility modification costs and fixed purchase commitments using the same approach that is used to value inventory-the lower of cost or market value. The computation of the loss on firm purchase commitments is subject to several estimates, including the ultimate selling price of any of our products manufactured at the relevant production facilities, and is therefore inherently uncertain. We also recorded an impairment charge of $5.5 million related to Amyris-owned equipment at contract manufacturing facilities, based on the excess of the carrying value of the assets over their fair value.

Further impairment of such assets may occur in future quarters as we continue to evaluate and adjust our priorities for production, including the levels of utilization of our current and planned manufacturing facilities, which would cause us to incur additional future losses associated with such facilities. In addition, many of our contract manufacturing agreements contain terms that commit us to pay for 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.

Research and Development Expenses

Our research and development expenses increased by $1.6 million in the first quarter of 2012 over the same period of the prior year, primarily the result of a $1.9 million increase in personnel-related expenses associated with headcount growth and higher stock-based compensation, higher overhead costs of $0.8 million associated with increased headcount and development activities offset in part by $1.0 million lower outside consulting expenses. Research and development expenses included stock-based compensation expense of $1.5 million in 2012 compared to $1.0 million in 2011.

Sales, General and Administrative Expenses

Our sales, general and administrative expenses increased by $5.7 million in the first quarter of 2012 over the same period of the prior year, primarily as a result of increased personnel-related expenses of $4.9 million, higher overhead costs of $1.2 million associated with increased headcount and higher consulting fees of $0.9 million offset by $1.0 million lower recruiting and relocation expense. Sales, general and administrative expenses included stock-based compensation expense of $5.0 million and $3.0 million during the first quarter of 2012 and 2011, respectively.

Other Income (Expense)

	Three Months Ended March 31,		Year-to Year Change	Percentage Change
	2012	2011		
	(Dollars in thousands)			
Other income (expense):				
Interest income	$ 606	$ 301	$ 305	101 %
Interest expense	(1,054)	(577)	(477)	83 %
Other income, net	(151)	51	(202)	(396)%
Total other expense	$ (599)	$ (225)	$ (374)	166 %

Total other expense increased by approximately $0.4 million to $0.6 million in 2012 compared to the prior year. The increase was related primarily to higher interest expense of $0.5 million associated with higher debt balances and a decline in other income, net of approximately $0.2 million offset in part by higher interest income of $0.3 million. We expect interest expense to be greater in 2012 than in 2011 due to increased amounts of debt incurred to fund our operations, including capital expenditures for the coming year.

Liquidity and Capital Resources

	March 31, 2012	December 31, 2011
	(Dollars in thousands)	
Working capital	$ 33,608	$ 47,205
Cash and cash equivalents and short-term investments	$ 103,477	$ 103,592
Debt and capital lease obligations	$ 71,746	$ 47,660

	Three Months Ended March 31,	
	2012	2011
	(Dollars in thousands)	
Net cash used in operating activities	$ (61,856)	$ (19,571)
Net cash provided by (used in) investing activities	$ (13,566)	$ 39,164
Net cash provided by financing activities	$ 81,907	$ 3,037

As of March 31, 2012, we had cash, cash equivalents and short-term investments of $103.5 million compared to $103.6 million as of December 31, 2011. As of March 31, 2012, we had total debt, including capital lease obligations, of $71.7 million. In addition, as of March 31, 2012 we had total borrowing capacity of $6.1 million substantially all of which was under the Credit Agreement we currently use in connection with our Amyris Fuels business.

In April 2012, the Credit Agreement was amended to decrease the maximum amount that the Company may borrow under such facility. The amendment extended the maturity date from April 14, 2012 to June 30, 2012, provides for an aggregate maximum availability up to the lower of $10.0 million and the borrowing base as defined in the agreement, and is subject to a sub-limit of $0.5 million for the issuance of letters of credit and a sub-limit of zero for short-term cash advances for product purchases.

Working Capital. Working capital was $33.6 million at March 31, 2012, a decrease of $13.6 million from working capital as of December 31, 2011. This decrease was primarily attributable to a decline of $10.8 million in other current assets largely related to the write off of facility modification costs at one of our contract manufacturing facilities.

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. We plan to secure external debt financing from U.S. and Brazilian sources to help fund our investment in these contract manufacturing and dedicated production facilities.

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.

We believe that, in order to fund our operations and other capital expenditures for the next twelve months we will be required to raise additional funds, in addition to our existing cash, cash equivalents and short-term investments at March 31, 2012, cash inflows from collaboration, grants and product sales, and reductions in cash outflows as a result of planned actions.

Our anticipated working capital needs and our planned operating and capital expenditures for 2012 and 2013 will require significant inflows of cash from equity or credit facilities and similar sources of indebtedness, as well as funding from collaboration partners. Some of these necessary financing sources are subject to risk that we cannot meet milestones, 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. If we are forced to curtail our operations, we may be unable to proceed with construction of certain planned production facilities, including the Usina São Martinho and the Paraíso Bioenergia plants, 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 the convertible note financing described below. 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 and could cause us to be at risk of defaults. For example, we were in default under our Bank of the West credit facility as of March 31, 2012 based on our failure to maintain a ratio of current assets to current liabilities of equal to or greater than 2:1 and our failure to comply with the liquidity requirement to maintain at least $10.0 million plus two times our quarterly "Net Cash Used in Operating Activities". As a result, Bank of the West could have required us to immediately repay amounts outstanding under such credit facility, which would have resulted in cross defaults under other debt instruments, including our convertible promissory notes.

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.

Beginning in March 2012, we initiated a plan to shift production capacity from the contract manufacturing facilities to Amyris-owned plants that are currently under construction. As a result, we evaluated our contract manufacturing agreements and recorded a loss of $31.2 million related to $10.0 million in facility modification costs and $21.2 million of fixed purchase commitments. We computed the loss on facility modification costs and fixed purchase commitments using the same lower of cost or market approach that is used to value inventory. The computation of the loss on firm purchase commitments is subject to several estimates, including cost to complete and the ultimate selling price of any of our products manufactured at the relevant production facilities, and is therefore inherently uncertain. We also recorded a loss on write off of production assets of $5.5 million related to Amyris-owned production equipment at contract manufacturing facilities.

Convertible Note Offering. In February 2012, we entered into a securities purchase agreement to sell $25.0 million in principal amount of unsecured senior convertible promissory notes due in March 1, 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 Amyris, 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. In February 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$19.2 million based on the exchange rate at March 31, 2012). 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$28.5 million based on the exchange rate at March 31, 2012) as financing for capital expenditures relating to a manufacturing facility in Brazil. The interest rate for the loan is 119.2% of Brazilian interbank lending rate (approximately 12.3% 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. 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$12.3 million based on the exchange rate at March 31, 2012) 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 facility is collateralized by first priority security interest in certain of 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 the total approved amount (R$22.4 million reais in total debt) available under the the credit facility. 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 March 31, 2012 we had R$19.1 million reais (approximately US$10.5 million based on the exchange rate at March 31, 2012) 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$3.5 million based on the exchange rate at March 31, 2012) 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 would 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 March 31, 2012 and December 31, 2011 there were R$1.8 million reais (approximately US$1.0 million based on the exchange rate at March 31, 2012) outstanding 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$8.0 million based on the exchange rate at March 31, 2012) 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 March 31, 2012);
- 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 is 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 is 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 March 31, 2012, we were not in compliance with either the current ratio or the liquidity covenants. Events of default under the credit facility provides the lender various rights, including the right to require immediate repayment or foreclose on collateral, which would have resulted in cross defaults under other debt instruments, including our convertible promissory notes.

In February 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.

In March 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 March 31, 2012. 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.

In April 2012, we paid $7.7 million of our outstanding loans under the revolving credit facility. In May 2012, we also entered into a letter agreement dated May 3, 2012 (the "Credit Facility Amendment") with Bank of the West (the "Bank") amending our revolving credit facility agreement dated December 23, 2010 (the "Credit Facility"). The Credit Facility Amendment reduced the committed amount under the Credit Facility from $10.0 million to approximately $2.3 million, and the letters of credit sublimit from $5.0 million to approximately $2.3 million. The Credit Facility Amendment also modified the current ratio covenant to require a ratio of current assets to current liabilities of at least 1.3:1 (as compared to 2:1 in the Credit Facility), and requires us to maintain unrestricted cash of at least $15.0 million in our account with the Bank.

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, provided, as of March 31, 2012, 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 March 31, 2012 we had sufficient borrowing base levels to draw up to a total of $6.1 million in short-term cash advances and had $5.0 million available for letters of credit in addition to those then outstanding. As of March 31, 2012 and December 31, 2011 we had no outstanding advances and had $0.7 million and $5.0 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.

In April 2012, the Credit Agreement was amended to decrease the maximum amount that the Company may borrow under such facility. The amendment extended the maturity date from April 14, 2012 to June 30, 2012, provides for an aggregate maximum availability up to the lower of $10.0 million and the borrowing base as defined in the agreement, and is subject to a sub-limit of $0.5 million for the issuance of letters of credit and a sub-limit of zero for short-term cash advances for product purchases.

The fair values of the notes payable, loan payable, convertible notes and credit facility are based on the present value of expected future cash flows and assumptions about current interest rates and the creditworthiness of the Company that market participants would use in pricing the debt.

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. Through March 31, 2012, we recognized $18.9 million in revenue under this grant, of which $2.1 million was received during the three months ended March 31, 2012.

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. Through March 31, 2012, we had recognized $689,000 in revenue under this grant, of which $232,000 was received during the three months ended March 31, 2012.

Cash Flows during the Three Months Ended March 31, 2012 and 2011

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 $61.9 million and $19.6 million for the three months ended March 31, 2012 and 2011.

Net cash used in operating activities of $61.9 million in three months ended March 31, 2012 reflected a net loss of $94.9 million and a $22.1 million net change in our operating assets and liabilities partially offset by non-cash charges of $55.1 million. Net change in operating assets and liabilities of $22.1 million primarily consists of a $13.0 million decrease in accrued and other

long term liabilities, an $8.2 million increase in inventory, a $2.4 million decrease in accounts payable, a $0.7 million increase in prepaid expenses and other assets and $0.3 million decrease in deferred rent partially offset by a $2.2 million decrease in accounts receivable and a $0.3 million increase in deferred revenue. Non-cash charges of $55.1 million is primarily related to $36.7 million of losses from firm purchase commitments and write off of production assets at contract manufacturers, a $6.5 million of stock-based compensation, a $8.1 million renewable product inventory write down to its net realizable value, and a $3.7 million of depreciation and amortization expenses.

Net cash used in operating activities of $19.6 million in the three months ended March 31, 2011 reflected a net loss of $33.1 million partially offset by non-cash charges of $6.9 million and $6.6 million net change in our operating assets and liabilities. Non-cash charges primarily included $4.0 million of stock-based compensation and $2.1 million of depreciation and amortization.

Cash Flows from Investing Activities

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

For the three months ended March 31, 2012, cash used in investing activities was $13.6 million as a result of $21.8 million of capital expenditures and deposits on property and equipment, offset by net sales of short term investments of $8.2 million.

For the three months ended March 31, 2011, cash provided investing activities was $39.2 million as a result of $53.2 million in net investment maturities, $14.4 million of capital expenditures and deposits on property and equipment and $0.3 million in acquisition of cash in noncontrolling interest.

Cash Flows from Financing Activities

For the three months ended March 31, 2012, cash provided by financing activities was $81.9 million, primarily the result of $25.0 million in debt financing and the receipt of $58.6 million in proceeds from sale of common stock in private placement, net of issuance costs. These cash inflows were offset in part by principal payments on debt of $0.7 million, principal payments on capital leases of $1.1 million.

For the three months ended March 31, 2011, cash provided by financing activities was $3.0 million, primarily the result of $7.6 million from in debt financing and the receipt of $0.1 million in proceeds from option exercises, These cash receipts were offset in part by principal payments on debt of $3.5 million and principal payments on capital leases of $0.7 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 March 31, 2012 (in thousands):

	Total	2012 (Nine Months)	2013	2014	2015	2016	Thereafter
Principal payments on long-term debt	$ 66,500	$ 27,941	$ 3,003	$ 2,517	$ 2,545	$ 2,575	$ 27,919
Interest payments on long-term debt, fixed rate[1]	3,838	1,080	922	743	552	396	145
Interest payments on long-term debt, variable rate[2]	265	265	—	—	—	—	—
Operating leases	42,987	5,081	6,478	6,562	6,740	6,871	11,255
Principal payments on capital leases	5,246	2,637	1,366	956	287	—	—
Interest payments on capital leases	423	248	123	50	2	—	—
Terminal storage costs	313	305	8	—	—	—	—
Purchase obligations[3]	74,029	25,260	16,387	14,292	9,855	8,235	—
Total	$ 193,601	$ 62,817	$ 28,287	$ 25,120	$ 19,981	$ 18,077	$ 39,319

(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 3.8% as of March 31, 2012.
(3) Purchase obligations include non-cancelable contractual obligations and construction commitments of $70.9 million, of which $21.2 million have been accrued as loss on purchase commitments.

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 Unaudited Condensed Consolidated Financial Statements under the heading recent accounting pronouncements is hereby incorporated by reference into this Part I, Item 2.

ITEM 3. 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 March 31, 2012, 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 March 31, 2012, 88% of our debt portfolio was comprised of fixed-rate debt and the balance was variable-rate debt. We pay variable interest on borrowings under a revolving credit facility. As of March 31, 2012, our weighted average borrowing rate on the revolving credit facility was 3.8%. If the interest rate had increased by 100 basis points on the outstanding borrowings under our revolving credit facility as of March 31, 2012, 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 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 $720,000 and $1.9 million as the change in fair value for the three months ended March 31, 2012 and 2011, respectively (see Note 3 to our Consolidated Financial Statements).

ITEM 4. 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 Quarterly Report on Form 10-Q. Based on this evaluation, our chief executive officer (CEO) and chief financial officer (CFO) concluded that, as of March 31, 2012 ,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.

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 first fiscal quarter ended March 31, 2012 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. 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 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 Quarterly Report on Form 10-Q, 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 March 31, 2012, we had an accumulated deficit of $475.7 million. We expect to incur additional costs and expenses related to the continued development and expansion of our business, including construction and operation of our manufacturing facilities, our research and development operations, continued operation of our pilot plants and demonstration facility, and engineering and design work. Further, we expect to incur costs related to contract manufacturing arrangements. 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 various contract manufacturing facilities. For longer term and more cost-effective production capacity, we are planning to shift our production capacity away from these contract manufacturing facilities and complete construction of our own plant in Brazil. We have very limited manufacturing experience and cannot be sure that we will be successful in establishing these larger-scale production operations in a timely manner and on a scale that will allow us to meet our plans for commercialization. We have outsourced 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, as we commenced and ramped up commercial production at contract manufacturing facilities, contamination in the production process, problems with plant utilities, lack of automation and related human error, issues arising from 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 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 need 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 mill production plant arrangements, and expect to continue to incur costs in connection with our contract manufacturing arrangements. While we plan to continue seeking relationships with sugar and ethanol producers for them to provide some portion or all of the capital needed to build production facilities adjacent to mills, 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 equity or credit facilities and similar sources of indebtedness, as well as funding from collaboration partners. Some of these necessary financing sources are subject to risk that we cannot meet milestones, are not yet subject to definitive agreements or have not committed to funding arrangements. In addition, our anticipated working capital needs and strategic plans for 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 financing. 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. In late 2011 and 2012, we commenced a reassessment of the timing for construction projects relating to the Usina São Martinho plant due to financing constraints. As a result, the timeline for Usina São Martinho is unclear and adjustments to the project, up to and including re-negotiation or termination of the agreements, are possible. The plan for Usina São Martinho depends on the timing and success of financing activities and production priorities. If we are forced to curtail our operations, we may be unable to proceed with construction of certain planned production facilities, including the Usina São Martinho and the Paraíso Bioenergia plants, 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 could 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 and could cause us to be at risk of defaults. For example, we were in default under our Bank of the West credit facility as of March 31, 2012 based on our failure to maintain a ratio of current assets to current liabilities of equal to or greater than 2:1 and our failure to comply with the liquidity requirement to maintain at least $10.0 million plus two times our quarterly "Net Cash Used in Operating Activities". As a result, Bank of the West could have required us to immediately repay amounts outstanding under such credit facility, which would have resulted in cross defaults under other debt instruments, including our convertible promissory notes.

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. For example, in 2010, we entered into an agreement with Usina São Martinho, a sugar and ethanol producer in Brazil, for the joint ownership and development of a production facility at the Usina São Martinho mill. More recently, 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. In late 2011 and 2012 we commenced a reassessment of the timing for construction projects relating to the Usina São Martinho plant due to financing constraints. As a result, the timeline for Usina São Martinho is unclear and adjustments to the project, up to and including re-negotiation or termination of the agreements, are possible. The plan for Usina São Martinho depends on the timing and success of financing activities and production priorities. Based on these priorities and economic considerations relating to anticipated production costs at contract manufacturing facilities, we have adjusted our near-term focus to completion and commissioning the planned facility at Paraíso Bioenergia. A substantial component of our planned production capacity in the near and long term depends on the completion and commencement of operations at this production facility, and development of additional facilities using similar models thereafter.

Delays in completion of our production facilities at Paraíso Bioenergia and, potentially, Usina São Martinho, will cause delays in commencement of large-scale production and hamper our ability to reduce our production costs. We have had 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, production economics at contract manufacturing facilities and related decisions regarding production volume at such facilities, and uncertainty relating to the timing of these large-scale facilities. Once our production 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 requires significant capital expenditures and subjects us to significant liquidity and production risks.

Our manufacturing facility at Paraíso Bioenergia is our principal focus for production capacity as we shift away from contract manufacturing arrangements. Under the agreement with Paraíso Bioenergia, we are designing and building a fermentation and separation plant on leased space at the Paraíso Bioenergia facility, and we are responsible for financing the project. Our initial planned large-scale production facility construction plan was for the plant at Usina São Martinho and we were responsible for designing and managing the project. We had projected the construction costs of the new facility to total approximately $100 million, but we are currently delaying further work on Usina São Martinho due to financial constraints. While Usina São Martinho is obligated under our agreement to contribute up to approximately R$61.8 million reais (approximately US$33.9 million based on the exchange rate as of March 31, 2012), such contributions depend on, among other things, successful commencement of commercial operations at the plant. Based on our shifting manufacturing priorities and uncertainty regarding financing availability, we cannot currently predict when or if our facility at Usina São Martinho will be completed or commence commercial operations, which means that Usina São Martinho's anticipated contribution will be substantially delayed and may never occur. Even if we decide not to fund construction projects, we may not be able to quickly or completely cease incurring costs associated with such projects. For example, we continue to incur costs associated with the Usina São Martinho project, and expect that such costs will continue as we pay for work already done or committed and scale down construction activity. We anticipate funding construction of our plant at Paraíso Bioenergia and, potentially, Usina São Martinho with our existing funds 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. 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.

The construction and commissioning of our plant at Paraíso Bioenergia is subject to execution and economic risks.

Our decision to focus our efforts for production capacity on the manufacturing facility at Paraíso Bioenergia and shift away from using contract manufacturers means that any failure to establish our plant at Paraíso Bioenergia could have a significant negative impact on our business, including our ability to achieve commercial viability for our products. The plant at Paraíso Bioenergia is under construction and we cannot be sure we will be able to complete construction soon enough to commence commercial production to replace farnesene currently produced at contract manufacturing facilities. Furthermore, while we are moving our production focus to our plant at Paraíso Bioenergia based on an expectation that we will ultimately be able to produce farnesene at a lower cost using such facility, we cannot be sure when, or if, using such plant will in fact result in such lower production costs than contract manufacturing facilities. Also, with our facility at Paraíso Bioenergia, we will, for the first time, be the plant operator for a commercial fermentation and separation facility. We are inexperienced at operating plants and may face unexpected difficulties associated with the operation of the plant. For example, we have at other facilities encountered significant delays and difficulties in ramping up production based on contamination in the production process, problems with plant utilities, lack of automation and related human error, issues arising from 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 arise in our plant at Paraíso Bioenergia, and we cannot be certain that we will be able to remedy them quickly or effectively enough to achieve commercially viable near-term production costs and volumes.

As part of our arrangement to build the plant, we have an agreement with Paraíso Bioenergia that provides we are obligated to purchase from Paraíso Bioenergia sugarcane juice corresponding to up to a certain number of tons of sugarcane per year, along with specified water and vapor volumes. Until this annual volume is reached, we are restricted from purchasing sugarcane juice for processing in the facility from any third party, subject to limited exceptions, unless we pay the premium to Paraíso Bioenergia that we would have paid if we bought the juice from them. As such, we will be relying on Paraíso Bioenergia to supply such juice

and utilities on a timely basis, in the volumes we need, and at competitive prices. If a third party can offer superior prices and Paraíso Bioenergia does not consent to our purchasing from such third party, we would be required to pay a premium to Paraíso Bioenergia, which would have a negative impact on our production cost. Furthermore, we agreed to pay a price for the juice that is based on the lower of the cost of two other products produced by Paraíso Bioenergia using such juice, plus a premium. Paraíso Bioenergia may not want to sell sugarcane juice to us if the price of one of the other products is substantially higher than the one setting the price for the juice we purchase. While the agreement provides that Paraíso Bioenergia would have to pay a penalty to us if it fails to supply the agreed-upon volume of juice for a given month, the penalty may not be enough to compensate us for the increased cost if third-party suppliers do not offer competitive prices. Also, if the price of the other products produced by Paraíso Bioenergia increase, we could be forced to pay those increased prices for production without a related increase in the price at which we can sell our products, reducing or eliminating any margins we can otherwise achieve. If in the future these supply terms no longer provide a viable economic structure for the operation at Paraíso Bioenergia, we may be required to renegotiate our agreement, which could result in manufacturing disruptions and delays.

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

The terms of our joint venture with Usina São Martinho are complex and are set forth in a number of agreements and schedules. If we and Usina 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 Usina São Martinho has agreed to provide, feedstock for 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. 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 Usina 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 Usina São Martinho, then Usina São Martinho has the right to acquire our interest in the joint venture and if Usina 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 Usina 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 Usina 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 may seek 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 , we may seek to enter into agreements with other 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 Usina 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 excessive capital or operating contribution, or have concerns regarding our limited financial resources and the development stage of our business (particularly with respect to establishing manufacturing operations). 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 our existing contract manufacturing arrangements and planned mill facilities. 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 chemical conversion and production of end-products, as well as for production of Biofene, until Paraíso Bioenergia or a similar plant commences commercial operations. Setting up sufficient contract manufacturing facilities requires us to make significant capital expenditures, which reduces our cash and subjects us to losses from depreciation and impairment. For example, we have incurred, and expect to continue to incur, significant expenditures in connection with our contract manufacturing arrangements. Furthermore, based on an evaluation of our assets associated with contract manufacturing facilities and anticipated levels of use of such facilities, we recorded a loss on write off of production assets of approximately $5.5 million for the three months ended March 31, 2012. Further write off of such assets may occur in future quarters as we continue to evaluate and adjust our priorities for production, including the levels of utilization of our current and planned manufacturing facilities, which would cause us to incur additional future losses associated with such facilities. 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 shift priorities and stop or adjust anticipated production levels at contract manufacturing facilities, such adjustments could also result in disputes or otherwise harm our business relationships with contract manufacturers. In addition, reducing or stopping production at one facility while increasing or starting up production at another facility generally results in significant losses of production efficiency, which can persist for varying periods of time. For example, we incurred a $31.2 million loss in the first quarter of 2012 related to $10.0 million in facility modification costs and $21.2 million of fixed purchase commitment losses associated with a scale-back of production at certain facilities. 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 have previously relied on Antibióticos in Spain for a large percentage of our production volume. This has meant that we were required to 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 continually establish that our products are comparable to or better than products they currently use that we seek to replace, ultimately 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 cane sugar, corn-based dextrose and beet molasses. 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 adversely impacted.

We have entered into a number of agreements regarding 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. 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 parties are currently engaged in discussion regarding the potential terms and timing of an extension to such date. 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.

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. As we build our business, we will need to hire additional qualified research and development, management and other 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.

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 recently completed a reorganization of our management team, which included departures of some of our executive personnel. This action could result in distraction to management and employees and cause temporary or longer-term disruption to our operations based on loss of institutional knowledge and transitional activity. 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.

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 Álcool (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 farnesane (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 (or similar laws and programs) 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 or end consumers 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 (and the consumers who purchase products containing such chemicals) 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 do 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 actions to fix 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. In the U.S. and in a number of other countries, regulations and policies encouraging production and use of alternative fuels 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. For example, 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 and the case is currently on appeal in the Ninth Circuit. An affirmation of this ruling 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;
- impairment of assets based on shifting business priorities and working capital limitations;
- disruptions in the production process at any facility where we produce our products;
- losses associated with producing our products as we ramp to commercial production levels;
- any failure to recover value added tax (VAT) that we currently reflect as recoverable in our financial statements (e.g., due to failure to meet conditions for reimbursement of VAT under local law);
- 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.

In addition, nearly all of our revenue to date has come from the sale of ethanol and reformulated ethanol-blended gasoline by our Amyris Fuels subsidiary, with substantially all of the remainder coming from collaborations and government grants. We currently expect to transition out of the Amyris Fuels business during 2012. We do not expect to be able to replace the revenues lost in the near term as a result of this transition, particularly in 2012 and 2013 while we continue our efforts to establish a renewable products business. As part of our operating plan for 2012, we have commenced reductions to, and expect to continue to reduce, our cost structure by improving efficiency in our operations and reducing non-critical expenditures. These efforts may include

reductions to our workforce and adjustments to the timing and scope of planned capital expenditures in the coming quarters. Resulting headcount reductions to reduce operating expenses may result in reduced collaboration and government grant revenues to the extent that such headcount reductions reduce our ability to dedicate resources to activities funded by such collaborations and grants. 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 collaborations and government grants. We currently expect to transition out of the Amyris Fuels business in 2012, which will result in the loss of all future Amyris Fuels revenues.

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 453 at March 31, 2012. 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 have commenced reductions to, and expect to continue to reduce, our cost structure by improving efficiency in our operations and reducing non-critical expenditures. These efforts may 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 adversely impacted.

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 April 30, 2012, we had issued 88 U.S. and foreign patents and 284 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 pursing 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.

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. 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, failure to comply 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 have used 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 March 31, 2012, we had 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. In January 2012, we received notification from the DOE that they would be conducting a follow-on audit to ensure corrective actions had been fully implemented. 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. Furthermore, revenues from our government grants are generally based on hours of work performed by employees assigned to the activities by the grants. To the extent we reduce our headcount, we may not be able to dedicate the same resources to such projects, reducing our government grant revenues.

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 volatility, and, particularly in recent months, it has declined significantly from our initial public offering price. As of May 4, 2012, the reported closing price for our common stock on the NASDAQ Global Select Market was $2.73. 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 and sustained declines 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.

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

As of March 31, 2012, our executive officers, directors, current ten percent or greater stockholders and entities affiliated with them together held approximately 63% (as determined based on public filings with the SEC), and a single stockholder, Total, held approximately 21.2% of our outstanding common stock, respectively. 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.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Recent Sales of Unregistered Securities

In February 2012, the Company completed a private placement of 10,160,325 shares of our common stock at a price of $5.78 for aggregate cash proceeds of $58.7 million.

In February 2012, we completed the sale of unsecured senior convertible promissory notes in an aggregate principal amount of $25.0 million pursuant to a Securities Purchase Agreement with certain investment funds affiliated with Fidelity Investments Institutional Services Company, Inc. The offering consisted of the sale of 3% senior unsecured convertible promissory notes with a March 1, 2017 maturity date and a conversion price equal to $7.0682 per share of Common Stock, (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. As of the closing of the offering, the notes were convertible into an aggregate of up to 3,536,968 shares of Common Stock. The conversion price of the Notes is subject to adjustment for proportional adjustments to outstanding common stock and under anti-dilution provisions in case of certain 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 Amyris, 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.

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.

(c) Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased(1)	Average Price Paid Per Share(1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
January 1, 2012 through January 31, 2012	—	—	—	—
February 1, 2012 through February 29, 2012	—	—	—	—
March 1, 2012 through March 31, 2012	53	$3.52	—	—

(1) Historically under our 2005 Plan, we allowed employees to exercise options prior to vesting. We have the right to repurchase at the original purchase price any unvested (but issued) common shares upon termination of service of an employee. The repurchases reflected in this table constitute repurchases of outstanding unvested shares at the original exercise price from employees who departed during the quarter.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

The exhibits listed in Exhibit Index immediately preceding the exhibits are filed (other than exhibits 32.01, 32.02 and 101) as part of this Quarterly Report on Form 10-Q and such Exhibit Index is incorporated herein by reference.

SIGNATURE

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

AMYRIS, INC.

Dated: May 9, 2012

By: /S/ JOHN G. MELO

John G. Melo
President and Chief Executive Officer
(Principal Executive Officer)

Dated: May 9, 2012

By: /S/ STEVEN R. MILLS

STEVEN R. MILLS
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT INDEX

Exhibit Index	Description	Previously Filed				Filed Herewith
		Form	File No.	Filing Date	Exhibit	
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[a]	Securities Purchase Agreement, dated February 22, 2012, among registrant and certain investors listed therein					X
4.02[a]	Agreement, dated February 23, 2012, among registrant, Maxwell (Mauritius) Pte Ltd, Naxyris SA, Biolding Investment SA and Sualk Capital Ltd.					X
4.03	First Amendment to Amended and Restated Investors' Rights Agreement, dated February 23, 2012, among registrant and registrant's security holders listed therein	S-3	333-180005	March 9, 2012	4.06	
4.04	Securities Purchase Agreement dated February 24, 2012 among registrant and certain investment funds affiliated with Fidelity Investments Institutional Services Company, Inc. listed therein (the "Purchasers")	S-3	333-180005	March 9, 2012	4.02	
4.05	Form of Unsecured Senior Convertible Promissory Note issued by registrant to the Purchasers in the amounts set forth next to each Purchaser's name on Schedule I of Exhibit 4.04 hereof	S-3	333-180005	March 9, 2012	4.03	
4.06	Registration Rights Agreement, dated February 27, 2012, between registrant and registrant's security holders listed therein	S-3	333-180005	March 9, 2012	4.04	
10.01	Form of indemnity agreement between registrant and registrant's directors and officers	S-1	333-166135	June 23, 2010	10.01	
10.02[b]	Addendum to the Banking Credit Form, dated February 17, 2012, between Amyris Brasil Ltda. and Banco Pine S.A.					X
10.03[c]	Compensation arrangements between registrant and its executive officers					X[d]
10.04[c]	Compensation arrangements between registrant and its non-employee directors					X[e]
10.05[c]	Offer letter, dated March 23, 2012, between registrant and Steven R. Mills					X

10.06[ab]	Agreement for the Supply of Sugarcane Juice and Other Utilities, dated March 18, 2011, between Amyris Brasil Ltda. and Paraíso Bioenergia S.A.	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[f]	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[f]	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[g]	The following materials from registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2012, formatted in XBRL (Extensible Business Reporting Language): (i) the Condensed Consolidated Statements of Operations; (ii) the Condensed Consolidated Balance Sheets; (iii) the Condensed Consolidated Statements of Comprehensive Loss; (iv) the Condensed Consolidated Statements of Stockholders' Equity; (v) the Condensed Consolidated Statements of Cash Flows; and (vi) Notes to Unaudited Condensed Consolidated Financial Statements	X

a. 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.

b. 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").

c. Indicates management contract or compensatory plan or arrangement.

d. Description contained in Amyris, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 12, 2012 incorporated herein by reference.

e. Description contained under the heading “Director Compensation” in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 12, 2012 and incorporated herein by reference.

f. 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.

g. 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.

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.

SECURITIES PURCHASE AGREEMENT

This SECURITIES PURCHASE AGREEMENT (this "Agreement") is made and entered into as of February 22, 2012, by and between Amyris, Inc., a Delaware corporation (the "Company"), and the individuals or entities listed on Schedule I hereto (each, a "Purchaser," and collectively, the "Purchasers").

Preliminary Statement

The Purchasers desire to purchase, and the Company desires to offer and sell to the Purchasers, shares of the Company's common stock, par value $0.0001 per share ("Common Stock").

Agreement

The parties, intending to be legally bound, agree as follows:

ARTICLE 1
SALE OF SHARES

Each Purchaser will purchase from the Company the number of shares of Common Stock set forth next to such Purchaser's name on Schedule I hereto (such shares, the "Shares") at a price of U.S. $5.78 per Share in cash. The total purchase price payable by each Purchaser for the Shares that such Purchaser is hereby agreeing to purchase is set forth next to such Purchaser's name on Schedule I hereto (the "Total Purchase Price"). The sale and purchase of the Shares to each Purchaser shall constitute a separate sale and purchase hereunder.

ARTICLE 2
CLOSING; DELIVERY

2.1. Closing. The closing ("Closing") of the purchase and sale of the Shares to the Purchasers hereunder shall be held at the offices of Fenwick & West LLP, 801 California Street, Mountain View, California 94041 within one business day following the date on which the last of the conditions set forth in Articles 6 and 7 have been satisfied or waived in accordance with this Agreement but in no event later than February 23, 2012 (such date, the "Closing Date"), or at such other time and place as the Company and the Purchasers mutually agree upon.

2.2. Delivery. At the Closing, the Company shall execute and deliver to the Purchasers this Agreement, Amendment No. 1 to Amended and Restated Investors' Rights Agreement in the form attached hereto as Exhibit A ("Rights Agreement") and the other documents referenced in Article 6. At the Closing, each Purchaser shall pay the Company the applicable Total Purchase Price in immediately available funds, or, if applicable, shall initiate irrevocable payment instructions to its paying bank to make the payment (an "Irrevocable Payment Instruction") to the Company of the applicable Total Purchase Price in immediately available funds. At the Closing, or, if applicable, upon receipt of the applicable Total Purchase Price from a Purchaser who makes an Irrevocable Payment Instruction at the Closing, the Company shall deliver to each Purchaser a single stock certificate representing the number of

Shares purchased by such Purchaser, or deliver irrevocable instructions to the Company's transfer agent to deliver such certificate to a Purchaser who has delivered an Irrevocable Payment Instruction upon the Company's receipt of the Total Purchase Price from such Purchaser, as set forth next to such Purchaser's name on Schedule I hereto, such stock certificate to be registered in the name of such Purchaser, or in such nominee's or nominees' name(s) as designated by such Purchaser in writing in the form of the Purchaser Suitability Questionnaire of the Purchaser attached hereto as (i) for Purchasers who are natural persons, Exhibit B, or (ii) for Purchasers who are entities, Exhibit C (each, as applicable, the "Purchaser Suitability Questionnaire"), against payment of the purchase price therefor by wire transfer of immediately available funds to such account or accounts as the Company shall designate in writing to Purchaser at least two days prior to the Closing Date.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents, warrants and covenants to each Purchaser as follows:

3.1. Organization and Standing. The Company and each of its subsidiaries is duly incorporated, validly existing, and in good standing under the laws of the jurisdiction of its organization. Each of the Company and its subsidiaries has all requisite power and authority to own and operate its respective properties and assets and to carry on its respective business as presently conducted and as proposed to be conducted. The Company and each of its subsidiaries is qualified to do business as a foreign entity in every jurisdiction in which the failure to be so qualified would have, or would reasonably be expected to have, a material adverse effect, individually or in the aggregate, upon the business, properties, tangible and intangible assets, liabilities, operations, prospects, financial condition or results of operation of the Company and its subsidiaries or the ability of the Company or any of its subsidiaries to perform their respective obligations under the Transaction Agreements (as defined below) (a "Material Adverse Effect").

3.2. Subsidiaries. As used in this Agreement, references to any "subsidiary" of a specified person shall refer to an affiliate controlled by such person directly, or indirectly through one or more intermediaries, as such terms are used in and construed under Rule 405 under the Securities Act (which, for the avoidance of doubt, shall include the Company's controlled joint ventures, including shared-controlled joint ventures). The Company's subsidiaries are listed on Exhibit 21.01 to the Company's Annual Report on Form 10-K for the year ended December 31, 2010 and, except as Previously Disclosed (as defined in Section 3.9) are the only subsidiaries, direct or indirect, of the Company. All the issued and outstanding shares of each subsidiary's capital stock have been duly authorized and validly issued, are fully paid and nonassessable, have been issued in compliance with all federal and state securities laws, were not issued in violation of or subject to any preemptive rights or other rights to subscribe for or purchase securities, and, except as Previously Disclosed, are owned by the Company or a Company subsidiary free and clear of all liens, encumbrances and equities and claims.

3.3. Power. The Company has all requisite power to execute and deliver this Agreement, to sell and issue the Shares hereunder, and to carry out and perform its obligations under the terms of this Agreement, the Rights Agreement and that certain Letter Agreement

between the Company and certain of the Purchasers to be dated as of the Closing Date (the "***Letter Agreement***") (together, the "Transaction Agreements").

3.4. Authorization. The execution, delivery, and performance of the Transaction Agreements by the Company has been duly authorized by all requisite action on the part of the Company and its officers, directors and stockholders, and the Transaction Agreements constitute the legal, valid, and binding obligations of the Company enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, and (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

3.5. Consents and Approvals. Except for any Current Report on Form 8-K or Notice of Exempt Offering of Securities on Form D to be filed by the Company in connection with the transactions contemplated hereby, the Company is not required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by the Transaction Agreements. Assuming the accuracy of the representations of each Purchaser in the Purchaser Suitability Questionnaire of such Purchaser, as applicable, no consent, approval, authorization or other order of, or registration, qualification or filing with, any court, regulatory body, administrative agency, self-regulatory organization, stock exchange or market (including The NASDAQ Stock Market), or other governmental body is required for the execution and delivery of these Transaction Agreements, the valid issuance, sale and delivery of the Shares to be sold pursuant to this Agreement other than such as have been made or obtained, or for any securities filings required to be made under federal or state securities laws applicable to the offering of the Shares.

3.6. Non-Contravention. The execution and delivery of the Transaction Agreements, the issuance, sale and delivery of the Shares to be sold by the Company under this Agreement, the performance by the Company of its obligations under the Transaction Agreements and/or the consummation of the transactions contemplated thereby will not (a) conflict with, result in the breach or violation of, or constitute (with or without the giving of notice or the passage of time or both) a violation of, or default under, (i) any bond, debenture, note or other evidence of indebtedness, or under any lease, license, franchise, permit, indenture, mortgage, deed of trust, loan agreement, joint venture or other agreement or instrument to which the Company or any subsidiary is a party or by which it or its properties may be bound or affected, (ii) the Company's Restated Certificate of Incorporation, as amended and as in effect on the date hereof (the "Certificate of Incorporation"), the Company's Bylaws, as amended and as in effect on the date hereof (the "Bylaws"), or the equivalent document with respect to any subsidiary, as amended and as in effect on the date hereof, or (iii) any statute or law, judgment, decree, rule, regulation, ordinance or order of any court or governmental or regulatory body (including The NASDAQ Stock Market), governmental agency, arbitration panel or authority applicable to the Company, any of its subsidiaries or their respective properties, except in the case of clauses (i) and (iii) for such conflicts, breaches, violations or defaults that would not be likely to have, individually or in the aggregate, a Material Adverse Effect, or (b) result in the creation or imposition of any lien, encumbrance, claim, security interest or restriction whatsoever upon any of the material properties or assets of the Company or any of its subsidiaries or an acceleration of indebtedness pursuant to any obligation, agreement or condition contained in any material bond, debenture,

note or any other evidence of indebtedness or any material indenture, mortgage, deed of trust or any other agreement or instrument to which the Company or any if its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company is subject. For purposes of this Section 3.6, the term "material" shall apply to agreements, understandings, instruments, contracts or proposed transactions to which the Company is a party or by which it is bound involving obligations (contingent or otherwise) of, or payments to, the Company in excess of $100,000 in a 12-month period.

3.7. Shares. The Shares are duly authorized and when issued pursuant to the terms of this Agreement will be validly issued, fully paid, and nonassessable, and will be free of any liens or encumbrances with respect to the issuance thereof; provided, however, that the Shares shall be subject to restrictions on transfer under state or federal securities laws as set forth in this Agreement, or as otherwise may be required under state or federal securities laws as set forth in this Agreement at the time a transfer is proposed. The issuance and delivery of the Shares is not subject to preemptive, co-sale, right of first refusal or any other similar rights of the stockholders of the Company or any other person, or any liens or encumbrances or result in the triggering of any anti-dilution or other similar rights under any outstanding securities of the Company.

3.8. No Registration. Assuming the accuracy of each of the representations and warranties of each Purchaser herein and in the Purchaser Suitability Questionnaire, the issuance by the Company of the Shares is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act").

3.9. Reporting Status. The Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and has, in a timely manner, filed all documents and reports that the Company was required to file pursuant to Section I.A.3.b of the General Instructions to Form S-3 promulgated under the Securities Act in order for the Company to be eligible to use Form S-3 for the two years preceding the Closing Date or such shorter time period as the Company has been subject to such reporting requirements (the foregoing materials, together with any materials filed by the Company under the Exchange Act, whether or not required, collectively, the "SEC Documents"). The SEC Documents complied as to form in all material respects with requirements of the Securities Act and Exchange Act and the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") promulgated thereunder (collectively, the "SEC Rules"), and none of the SEC Documents and the information contained therein, as of their respective filing dates, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. As used in this Agreement, "Previously Disclosed" means information set forth in or incorporated by reference into the SEC Documents filed with the SEC on or after March 14, 2011 but prior to the date hereof (except for risks and forward-looking information set forth in the "Risk Factors" section of the applicable SEC Documents or in any forward-looking statement disclaimers or similar statements that are similarly non-specific and are predictive or forward-looking in nature).

3.10. Contracts. Each indenture, contract, lease, mortgage, deed of trust, note agreement, loan or other agreement or instrument of a character that is required to be described or summarized in the SEC Documents or to be filed as an exhibit to the SEC Documents under

the SEC Rules (collectively, the "Material Contracts") is so described, summarized or filed. The Material Contracts to which the Company or its subsidiaries are a party have been duly and validly authorized, executed and delivered by the Company and constitute the legal, valid and binding agreements of the Company or its subsidiaries, as applicable, enforceable by and against the Company or its subsidiaries, as applicable, in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights.

3.11. Capitalization. Immediately prior to the Closing, the authorized capital stock of the Company consists of (a) 100,000,000 shares of Common Stock, $0.0001 par value per share, 46,099,420 shares of which were issued and outstanding, and (b) 5,000,000 shares of Preferred Stock, $0.0001 par value per share, of which no shares were issued and outstanding. All subscriptions, warrants, options, convertible securities, and other rights (contingent or other) to purchase or otherwise acquire equity securities of the Company issued and outstanding as of the date hereof, or material contracts, commitments, understandings, or arrangements by which the Company or any of its subsidiaries is or may be obligated to issue shares of capital stock, or securities or rights convertible or exchangeable for shares of capital stock, are as set forth in the SEC Documents. The issued and outstanding shares of the Company's capital stock have been duly authorized and validly issued, are fully paid and nonassessable, have been issued in compliance with all applicable federal and state securities laws, and were not issued in violation of or subject to any preemptive rights or other rights to subscribe for or purchase securities. Except as Previously Disclosed, no holder of the Company's capital stock is entitled to preemptive or similar rights. There are no bonds, debentures, notes or other indebtedness having general voting rights (or convertible into securities having such rights) of the Company issued and outstanding. Except as Previously Disclosed, there are no agreements or arrangements under which the Company or any of its subsidiaries is obligated to register the sale of any of their securities under the Securities Act. The Company has made available upon request of the Purchasers, a true, correct and complete copy of the Company's Certificate of Incorporation and Bylaws.

3.12. Legal Proceedings. Except as Previously Disclosed, there is no action, suit or proceeding before any court, governmental agency or body, domestic or foreign, now pending or, to the knowledge of the Company, threatened against the Company or its subsidiaries wherein an unfavorable decision, ruling or finding would reasonably be expected to, individually or in the aggregate, (i) materially adversely affect the validity or enforceability of, or the authority or ability of the Company to perform its obligations under this Agreement or (ii) have a Material Adverse Effect. The Company is not a party to or subject to the provisions of any injunction, judgment, decree or order of any court, regulatory body, administrative agency or other governmental agency or body that might have, individually or in the aggregate, a Material Adverse Effect.

3.13. No Violations. Neither the Company nor any of its subsidiaries is in violation of its respective certificate of incorporation, bylaws or other organizational documents, or to its knowledge, is in violation of any statute or law, judgment, decree, rule, regulation, ordinance or order of any court or governmental or regulatory body (including The NASDAQ Stock Market), governmental agency, arbitration panel or authority applicable to the Company or any of its subsidiaries, which violation, individually or in the aggregate, would be reasonably likely to have

a Material Adverse Effect, or, except with respect to the financial covenant contained in Section 4(c)(ii) of that certain Letter Agreement re: Revolving Credit Facility by and between Bank of the West and the Company, dated December 23, 2010, is in default (and there exists no condition which, with or without the passage of time or giving of notice or both, would constitute a default) in the performance of any bond, debenture, note or any other evidence of indebtedness in any indenture, mortgage, deed of trust or any other material agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or by which the properties of the Company are bound, which would be reasonably likely to have a Material Adverse Effect. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the SEC involving the Company or any current or former director or officer of the Company and the Company is not an "ineligible issuer" pursuant to Rules 164, 405 and 433 under the Securities Act. The Company has not received any comment letter from the SEC relating to any SEC Documents which has not been finally resolved. The SEC has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the Exchange Act or the Securities Act.

3.14. Governmental Permits; FDA Matters.

(a) Permits. The Company and its subsidiaries possess all necessary franchises, licenses, certificates and other authorizations from any foreign, federal, state or local government or governmental agency, department or body that are currently necessary for the operation of their respective businesses as currently conducted, except where such failure to possess would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such permit which, if the subject of an unfavorable decision, ruling or finding, could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) EPA and FDA Matters. As to each of the manufacturing processes, intermediate products and research or commercial products of the Company and each of its subsidiaries, including, without limitation, products or compounds currently under research and/or development by the Company, subject to the jurisdiction of the United States Environmental Protection Agency ("EPA") under the Toxic Substances Control Act and regulations thereunder ("TSCA") or the Food and Drug Administration ("FDA") under the Federal Food, Drug and Cosmetic Act and the regulations thereunder ("FDCA") (each such product, a "Life Science Product"), such Life Science Product is being researched, developed, manufactured, tested, distributed and/or marketed in compliance in all material respects with all applicable requirements under the FDCA and TSCA and similar laws and regulations applicable to such Life Science Product, including those relating to investigational use, premarket approval, good manufacturing practices, labeling, advertising, record keeping, filing of reports and security. The Company has not received any notice or other communication from the FDA, EPA or any other federal, state or foreign governmental entity (i) contesting the premarket approval of, the uses of or the labeling and promotion of any Life Science Product or (ii) otherwise alleging any violation by the Company of any law, regulation or other legal provision applicable to a Life Science Product. Neither the Company, nor any officer, employee or agent of the Company has made an untrue statement of a material fact or fraudulent statement to the FDA or

other federal, state or foreign governmental entity performing similar or equivalent functions or failed to disclose a material fact required to be disclosed to the FDA or such other federal, state or foreign governmental entity.

3.15. Listing Compliance. The Company is in compliance with the requirements of the NASDAQ Global Select Market for continued listing of the Common Stock thereon and has no knowledge of any facts or circumstances that could reasonably lead to delisting of its Common Stock from the NASDAQ Global Select Market. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or the listing of the Common Stock on the NASDAQ Global Select Market, nor has the Company received any notification that the SEC or the NASDAQ Global Select Market is contemplating terminating such registration or listing. The transactions contemplated by the Transaction Agreements will not contravene the rules and regulations of the NASDAQ Global Select Market. The Company will comply with all requirements of the NASDAQ Global Select Market with respect to the issuance of the Shares, including the filing of any additional share listing notice with respect to the issuance of the Shares.

3.16. Intellectual Property.

(a) The Company and/or the subsidiaries owns or possesses, free and clear of all encumbrances, all legal rights to all intellectual property and industrial property rights and rights in confidential information, including all (i) patents, patent applications, invention disclosures, and all related continuations, continuations-in-part, divisional, reissues, re-examinations, substitutions and extensions thereof, (ii) trademarks, trademark rights, service marks, service mark rights, corporate names, trade names, trade name rights, domain names, logos, slogans, trade dress, design rights, and other similar designations of source or origin, together with the goodwill symbolized by and of the foregoing, (iii) trade secrets and all other confidential information, ideas, know-how, inventions, proprietary processes, formulae, models, and other methodologies, (iv) copyrights, (v) computer programs (whether in object code, subject code or other form), algorithms, databases, compilations and data, technology supporting the foregoing, and all related documentation, (vi) licenses, and (vii) all applications and registrations of the foregoing, and (viii) all other similar proprietary rights (collectively, "Intellectual Property") used or held for use in, or necessary for the conduct of their businesses as now conducted and as proposed to be conducted, and neither the Company nor any of its subsidiaries (i) has received any communications alleging that either the Company or any of the subsidiaries has violated, infringed or misappropriated or, by conducting their businesses as now conducted and as proposed to be conducted, would violate, infringe or misappropriate any of the Intellectual Property of any other person or entity, (ii) knows of any basis for any claim that the Company or any of the subsidiaries has violated, infringed or misappropriated, or, by conducting their businesses as now conducted and as proposed to be conducted, would violate, infringe or misappropriate any of the Intellectual Property of any other person or entity, and (iii) knows of any third-party infringement, misappropriation or violation of any Company or any Company subsidiary's Intellectual Property. The Company has taken and takes reasonable security measures to protect the secrecy, confidentiality and value of its Intellectual Property, including requiring all persons with access thereto to enter into appropriate non-disclosure agreements. To the knowledge of the Company, there has not been any disclosure of any material trade secret of the Company or a Company subsidiary (including any such information of any other person or

entity disclosed in confidence to the Company) to any other person or entity in a manner that has resulted or is likely to result in the loss of trade secret in and to such information. Except as Previously Disclosed, and except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, there are no outstanding options, licenses or agreements, claims, encumbrances or shared ownership interests of any kind relating to the Company's or the subsidiaries' Intellectual Property, nor is the Company or the subsidiaries bound by or a party to any options, licenses or agreements of any kind with respect to the Intellectual Property of any other person or entity.

(b) To the Company's knowledge, none of the employees of the Company or the subsidiaries are obligated under any contract (including, without limitation, licenses, covenants or commitments of any nature or contracts entered into with prior employers), or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of his or her best efforts to promote the interests of the Company or the subsidiaries or would conflict with their businesses as now conducted and as proposed to be conducted. Neither the execution nor delivery of the Transaction Agreements will conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under any contract, covenant or instrument under which the Company or the subsidiaries or any of the employees of the Company or the subsidiaries is now obligated, and neither the Company nor the subsidiaries will need to use any inventions that any of its employees, or persons it currently intends to employ, have made prior to their employment with the Company or the subsidiaries, except for inventions that have been assigned or licensed to the Company or the subsidiaries as of the date hereof. Each current and former employee or contractor of the Company or the subsidiaries that has developed any Intellectual Property owned or purported to be owned by the Company or the subsidiaries has executed and delivered to the Company a valid and enforceable Invention Assignment and Confidentiality Agreement that (i) assigns to the Company or such subsidiaries all right, title and interest in and to any Intellectual Property rights arising from or developed or delivered to the Company or such subsidiaries in connection with such person's work for or on behalf of the Company or such subsidiaries, and (ii) provides reasonable protection for the trade secrets, know-how and other confidential information (1) of the Company or such subsidiaries and (2) of any third party that has disclosed same to the Company or such subsidiaries. To the knowledge of the Company, no current or former employee, officer, consultant or contractor is in default or breach of any term of any employment, consulting or contractor agreement, non-disclosure agreement, assignment agreement, or similar agreement. Except as Previously Disclosed, to the knowledge of the Company, no present or former employee, officer, consultant or contractor of the Company has any ownership, license or other right, title or interest, directly or indirectly, in whole or in part, in any Intellectual Property that is owned or purported to be owned, in whole or part, by the Company or the subsidiaries.

3.17. Financial Statements. The consolidated financial statements of the Company and its subsidiaries and the related notes thereto included in the SEC Documents (the "Financial Statements") comply in all material respects with applicable accounting requirements and the rules and regulations of the SEC with respect thereto as in effect at the time of filing and present fairly, in all material respects, the financial position of the Company and its subsidiaries as of the dates indicated and the results of its operations and cash flows for the periods therein specified subject, in the case of unaudited statements, to normal year-end audit adjustments. Except as set forth in such Financial Statements (or the notes thereto), such Financial Statements (including

the related notes) have been prepared in accordance with U.S. generally accepted accounting principles applied on a consistent basis throughout the periods therein specified ("GAAP"). Except as set forth in the Financial Statements, neither the Company nor the subsidiaries has any material liabilities other than liabilities and obligations that have arisen in the ordinary course of business and which would not be required to be reflected in financial statements prepared in accordance with GAAP.

3.18. Accountants. PricewaterhouseCoopers LLP, which has expressed its opinion with respect to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2010, are registered independent public accountants as required by the Exchange Act and the rules and regulations promulgated thereunder (and by the rules of the Public Company Accounting Oversight Board). The Company believes that the opinion of PricewaterhouseCoopers LLP with respect to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2011 shall contain no "going concern" opinions. The Company shall use its best efforts to ensure that the opinion of PricewaterhouseCoopers LLP with respect to such consolidated financial statements do not contain any "going concern" opinions.

3.19. Internal Accounting Controls. The Company maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company has disclosure controls and procedures (as defined in Rules 13a-14 and 15d-14 under the Exchange Act) that are effective and designed to ensure that (i) information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified by the SEC Rules, and (ii) such information is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. The Company is otherwise in compliance in all material respects with all applicable provisions of the Sarbanes-Oxley Act of 2002, as amended and the rules and regulations promulgated thereunder.

3.20. Off-Balance Sheet Arrangements. There is no transaction, arrangement or other relationship between the Company or its subsidiaries and an unconsolidated or other off-balance sheet entity that is required to be disclosed by the Company in its Exchange Act filings and is not so disclosed or that otherwise would be reasonably likely to have, individually or in the aggregate, a Material Adverse Effect. There are no such transactions, arrangements or other relationships with the Company that may create contingencies or liabilities that are not otherwise disclosed by the Company in its Exchange Act filings.

3.21. No Material Adverse Change. Except as set forth in (i) the SEC Documents in each case, filed or made through and including the date hereof, since September 30, 2011, or (ii) the written transcript of the Company's webcast conference call held at 5:00 p.m. E.S.T. on February 9, 2012 previously made available to the Purchasers and/or their respective counsel:

(a) there has not been any event, occurrence or development that, individually or in the aggregate, has had or that could reasonably be expected to result in a Material Adverse Effect,

(b) the Company has not incurred any liabilities (contingent or otherwise) other than (1) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (2) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or not required to be disclosed in filings made with the SEC,

(c) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock other than routine withholding in accordance with the Company's existing stock-based plan,

(d) the Company has not altered its method of accounting or the identity of its auditors, except as Previously Disclosed,

(e) the Company has not issued any equity securities except:

(i) pursuant to the Company's existing stock-based plan,

(ii) warrants to purchase 21,087 shares of the Company's Common Stock issued to Atel Ventures, Inc. in its capacity as trustee for its assignee affiliated funds pursuant to that certain Warrant to Purchase Common Stock dated as of December 23, 2011, and (iii) 362,319 shares of the Company's Common Stock issued to Draths Corporation, a Delaware corporation ("Draths") as partial consideration for the Company's acquisition of substantially all the assets of Draths pursuant to that certain Asset Purchase Agreement, dated as of October 6, 2011, between the Company and Draths, and

(f) there has not been any loss or damage (whether or not insured) to the physical property of the Company or any of its subsidiaries.

The Company is not as of the date hereof, and after giving effect to the transactions contemplated hereby to occur at the Closing, will not be Insolvent (as defined below). For purposes of this Section, "Insolvent" means, with respect to any person, (i) the present fair saleable value of such person's assets is less than the amount required to pay such person's total indebtedness, (ii) such person is unable to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, (iii) such person intends to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature or (iv) such person has unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is currently proposed to be conducted.

3.22. No Manipulation of Stock. Neither the Company nor any of its subsidiaries, nor to the Company's knowledge, any of their respective officers, directors, employees, affiliates or controlling persons has taken and will not, in violation of applicable law, take, any action

designed to or that might reasonably be expected to, directly or indirectly, cause or result in stabilization or manipulation of the price of the Common Stock.

3.23. Insurance. The Company and its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which the Company and the subsidiaries are engaged. The Company and its subsidiaries will continue to maintain such insurance or substantially similar insurance, which covers the same risks at the same levels as the existing insurance with insurers which guarantee the same financial responsibility as the current insurers, and neither the Company nor any subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

3.24. Properties. The Company and its subsidiaries have good and marketable title to all the properties and assets (both tangible and intangible) described as owned by them in the consolidated financial statements included in the SEC Documents, free and clear of all liens, mortgages, pledges, or encumbrances of any kind except (i) those, if any, reflected in such consolidated financial statements (including the notes thereto), or (ii) those that are not material in amount and do not adversely affect the use made and proposed to be made of such property by the Company or its subsidiaries. The Company and each of its subsidiaries hold their leased properties under valid and binding leases. The Company and each of its subsidiaries own or lease all such properties as are necessary to its operations as now conducted.

3.25. Tax Matters. The Company and the subsidiaries have filed all Tax Returns, and these Tax Returns are true, correct, and complete in all material respects. The Company and each subsidiary (i) have paid all Taxes that are due from the Company or such subsidiary for the periods covered by the Tax Returns or (ii) have duly and fully provided reserves adequate to pay all Taxes in accordance with GAAP. No agreement as to indemnification for, contribution to, or payment of Taxes exists between the Company or any subsidiary, on the one hand, and any other person, on the other, including pursuant to any Tax sharing agreement, lease agreement, purchase or sale agreement, partnership agreement or any other agreement not entered into in the ordinary course of business. Neither the Company nor any of its subsidiaries has any liability for Taxes of any person (other than the Company or any of its subsidiaries) under Treasury Regulation Section 1.1502-6 (or any similar provision of any state, local or foreign law), or as a transferee or successor, by contract or otherwise. Since the date of the Company's most recent Financial Statements, the Company has not incurred any liability for Taxes other than in the ordinary course of business consistent with past practice. Neither the Company nor the subsidiaries has been advised (a) that any of its Tax Returns have been or are being audited as of the date hereof, or (b) of any deficiency in assessment or proposed judgment to its Taxes. Neither the Company nor any of its subsidiaries has knowledge of any Tax liability to be imposed upon its properties or assets as of the date of this Agreement that is not adequately provided for. The Company has not distributed stock of another corporation, or has had its stock distributed by another corporation, in a transaction that was governed, or purported or intended to be governed, in whole or in part, by Section 355 of the Internal Revenue Code (i) in the two years prior to the date of this Agreement or (ii) in a distribution that could otherwise constitute part of a “plan” or “series of related transactions” (within the meaning of Section 355(e) of the Internal Revenue

Code) in conjunction with the purchase of the Shares. "Tax" or "Taxes" means any foreign, federal, state or local income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, property, windfall, profits, environmental, customs, capital stock, franchise, employees' income withholding, foreign or domestic withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, value added, alternative or add-on minimum or other similar tax, governmental fee, governmental assessment or governmental charge, including any interest, penalties or additions to Taxes or additional amounts with respect to the foregoing. "Tax Returns" means all returns, reports, or statements required to be filed with respect to any Tax (including any elections, notifications, declarations, schedules or attachments thereto, and any amendment thereof) including any information return, claim for refund, amended return or declaration of estimated Tax.

3.26. Investment Company Status. The Company is not, and immediately after receipt of payment for the Shares will not be, an "investment company," an "affiliated person" of, "promoter" for or "principal underwriter" for, or an entity "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended, or the rules and regulations promulgated thereunder.

3.27. Transactions With Affiliates and Employees. Except as Previously Disclosed, none of the officers or directors of the Company or its subsidiaries and, to the knowledge of the Company, none of the employees of the Company or its subsidiaries is presently a party to any transaction with the Company or any subsidiary (other than for services as employees, officers and directors required to be disclosed under Item 404 of Regulation S-K under the Exchange Act).

3.28. Foreign Corrupt Practices. Neither the Company nor its subsidiaries or affiliates, any director or officer, nor to the knowledge of the Company, any agent, employee or other Person acting on behalf of the Company or its subsidiaries has, in the course of its actions for, or on behalf of, the Company or any of its subsidiaries (a) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity, (b) made or promised to make any direct or indirect unlawful payment to any foreign or domestic government official or employee (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or of any political party or part official or candidate for political office (each such person, a "Government Official")) from corporate funds, (c) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended or (d) made or promised to make any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic Government Official.

3.29. Money Laundering Laws. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, and the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law on October 26, 2001)), applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money

Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the Company's knowledge, threatened.

3.30. OFAC. Neither the Company, any director or officer, nor, to the Company's knowledge, any agent, employee, subsidiary or affiliate of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

3.31. Environmental Laws. The Company and its subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, singly or in the aggregate, have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole. There are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties) which would, singly or in the aggregate, have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole.

3.32. Employee Relations. Neither the Company nor any of its subsidiaries is a party to any collective bargaining agreement or employs any member of a union. Neither the Company nor any of its subsidiaries is engaged in any unfair labor practice. There is (i) (x) no unfair labor practice complaint pending or, to the Company's knowledge, threatened against the Company or any of its subsidiaries before the National Labor Relations Board, and no grievance or arbitration proceeding arising out of or under collective bargaining agreements is pending or threatened, (y) no strike, labor dispute, slowdown or stoppage pending or, to the Company's knowledge, threatened against the Company or any of its subsidiaries and (z) no union representation dispute currently existing concerning the employees of the Company or any of its subsidiaries, and (ii) to the Company's knowledge, (x) no union organizing activities are currently taking place concerning the employees of the Company or any of its subsidiaries and (y) there has been no violation of any federal, state, local or foreign law relating to discrimination in the hiring, promotion or pay of employees or any applicable wage or hour laws. Except as Previously Disclosed, no executive officer of the Company (as defined in Rule 501(f) promulgated under the Securities Act) has notified the Company that such officer intends to leave the Company or otherwise terminate such officer's employment with the Company. No executive officer of the Company, to the knowledge of the Company, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other agreement or any restrictive covenant, and

the continued employment of each such executive officer does not subject the Company or any of its subsidiaries to any liability with respect to any of the foregoing matters.

3.33. ERISA. The Company and its subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (herein called "ERISA"); no "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Company or any of its subsidiaries would have any liability; the Company has not incurred and does not expect to incur liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "pension plan"; or (ii) Sections 412 or 4971 of the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder (the "Code"); and each "Pension Plan" for which the Company would have liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification.

3.34. Obligations of Management. To the Company's knowledge, each officer and key employee of the Company or the subsidiaries is currently devoting substantially all of his or her business time to the conduct of the business of the Company or the subsidiaries, respectively. Except as Previously Disclosed, the Company is not aware that any officer or key employee of the Company or the subsidiaries is planning to work less than full time at the Company or the subsidiaries, respectively, in the future. To the Company's knowledge, no officer or key employee is currently working or plans to work for a competitive enterprise, whether or not such officer or key employee is or will be compensated by such enterprise. To the Company's knowledge, no officer or person currently nominated to become an officer of the Company or the subsidiaries is or has been subject to any judgment or order of, the subject of any pending civil or administrative action by the SEC or any self-regulatory organization.

3.35. Integration; Other Issuances of Shares. Neither the Company nor its subsidiaries or any affiliates, nor any person acting on its or their behalf, has issued any shares of Common Stock or shares of any series of preferred stock or other securities or instruments convertible into, exchangeable for or otherwise entitling the holder thereof to acquire shares of Common Stock which would be integrated with the sale of the Shares to the Purchasers for purposes of the Securities Act or of any applicable stockholder approval provisions, including, without limitation, under the rules and regulations of The NASDAQ Stock Market, nor will the Company or its subsidiaries or affiliates take any action or steps that would require registration of any of the Shares under the Securities Act or cause the offering of the Shares to be integrated with other offerings if any such integration would cause the issuance of the Shares hereunder to fail to be exempt from registration under the Securities Act as provided in Section 3.8 above or cause the Transactions contemplated by the Transaction Agreements to contravene the rules and regulations of the NASDAQ Global Select Market. The Company is eligible to register the Shares for resale by the Purchasers using Form S-3 promulgated under the Securities Act.

3.36. No General Solicitation. Neither the Company nor its subsidiaries or any affiliates, nor any person acting on its or their behalf, has offered or sold any of the Shares by any form of general solicitation or general advertising.

3.37. No Brokers' Fees. The Company has not incurred any liability for any finder's or broker's fee or agent's commission in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

3.38. Registration Rights. Except as set forth in the Amended and Restated Investors' Rights Agreement dated June 21, 2010, by and between the Company and the parties listed on Exhibits A through G thereof (the "IRA"), as amended by the Rights Agreement (together with the IRA, the "Amended IRA"), the Company has not granted or agreed to grant to any person any rights (including "piggy-back" registration rights) to have any securities of the Company registered with the SEC or any other governmental authority that have not been satisfied or waived.

3.39. Application of Takeover Protections. There is no control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company's charter documents or the laws of its state of incorporation that is or could become applicable to any of the Purchasers as a result of the Purchaser and the Company fulfilling their obligations or exercising their rights under the Transaction Agreements, including, without limitation, as a result of the Company's issuance of the Shares and the Purchasers' ownership of the Shares.

3.40. Disclosure. The Company understands and confirms that the Purchasers will rely on the foregoing representations and warranties in effecting transactions in the Shares. All disclosure provided to the Purchasers regarding the Company, its business and the transactions contemplated hereby furnished by or on behalf of the Company are true and correct and do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein not misleading.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Each Purchaser, as to itself only and not with respect to any other Purchaser, represents, warrants and covenants to the Company with respect to this purchase as follows:

4.1. Organization. The Purchaser is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization.

4.2. Power. The Purchaser has all requisite power to execute and deliver this Agreement and to carry out and perform its obligations under the terms of this Agreement.

4.3. Authorization. The execution, delivery, and performance of this Agreement by the Purchaser has been duly authorized by all requisite action, and this Agreement constitutes the legal, valid, and binding obligation of the Purchaser enforceable in accordance with its terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, and (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

4.4. Consents and Approvals. The Purchaser need not give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement.

4.5. Non-Contravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate in any material respect any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which the Purchaser is subject. No approval, waiver, or consent by the Purchaser under any instrument, contract, or agreement to which the Purchaser or any of its affiliates is a party is necessary to consummate the transactions contemplated hereby.

4.6. Purchase for Investment Only. The Purchaser is purchasing the Shares for the Purchaser's own account for investment purposes only and not with a view to, or for resale in connection with, any "distribution" in violation of the Securities Act. By executing this Agreement, the Purchaser further represents that it does not have any contract, undertaking, agreement, or arrangement with any person to sell, transfer, or grant participation to such person or to any third person, with respect to any of the Shares. The Purchaser understands that the Shares have not been registered under the Securities Act or any applicable state securities laws by reason of a specific exemption therefrom that depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

4.7 Disclosure of Information. The Purchaser has had an opportunity to review the Company's filings under the Securities Act and the Exchange Act (including risks factors set forth therein) and the Purchaser represents that it has had an opportunity to ask questions and receive answers from the Company to evaluate the financial risk inherent in making an investment in the Shares. The Purchaser has not been offered the opportunity to purchase the Shares by means of any general solicitation or general advertising.

4.8. Risk of Investment. The Purchaser realizes that the purchase of the Shares will be a highly speculative investment and the Purchaser may suffer a complete loss of its investment. The Purchaser understands all of the risks related to the purchase of the Shares. By virtue of the Purchaser's experience in evaluating and investing in private placement transactions of securities in companies similar to the Company, the Purchaser is capable of evaluating the merits and risks of the Purchaser's investment in the Company and has the capacity to protect the Purchaser's own interests.

4.9. Advisors. The Purchaser has reviewed with its own tax advisors the federal, state, and local tax consequences of this investment and the transactions contemplated by this Agreement. The Purchaser acknowledges that it has had the opportunity to review the Transaction Agreements and the transactions contemplated thereby with the Purchaser's own legal counsel.

4.10. Finder. The Purchaser is not obligated and will not be obligated to pay any broker commission, finders' fee, success fee, or commission in connection with the transactions contemplated by this Agreement.

4.11. Restricted Shares. The Purchaser understands that the Shares must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from registration is otherwise available. Moreover, the Purchaser understands that except as set forth in the Amended IRA, the Company is under no obligation to register the Shares. The Purchaser is aware of Rule 144 promulgated under the Securities Act that permits limited resales of securities purchased in a private placement subject to the satisfaction of certain conditions.

4.12. Legend. It is understood by the Purchaser that each certificate representing the Shares shall be endorsed with a legend substantially in the following form:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

Subject to Section 7.3, the Company need not register a transfer of Shares unless the conditions specified in the foregoing legend are satisfied. Subject to Section 7.3, the Company may also instruct its transfer agent not to register the transfer of any of the Shares unless the conditions specified in the foregoing legend are satisfied.

4.13. Investor Qualification. The Purchaser is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act. The Purchaser acknowledges that it has completed the Purchaser Suitability Questionnaire. The Purchaser has truthfully set forth in the Purchaser Suitability Questionnaire the factual basis or reason for qualification as an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act and such information remains true and correct as of the date hereof. The Purchaser agrees to furnish any additional information that the Company deems reasonably necessary in order to verify the answers set forth in the Purchaser Suitability Questionnaire.

ARTICLE 5
CONDITIONS TO COMPANY'S OBLIGATIONS AT THE CLOSING

The Company's obligation to complete the sale and issuance of the Shares and deliver the Shares to each Purchaser, individually, at the Closing shall be subject to the following conditions to the extent not waived by the Company:

(a) Receipt of Payment. The Company shall have received payment (or confirmation that an Irrevocable Payment Instruction has been made with respect to such payment), by wire transfer of immediately available funds, in the full amount of the Total Purchase Price for the number of Shares being purchased by such Purchaser at the Closing as set forth next to such Purchaser's name on Schedule I hereto.

(b) Representations and Warranties. The representations and warranties made by such Purchaser in Section 4 hereof shall be true and correct in all material respects as of, and as if made on, the date of this Agreement and as of the Closing.

(c) Receipt of Executed Documents. Such Purchaser shall have executed and delivered to the Company the Rights Agreement and the Purchaser Suitability Questionnaire.

ARTICLE 6
CONDITIONS TO PURCHASERS' OBLIGATIONS AT THE CLOSING

Each Purchaser's obligation to accept delivery of the Shares and to pay for the Shares shall be subject to the following conditions to the extent not waived by such Purchaser:

(a) Delivery. The Company shall have complied with its obligations set forth under Section 2.2 to (i) provide, with respect to each Purchaser, a single stock certificate for each Purchaser representing the number of Shares purchased by such Purchaser, or (ii) to have instructed the transfer agent to deliver such certificate upon the receipt of the Total Purchase Price from a Purchaser that has delivered an Irrevocable Payment Instruction and to have provided such Purchaser a portable document format (pdf) copy of the stock certificate at the time of the Closing; provided that such pdf copy of the stock certificate will be held by such Purchaser in escrow until the Company has been notified by its bank that it has received by wire transfer Investor's applicable Total Purchase Price.

(b) Representations and Warranties. The representations and warranties made by the Company in Section 3 hereof shall be true and correct in all respects as of, and as if made on, the date of this Agreement and as of the Closing.

(c) Receipt of Executed Rights Agreement. The Company shall have executed and delivered the Rights Agreement to the Purchasers.

(d) Legal Opinion. The Purchasers shall have received an opinion of Fenwick & West LLP, counsel to the Company, substantially in the form set forth in Exhibit D hereto.

(e) Certificate. Each Purchaser shall have received a certificate signed by the Company's Chief Executive Officer and Chief Financial Officer to the effect that the representations and warranties of the Company in Section 3 hereof are true and correct in all respects as of, and as if made on, the date of this Agreement and as of the Closing and that the Company has satisfied in all material respects all of the conditions set forth in this Agreement.

(f) Good Standing. The Company is validly existing as a corporation in good standing under the laws of Delaware as evidenced by a certificate of the Secretary of State of the State of Delaware, a copy of which was provided to the Purchasers.

(g) Waiver of Standstill Obligations. To the extent that any Purchaser is prohibited from purchasing Shares hereunder pursuant to the terms of any existing agreement entered into with the Company, the Company shall deliver to such Purchaser a waiver in form reasonably acceptable to Purchaser that permits such Purchaser to purchase Shares pursuant to this Agreement.

(h) Receipt of Minimum Funds. The Company shall have received (i) payments totaling at least $28,726,686.70 in aggregate from the Purchasers in consideration of the Shares being sold pursuant to this Agreement, and (ii) with respect to any Purchasers who have not made payment to the Company in consideration of the Shares to be purchased by such Purchaser, confirmation that such Purchaser has made an Irrevocable Payment Instruction, such confirmation to either be in the form of (x) a federal reference number or other similar written evidence that a wire has been initiated, or (y) a side letter in the form attached hereto as Schedule 6(h).

(i) Secretary's Certificate. A certificate, executed by the Secretary of the Company and dated as of the Closing Date, as to (A) the resolutions approving the issuance of the Shares as adopted by an Independent Committee of the Board of Directors and/or the Company's Board of Directors in a form reasonably acceptable to such Purchaser, (B) the certificate of incorporation, and (C) the bylaws, each as in effect as of the Closing Date.

(j) Board Approval. The terms and conditions of the issuance of the Shares and the Transaction Agreements shall have been approved by an Independent Committee of the Board of Directors and/or a majority of the disinterested directors of the Board of Directors, as applicable.

(k) Approvals. The Company shall have obtained all governmental, regulatory or third party consents and approvals, if any, necessary for the sale of Common Shares, including, without limitation, from the NASDAQ Global Select Market.

ARTICLE 7
OTHER AGREEMENTS OF THE PARTIES

7.1. Securities Laws Disclosure; Publicity. On February 27, 2012, the Company shall issue a press release (the "Press Release") reasonably acceptable to the Purchasers disclosing all material terms of the transactions contemplated hereby. On or before 5:30 P.M., New York City time, on the fourth trading day immediately following the execution of this Agreement, the Company will file a Current Report on Form 8-K with the Commission describing the terms of the Transaction Agreements.

7.2. Form D. The Company agrees to timely file a Form D with respect to the Shares as required under Regulation D and to provide a copy thereof to the Purchaser (provided that the posting of the Form D on the SEC's EDGAR system shall be deemed delivery of the Form D for purposes of this Agreement).

7.3. Removal of Legend and Transfer Restrictions. The Company hereby covenants with the Purchasers to, no later than three trading days following the delivery by the Purchaser to the Company of a legended certificate representing Shares (endorsed or with stock powers

attached, signatures guaranteed, and otherwise in form necessary to affect the reissuance and/or transfer), in connection with the transfer or sale of all or a portion of the Shares pursuant to (1) an effective registration statement that is effective at the time of such sale or transfer, (2) a transaction exempt from the registration requirements of the Securities Act in which the Company receives an opinion of counsel reasonably satisfactory to the Company that the Shares are freely transferable and that the legend is no longer required on such stock certificate, or (3) an exemption from registration pursuant to Rule 144, deliver or cause the Company's transfer agent to deliver to the transferee of the Shares or to the Purchaser, as applicable, a new stock certificate representing such Shares that is free from all restrictive and other legends. The Company acknowledges that the remedy at law for a breach of its obligations under this Section 7.3 may be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section 7.3 with respect to any Purchaser, the Purchaser shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and without any bond or other security being required.

7.4. Use of Proceeds. The Company agrees to use the proceeds of the offering for bona fide general corporate purposes and to provide working capital. Following the Closing, the Company shall promptly take all necessary action required to cure the financial covenant default referenced in Section 3.13 hereof (to the extent such breach is not automatically cured at Closing upon the Company receipt of the Total Purchase Price from the Purchasers).

7.5. Subsequent Equity Sales. The Company shall not, and shall use its commercially reasonable efforts to ensure that no affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Shares in a manner that would require the registration under the Securities Act of the sale of the Shares to the Purchasers, or that will be integrated with the offer or sale of the Shares for purposes of the rules and regulations of any trading market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

7.6. Listing. The Company shall promptly take any action required to maintain the listing of all of the Shares, once they have been issued, upon each national securities exchange and automated quotation system, if any, upon which shares of Common Stock are then listed (subject to official notice of issuance) and shall maintain, so long as any other shares of Common Stock shall be so listed, such listing of all Shares from time to time issuable under the terms of the Transaction Agreements. The Company shall take all actions within its control to comply with the reporting requirements of the Exchange Act and each applicable national securities exchange and automated quotation system on which the Common Stock is listed. The Company shall use all commercially reasonable efforts to make and keep public information available, as those terms are understood and defined in SEC Rule 144, and to file period reports with the SEC whether or not required to do so. The Company shall not take any action which would be reasonably expected to result in the delisting or suspension of the Common Stock on The NASDAQ Stock Market.

ARTICLE 8
MISCELLANEOUS

8.1. Survival. The representations, warranties and covenants contained herein shall survive the execution and delivery of this Agreement and the sale of the Shares.

8.2. Indemnification.

(a) Indemnification of Purchasers. The Company agrees to indemnify and hold harmless each Purchaser and its affiliates and their respective directors, officers, trustees, members, managers, employees and agents, and their respective successors and assigns, from and against any and all losses, claims, damages, liabilities and expenses (including without limitation reasonable attorney fees and disbursements and other expenses reasonably incurred in connection with investigating, preparing or defending any action, claim or proceeding, pending or threatened and the costs of enforcement thereof) (collectively, "Losses") to which such person or entity may become subject as a result of any breach of representation, warranty, covenant or agreement made by or to be performed on the part of the Company under this Agreement, and will reimburse any such person or entity for all such Losses as they are incurred by such person or entity.

(b) Conduct of Indemnification Proceedings. Any person or entity entitled to indemnification hereunder shall (i) give prompt notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided that any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such person unless (a) the indemnifying party has agreed to pay such fees or expenses, or (b) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such person or (c) in the reasonable judgment of any such person, based upon written advice of its counsel, a conflict of interest exists between such person and the indemnifying party with respect to such claims (in which case, if the person notifies the indemnifying party in writing that such person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such person); and provided, further, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations hereunder, except to the extent that such failure to give notice shall materially adversely affect the indemnifying party in the defense of any such claim or litigation. It is understood that the indemnifying party shall not, in connection with any proceeding in the same jurisdiction, be liable for fees or expenses of more than one separate firm of attorneys at any time for all such indemnified parties. No indemnifying party will, except with the consent of the indemnified party, which consent shall not be unreasonably withheld, conditioned or delayed, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation. No indemnified party will, except with the consent of the indemnifying party, consent to entry of any judgment or enter into any settlement.

8.3. Assignment; Successors and Assigns. This Agreement may not be assigned by either party without the prior written consent of the other party; provided, that this Agreement may be assigned by any Purchaser to the valid transferee of any security purchased hereunder if such security remains a "restricted security" under the Securities Act. This Agreement and all provisions thereof shall be binding upon, inure to the benefit of, and are enforceable by the parties hereto and their respective successors and permitted assigns.

8.4. Notices. All notices, requests, and other communications hereunder shall be in writing and will be deemed to have been duly given and received (a) when personally delivered, (b) when sent by facsimile upon confirmation of receipt, (c) one business day after the day on which the same has been delivered prepaid to a nationally recognized courier service, or (d) five business days after the deposit in the United States mail, registered or certified, return receipt requested, postage prepaid, in each case addressed to Amyris, Inc., 5885 Hollis Street, Suite 100, Emeryville, CA 94608, Attn: General Counsel, facsimile number: (510) 740-7416, with a copy to Fenwick & West LLP, 801 California Street, Mountain View, CA 94041, Attn: Dan Winnike, Esq., facsimile number: (650) 938-5200, and as to the Purchaser at the address and facsimile number set forth below the Purchaser's signature on the signature pages of this Agreement. Any party hereto from time to time may change its address, facsimile number, or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto. Each Purchaser and the Company may each agree in writing to accept notices and other communications to it hereunder by electronic communications pursuant to procedures reasonably approved by it; provided that approval of such procedures may be limited to particular notices or communications.

8.5. Governing Law. This Agreement, and the provisions, rights, obligations, and conditions set forth herein, and the legal relations between the parties hereto, including all disputes and claims, whether arising in contract, tort, or under statute, shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law provisions.

8.6. Dispute Resolution.

8.6.1 Escalation. Prior to commencing any arbitration in connection with any dispute, controversy or claim arising out of relating to this Agreement or the breach, termination or validity thereof ("Dispute"), the parties shall first engage in the procedures set forth in this Section 8.6.1. Such Dispute shall first be referred by written notice of the Dispute (the "Dispute Notice") from any party to its executive officers and to the executive officers of each party that the party sending the Dispute Notice has the Dispute with (the "Executive Officers") and the Executive Officers shall attempt to resolve such Dispute within ten (10) days after a party sent the Dispute Notice to the Executive Officers by meeting (either in person or by video teleconference, unless otherwise mutually agreed) at a mutually acceptable time, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the Dispute. If the Dispute has not been resolved within thirty (30) days after the Dispute Notice has been sent by a party to its Executive Officers and to the Executive Officers of the other party or parties, then either the party that has sent the Dispute Notice, or the party or parties that have received the Dispute Notice may, by written notice to the other party or parties, elect to submit the Dispute to arbitration pursuant to Section 8.6.2. If a party's Executive Officer intends to be accompanied at a meeting by an attorney, the Executive Officers of the other party shall be given at least seventy-two (72) hours' notice of such intention and may also be

accompanied by an attorney. All negotiations conducted pursuant to this Section 8.6.1, and all documents and information exchanged by the parties in furtherance of such negotiations, (i) are the Confidential Information (as defined in Section 8.6.4) of the parties, and (ii) shall be inadmissible in any arbitration conducted pursuant to this Section 8.6 or other proceeding with respect to a Dispute.

8.6.2 Arbitration.

(a) All Disputes arising out of, relating to or in connection with this Agreement, which have not been resolved pursuant to Section 8.6.1, shall be submitted to mandatory, final and binding arbitration before an arbitral tribunal pursuant to the Rules of Arbitration of the International Court of Arbitration of the International Chamber of Commerce (the "ICC Rules"), in effect at the time of filing of the request for arbitration, as modified hereby. The International Court of Arbitration of the International Chamber of Commerce (the "ICC Court") shall administer the arbitration.

(b) There shall be three (3) arbitrators. If there are two parties to the arbitration, then one arbitrator shall be nominated by the initiating claimant party in the request for arbitration, the second nominated by the respondent party within thirty (30) days of receipt of the request for arbitration, and the third (who shall act as chairperson of the arbitral tribunal) nominated by the two (2) party-appointed arbitrators within thirty (30) days of the selection of the second arbitrator. In the event that either party fails to nominate an arbitrator, or if the two party-appointed arbitrators are unable or fail to agree upon the third arbitrator, within the time periods specified herein, the ICC Court shall appoint the remaining arbitrator(s) required to comprise the arbitral tribunal. If there are more than two parties to the arbitration, the claimant(s) shall jointly nominate one arbitrator and the respondent(s) shall jointly nominate one arbitrator, within thirty (30) days of receipt by respondent(s) of a copy of the request for arbitration. For avoidance of doubt, where there are two or more claimant(s), none of the claimants has to nominate an arbitrator in their request for arbitration. The third arbitrator (who shall act as chairperson of the arbitral tribunal) shall be nominated by the two (2) party-appointed arbitrators within thirty (30) days of the nomination of the second arbitrator. If either the claimant(s) or the respondent(s) fail to timely nominate an arbitrator, or if the two party-appointed arbitrators are unable or fail to agree upon the third arbitrator, within the time periods specified herein, then on the request of any party, the ICC Court shall appoint the remaining arbitrator(s) required to comprise the arbitral tribunal. The claimant in the arbitration shall provide a copy of the request for arbitration to the respondent at the time such request is submitted to the Secretariat of the International Chamber of Commerce.

(c) Each arbitrator chosen under this Section shall speak, read, and write English fluently and shall be either (i) a practicing lawyer who has specialized in business litigation with at least ten (10) years of experience in a law firm, (ii) an arbitrator experienced with commercial disputes, or (iii) a retired judge.

(d) The place of arbitration shall be Paris, France. The language of the arbitral proceedings and of all submissions and written evidence and any award issued by the arbitral tribunal shall be English. Any party may, at its own expense, provide for translation of any documents submitted in the arbitration or translation or interpretation of any testimony taken at any hearing before the arbitral tribunal. For the avoidance of doubt, no party is under any

obligation to provide for translation of any documents submitted in the arbitration or translation or interpretation of any testimony taken at any hearing before the arbitral tribunal.

(e) The award shall be in writing, state the reasons for the award and be final and binding. The arbitral tribunal shall, subject to its discretion, endeavor to issue its award within four (4) months of the end of the hearing, or as soon as possible thereafter. It is expressly understood and agreed by the parties that the rulings and award of the arbitral tribunal shall be binding on the parties, their successors and permitted assigns. Judgment on the award rendered by the arbitral tribunal may be entered in any court having competent jurisdiction.

(f) Each party shall bear its own costs and expenses and attorneys' fees, and the party that does not prevail in the arbitration proceeding, as determined by the arbitral tribunal, shall pay the arbitrator's fees and any administrative fees of arbitration. All proceedings and decisions of the tribunal shall be deemed Confidential Information of each of the Parties, and shall be subject to Section 8.6.4.

8.6.3 Interim Relief.

(a) The arbitral tribunal shall have the power to grant any remedy or relief that it deems appropriate, whether provisional or final, including conservatory relief and injunctive relief, and any such measures ordered by the arbitral tribunal may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such.

(b) In addition to the remedies and relief available under Section 8.6.3(a) above and the ICC Rules, and subject to Section 8.6.2 above, each party expressly retains the right at any time to apply to any court of competent jurisdiction for interim, injunctive, provisional or conservatory relief, including pre-arbitral attachments or injunctions, and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

(c) For purposes of Section 8.6.3(b), each party hereby irrevocably and unconditionally consents and agrees that any action for interim, provisional and/or conservatory relief brought against it with respect to its obligations or liabilities under or arising out of or in connection with this Agreement may be brought in the courts located in Paris, France or the state or federal courts located in the Borough of Manhattan, New York City, New York, and each party hereby irrevocably accepts and unconditionally submits to the non-exclusive jurisdiction of the aforesaid courts *in personam*, with respect to any such action for interim, provisional or conservatory relief. In any such action, each of the parties irrevocably waives, to the fullest extent they may effectively do so, any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens or any right of objection to jurisdiction on account of its place of incorporation or domicile, which it may now or hereafter have to the bringing of any such action or proceeding in the courts located in Paris, France or the state or federal courts located in the Borough of Manhattan, New York City, New York.

(d) Each party hereby irrevocably consents and agrees that the service of any and all legal process, summons, notices and documents which may be served in any action arising under this Agreement may be made by sending a copy thereof by express courier to the party to be served at the address set forth in the notice provision of this Agreement, with such

service to be effective upon receipt. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

(e) Each party hereto hereby irrevocably waives any and all right to trial by jury in any legal proceeding brought pursuant to this Section 8.6.

8.6.4 Confidentiality. The Company and each of the Purchasers agree to use, and to use its reasonable best efforts to ensure that its authorized representatives use the same degree of care as such party uses to protect its own confidential information (but in no event less than reasonable care) to keep confidential the information provided to it pursuant to this Agreement, and any other information furnished to it which the disclosing party identifies as being confidential or proprietary (so long as such information is not in the public domain) or, under the circumstances surrounding disclosure, such party knows or has reason to know should be treated as confidential ("Confidential Information"), unless otherwise required by law (provided that a party shall, to the extent permitted by law, promptly notify the other party of any required disclosure and take reasonable steps to minimize the extent of any such required disclosure); provided, however, that Confidential Information shall not include information, that (i) was in the public domain prior to the time it was furnished to such recipient, (ii) is at the time of the alleged breach (through no willful or improper action or inaction by such recipient) generally available to the public, (iii) was rightfully disclosed to such recipient by a third party without restriction or (iv) as of the time of the alleged breach, had been independently developed (as evidenced by written records) without any use of Confidential Information.

8.7. Severability. In the event that any provision of this Agreement or the application of any provision hereof is declared to be illegal, invalid, or otherwise unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected except to the extent necessary to delete such illegal, invalid, or unenforceable provision unless that provision held invalid shall substantially impair the benefits of the remaining portions of this Agreement.

8.8. Headings. The headings in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.

8.9. Entire Agreement. This Agreement embodies the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter hereof.

8.10. Finder's Fee. The Company agrees that it shall be responsible for the payment of any placement agent's fees, financial advisory fees, or brokers' commissions (other than for persons engaged by Purchaser) relating to or arising out of the transactions contemplated hereby. The Company shall pay, and hold each Purchaser harmless against, any liability, loss or expense (including, without limitation, attorney's fees and out-of-pocket expenses) arising in connection with any claim for any such fees or commissions.

8.11. Expenses. Each party will bear its own costs and expenses in connection with this Agreement; provided, however, the Company will pay (or reimburse the lead investor or its affiliates) for the legal fees and expenses of Jeffer Mangels Butler & Mitchell LLP incurred in connection with its role as counsel to the lead investor in the transactions contemplated by this Agreement up to a maximum of Ninety Thousand Dollars ($90,000).

8.12. Further Assurances. The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

8.13. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other party. Facsimile signatures shall be deemed originals for all purposes hereunder.

18.14. Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under this Agreement are several and not joint with obligations of each other Purchaser, and no Purchaser shall be responsible in any way for the performance of the obligations of any other Purchaser under this Agreement or any other Transaction Agreements. The decision of each Purchaser to purchase Shares pursuant to this Agreement has been made by such Purchaser independently of any other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or of the subsidiary which may have been made or given by any other Purchaser or by any agent or employee of any other Purchaser, and no Purchaser or any of its agents or employees shall have any liability to any other Purchaser (or any other person) relating to or arising from any such information, materials, statements or opinions. Nothing contained herein or in any ancillary document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Agreement. Each Purchaser acknowledges that no other Purchaser has or will be acting as agent of such Purchaser in enforcing its rights under this Agreement or any other Transaction Agreements. Each Purchaser shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Purchaser, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. The Purchasers acknowledge that Jeffer Mangels Butler & Mitchell LLP has represented only Naxyris, SA in connection with the transactions contemplated by this Agreement and not any other Purchaser.

8.15. Waiver of Conflicts; Representation by Counsel. Each Purchaser and the Company is aware that Fenwick & West LLP ("F&W") may have previously performed and may continue to perform certain legal services for certain of the Purchasers in matters unrelated to F&W's representation of the Company. In connection with its Purchaser representation, F&W may have obtained confidential information of such Purchasers that could be material to F&W's representation of the Company in connection with negotiation, execution and performance of this Agreement. By signing this Agreement, each Purchaser and the Company hereby acknowledges that the terms of this Agreement were negotiated among the Purchasers and the Company and are fair and reasonable and waives any potential conflict of interest arising out of such representation (including any future representation of such parties) or such possession of confidential information and consents to the investment by such affiliate of F&W. Each Purchaser and the Company further represents that it has had the opportunity to be, or has been, represented by

separate independent counsel in connection with the transactions contemplated by this Agreement, including, without limitation, the waivers contained in this Section 8.15.

[Signature pages follows]

This Securities Purchase Agreement is hereby confirmed and accepted by the Company as of February 22, 2012.

AMYRIS, INC.

By: /s/ John Melo

Name: John Melo

Title: President and CEO

PURCHASERS:

U.S. $
Total Purchase Price
(U.S. $ per Share)

Number of Shares:

By: __
(signature)

Name: __
(printed name)

Title: Managing Member

Address: __

Facsimile No: __
E-mail Address: __

This Securities Purchase Agreement is hereby confirmed and accepted by the Purchasers as of the date first set forth above.

PURCHASER:

U.S. $4,999,994.78
Total Purchase Price
(U.S. $5.78 per Share)

Number of Shares: 865,051

FORIS VENTURES, LLC

By: /s/ Barbara S. Hager
(signature)

Name: Barbara S. Hager
(printed name)

Title: Managing

Address: c/o JEMA Management
555 Bryant Street, #722
Palo Alto, CA 94301
Facsimile No: [*]
E-mail Address: [*]

[*] 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 Securities Purchase Agreement is hereby confirmed and accepted by the Purchasers as of the date first set forth above.

PURCHASER:

U.S. $13,226,697.68
Total Purchase Price
(U.S. $5.78 per Share)

Number of Shares: 2,288,356

TOTAL GAS & POWER USA, SAS

By: /s/ Arnaud Chaperon
(signature)

Name: Arnaud Chaperon
(printed name)

Title: Chairman

Address: 2 Place Jean Millier
La Defense
92400 Courbevoie
France
Facsimile No:
E-mail Address: [*]

[*] 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 Securities Purchase Agreement is hereby confirmed and accepted by the Purchasers as of the date first set forth above.

PURCHASER:

U.S. $14,999,995.90
Total Purchase Price
(U.S. $5.78 per Share)

Number of Shares: 2,595,155

MAXWELL (MAURITIUS) PTE LTD

By: /s/ Jonathan Ang
(signature)

Name: Jonathan Ang
(printed name)

Title: Authorised Signatory

Address: 60B Orchard Road #06-18
Tower 2, The Atrium @ Orchard
Singapore 238891
Facsimile No: [*]
E-mail Address: [*]

[*] 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 Securities Purchase Agreement is hereby confirmed and accepted by the Purchasers as of the date first set forth above.

PURCHASER:

U.S. $14,999,995.90
Total Purchase Price
(U.S. $5.78 per Share)

Number of Shares: 2,595,155

BIOLDING INVESTMENT SA

By: /s/ HH Sheikh Abdullah bin Khalifa H. Al Thani
(signature)

Name: HH Sheikh Abdullah bin Khalifa H. Al Thani
(printed name)

Title: Director

Address: 11 A Boulevard du Prince Henri

L-1724 Luxembourg

This Securities Purchase Agreement is hereby confirmed and accepted by the Purchasers as of the date first set forth above.

PURCHASER:

U.S. $499,998.90
Total Purchase Price
(U.S. $5.78 per Share)

Number of Shares: 86,505

SUALK CAPITAL LTD

By: /s/ Fernando Reinach
(signature)

Name: Fernando Reinach
(printed name)

Title: Director

Address: Marcy Building 2nd floor
Purcell Estate
PO Box 2416
Road Town
Tortola, British Virgin Islands
Facsimile No:
E-mail Address:

This Securities Purchase Agreement is hereby confirmed and accepted by the Purchasers as of the date first set forth above.

PURCHASER:

U.S. $9,999,995.34
Total Purchase Price
(U.S. $5.78 per Share)

Number of Shares: 1,730,103

NAXYRIS S.A.

By: /s/ S. Reckinger
(signature)

Name: S. Reckinger
(printed name)

Title: Manager/Director

Address: 40 Blvd Joseph II
L-1840
Facsimile No: [*]
E-mail Address: illegible

[*] 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.

Schedule I

Schedule of Purchasers

Purchaser	Shares Purchased	Total Purchase Price
Maxwell (Mauritius) Pte Ltd	2,595,155	$14,999,995.90
Naxyris SA	1,730,103	$9,999,995.34
Biolding Investment SA	2,595,155	$14,999,995.90
Total Gas & Power USA, SAS	2,288,356	$13,226,697.68
Sualk Capital Ltd	86,505	$499,998.90
Foris Ventures, LLC	865,051	$4,999,994.78
TOTAL	**10,160,325**	**US$58,726,678.50**

Schedule 6(h)

Form of Side Letter

February 23, 2012

Maxwell (Mauritius) Pte Ltd
Les Cascades, Edith Cavell Street
Port Louis, Mauritius

Dear Investor:

Effective today, Amyris, Inc. (the "Company") is selling shares of the Company's Common Stock pursuant to that certain Securities Purchase Agreement dated as of February 22, 2012 (the "SPA") among the Company, Maxwell (Mauritius) Pte Ltd ("Investor") and the other Purchasers named therein. In connection therewith, the Company and Investor are entering into this letter agreement (this "Letter Agreement"). Capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the SPA.

The Company and Investor agree to the following:

1. Irrevocable Payment Instruction. Investor hereby acknowledges and agrees that the Investor has given its payment instructions to its paying bank to make payment to the Company of the Investor's applicable Total Purchase Price pursuant to the SPA and will not revoke such payment instructions.

2. Stock Certificate. The Company hereby acknowledges and agrees that (i) the Company has instructed its transfer agent to issue to the Investor a single stock certificate representing the number of Shares purchased by Investor pursuant to the SPA ("Investor's Stock Certificate") on February 23, 2012, of which a PDF copy will be delivered to the Company on February 23 2012; (ii) the Company has instructed its transfer agent to deliver to Investor the Investor's Stock Certificate immediately upon the Company's confirmation to the transfer agent that it has received in its bank account the applicable Total Purchase Price from Investor, (iii) the Company will not revoke the instructions referenced in clause (ii) of this paragraph, and (iv) the Company will immediately notify its transfer agent once the Company has been notified by its bank that it has received by wire transfer Investor's applicable Total Purchase Price.

2. Amendment and Waiver. No amendment, modification, termination or cancellation of this Letter Agreement shall be effective unless it is in writing signed by the Company and Investor. No waiver of any of the provisions of this Letter Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

3. Entire Agreement. This Letter Agreement, the SPA and the other documents referenced therein, set forth the entire understanding between the parties hereto relating to the subject matter hereof and supersede and merge all previous written and oral negotiations, commitments, understandings and agreements relating to the subject matter hereof between the Company and Investor.

4. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or by commercial messenger or courier service to the parties at the following addresses (or at such other address for a party as shall be specified by like notice) or when sent by facsimile transmission or email to the facsimile number or email

address specified below (or such other facsimile number or email as shall be specified by like notice), upon machine or electronic confirmation of receipt:

(a) if to the Company, to:

Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608
Attention: [*]
Facsimile: [*]
Email: [*]

(b) if to Maxwell, to:

Maxwell (Mauritius) Pte Ltd
Les Cascades, Edith Cavell Street
Port Louis, Mauritius
Attention: [*]
Facsimile: [*]
With a Copy To:
60B Orchard Road
#06-18 Tower 2
The Atrium@Orchard
Singapore 238891

5. Governing Law. This Letter Agreement, and the provisions, rights, obligations and conditions set forth herein, and the legal relations between the parties hereto, including all disputes and claims, whether arising in contract, tort, or under statute, shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law provisions.

6. Counterparts. This Letter Agreement may be executed in one or more counterparts, which shall together constitute one agreement.

Please indicate your agreement to the terms of this Letter Agreement by executing the acknowledgement and agreement below and returning a copy to the attention of Tamara Tompkins, our General Counsel.

[Remainder of Page Intentionally Left Blank]

[*] 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.

Very truly yours,

AMYRIS, INC.

_____

Name: John G. Melo

Title: President and Chief Executive Officer

Acknowledged and Agreed as
of the date first written above:

INVESTOR

MAXWELL (MAURITIUS) PTE LTD

By: _____

Name: _____

Title: _____

Exhibit A

Rights Agreement

AMYRIS, INC.

AMENDMENT NO. 1 TO AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Amendment No. 1 to the Amended and Restated Investors' Rights Agreement (this "***Amendment***") is made and entered into as of February 23, 2012, by and among Amyris, Inc., a Delaware corporation (the "***Company***"), the Investors and the Common Holders.

RECITALS

WHEREAS, the Company, the Investors and the Common Holders are parties to that certain Amended and Restated Investors' Rights Agreement dated June 21, 2010 (the "***Rights Agreement***"). Capitalized terms used in this Amendment and not otherwise defined herein have the meanings ascribed to them in the Rights Agreement.

WHEREAS, the Company, the Investors and the Common Holders desire to make certain amendments to the Rights Agreement and add certain parties thereto.

WHEREAS, pursuant to Section 3.7 of the Rights Agreement, the Rights Agreement may be amended with the written consent of the (i) Company, and (ii) the holders of a majority of the Registrable Securities currently outstanding (together, the "***Requisite Majority***").

WHEREAS, the undersigned parties constitute the Requisite Majority.

NOW, THEREFORE, the parties hereby agree as follows:

1. **AMENDMENT OF SECTION 1.1(c) OF THE RIGHTS AGREEMENT.** Section 1.1(c) of the Rights Agreement shall be deleted in its entirety and replaced with the following:

> The term "Holder" means (i) any Investor having purchased more than 5% of the Preferred Stock sold by the Company, (ii) except with respect to Sections 1.2, 1.12, 1.13 and Section 2 hereof, the Common Holders owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with Section 1.13 hereof, (iii) each "Purchaser" as such term is defined in that certain Securities Purchase Agreement dated as of February 22, 2012 by and among the Company and the Purchasers identified therein (each a "Purchaser"), and (iv) an additional Investor hereto (to be identified to each Purchaser by written notice via electronic mail from the Secretary of the Company and to execute a counterpart signature page hereto prior to such party becoming an Investor and a Holder hereunder, the "Note Investor") that purchases (a) promissory note(s) convertible into Common Stock with a principal amount of up to $30,000,000 in a private placement by the Company to be completed on or prior to February 29, 2012 (the "Convertible Notes")."

2. **AMENDMENT OF SECTION 1.1(f) OF THE RIGHTS AGREEMENT.** Section 1.1(f) of the Rights Agreement shall be deleted in its entirety and replaced with the following:

"The term "Registrable Securities" means: (i) any Common Stock issued or issuable upon conversion of the Preferred Stock of the Company, (ii) other than with respect to Sections 1.2, 1.12, 1.13 and Section 2 hereof, any Common Stock of the Company held by the Common Holders, (iii) the Common Shares, as defined in that certain Stock Transfer Agreement, dated December 24, 2009, by and among the Company, certain holders of the Company's Preferred Stock and certain holders of the Company's Common Stock, (iv) shares of Common Stock issued pursuant to that certain Securities Purchase Agreement dated as of February 22, 2012 by and among the Company and the Purchasers, (v) Common Stock issued or issuable upon conversion of the Convertible Notes; and (vi) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security that is issued as) a dividend or other distribution with respect to, or in exchange for, or in replacement of, the securities set forth in subsection (i), (ii), (iii) or (iv) hereof, excluding, however, any Registrable Securities which (A) have previously been registered or which have been sold to the public either pursuant to a registration statement or Rule 144, (B) which have been sold in a private transaction in which the transferor's rights under this Agreement are not assigned, or (C) held by a Holder (together with its affiliates) if, as reflected on the Company's list of stockholders, such Holder (together with its affiliates) holds less than 1% of the Company's outstanding Common Stock (treating all shares of Preferred Stock on an as converted basis)"

3. **AMENDMENT OF SECTION 1.12 OF THE RIGHTS AGREEMENT**. Section 1.12 of the Rights Agreement shall be amended such that the following sentence at the end of the Section shall be deleted in its entirety:

"The Company shall not be obligated to effect any registration pursuant to this Section 1.12 if the Company delivers to the Holders requesting registration under this Section 1.12 an opinion, in form and substance reasonably acceptable to such Holders, of counsel reasonably satisfactory to such Holders, that all Registrable Securities so requested to be registered may be sold or transferred pursuant to Rule 144 under the Act."

4. **AMENDMENT OF SECTION 1.15 OF THE RIGHTS AGREEMENT.** Section 1.15 of the Rights Agreement shall be deleted in its entirety and replaced with the following:

"No Holder shall be entitled to exercise any right provided for in this Section 1 after February 23, 2017."

5. **AMENDMENT OF SECTION 3.5 OF THE RIGHTS AGREEMENT.** Section 3.5 of the Rights Agreement shall be amended such that the following words are added to the end of the Section:

"Notwithstanding anything to the contrary in this Agreement, in the event the Company is required to provide notice to Holders pursuant to the terms of this Agreement, the Company shall only be required to provide such notice to those Holders who hold shares of record of the Company's capital stock at the time such notice is required to be provided by the Company."

6. **ADDITION OF PARTIES TO RIGHTS AGREEMENT .** Effective upon the execution of this Amendment, each Purchaser shall each become a party to the Rights Agreement as an "Investor", and in connection therewith they shall each execute a counterpart signature page to the Rights Agreement in substantially the form attached hereto as Exhibit A. Effective immediately following both notification to the Purchasers with respect to the identity of the Note Holder as contemplated by Section 1.1(c) as amended hereby and execution of a counterpart signature page by the Note Investor, Note Investor shall become a party to the Rights Agreement as an "Investor."

7. **Full Force and Effect.** Except as expressly modified by this Amendment, the terms of the Rights Agreement shall remain in full force and effect.

8. **Governing Law.** This Amendment shall be governed by and construed under the internal laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California, without reference to principles of conflict of laws or choice of laws.

9. **Integration.** This Amendment and the Rights Agreement and the documents referred to herein and therein and the exhibits and schedules thereto, constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersede all prior understandings and agreements, whether oral or written, between or among the parties hereto with respect to the specific subject matter hereof.

10. **Counterparts; Facsimile.** This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Amendment may be executed and delivered by facsimile, or by email in portable document format (.pdf) and delivery of the signature page by such method will be deemed to have the same effect as if the original signature had been delivered to the other parties.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

COMPANY:

AMYRIS, INC.

By: _____
John Melo, Chief Executive Officer

[Signature Page to Amendment No. 1 to Amyris, Inc. Amended and Restated Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

INVESTORS:

By: _____
Name: _____
Title: _____

[Signature Page to Amendment No. 1 to Amyris, Inc. Amended and Restated Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

COMMON HOLDERS

[_____]

Exhibit A

Counterpart Signature Page to Amended and Restated Investors' Rights Agreement

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first above written.

INVESTOR:

[_____]

Exhibit B

PURCHASER SUITABILITY QUESTIONNAIRE
FOR
AMYRIS, INC.

This Questionnaire is to be completed by each **INDIVIDUAL** purchasing securities of Amyris, Inc., a Delaware corporation (the "***Company***"). The purpose of this Questionnaire is to assure the Company that each proposed investor will meet certain suitability standards in connection with investment in the Company and the purchase of shares of the Company's Common Stock, $0.0001 par value per share (the "***Shares***"), including those imposed by applicable state and federal securities laws and the regulations under those laws.

Individuals investing in the name of a trust should not complete this Questionnaire but should instead complete an "Investor Questionnaire for Entities." If the answer to any question is "None" or "Not Applicable," please so state. If more space is needed for any answer, additional sheets may be attached.

Your answers will be kept confidential at all times. However, by signing this Questionnaire, you agree that the Company may present this Questionnaire to such parties as it deems appropriate to establish the availability of exemptions from registration or qualification requirements under federal and state securities laws.

1. IDENTIFICATION

1.1 Name(s) in which the Shares are to be registered:

__

__

1.2 If the Shares are to be registered in the name of two or more individuals or are to be community property, check one of the following:

_____ Joint Tenants with Right of Survivorship*
_____ Tenants in Common*
_____ Community Property*

*Each joint tenant and tenant-in-common other than your spouse must complete a separate Questionnaire. Your spouse, if any, must execute this Questionnaire.

1.3 Social Security Number: __

1.4 Principal Residence Address:__

__

1.5 Telephone Number: __

1.6 Principal Occupation (if retired, previous occupation):

__

Position or Title: __

1.7 Education: __

__

2. ACCREDITATION

2.1 Amount of the proposed investment: $__

Is your cash flow from all sources sufficient to satisfy your current needs, including possible contingencies, such that you have no need for liquidity in this proposed investment?

Yes_____ No_____

Do you have the ability to bear the economic risk of the investment, i.e., can you afford to lose your entire investment?

Yes_____ No_____

Do you, by reason of your business and financial experience or the business and financial experience of a professional advisor, have the capacity to evaluate the merits and risks of your proposed investment and to protect your own interests in connection with the investment?

Yes_____ No_____

IF YES, please describe your business and financial experience, indicating the factual basis for your conclusion that you have such capacity:

__

__

__

Are you relying on the business or financial experience of an accountant, attorney or other professional advisor in evaluating the merits and risks of this investment in order to protect your own interest?

Yes_____ No_____

IF YES, please (a) have your advisor complete the Company's form of Advisor's Questionnaire and submit it with this Questionnaire, and (b) identify the advisor.

Name of professional advisor: __

Is the proposed investment less than 10% of your net worth, or joint net worth with your spouse?

Yes_____ No_____

Have you previously invested in private placements of securities of recently formed, non-public companies or of companies without a history of significant earnings or profits?

Never _____ Rarely_____ On Several Occasions_____

2.2 Please initial which, if any, of the following statements are applicable to you:

_____ My individual net worth, or my joint net worth with my spouse, exceeds $1,000,000. (NOTE: In computing the amount of net worth, please exclude both the value of your primary residence and the amount of indebtedness that is secured by your primary residence from the computation. However, if the amount of such indebtedness exceeds the value of your primary residence, include the excess (and only the excess) indebtedness amount in the computation of net worth, but still do not include the value of your primary residence in the computation. In addition, include in the computation any amount of such indebtedness, but not the value of your primary residence, that was incurred within 60 days preceding the proposed investment other than in connection with the acquisition of your primary residence.)

_____ My proposed total investment in the Company is at least $150,000 and does not exceed 10% of my net worth or joint net worth with my spouse.

_____ I personally have had an individual income in excess of $200,000 in each of the two (2) most recent years and I reasonably expect an income in excess of $200,000 in the current year.

_____ My joint income with my spouse is in excess of $300,000 in each of the two (2) most recent years and I reasonably expect a joint income in excess of $300,000 in the current year.

2.3 If you have not initialed one of the responses in Question 2.2 above, please answer the following questions:

My net worth or joint net worth with my spouse exceeds: $_____. (NOTE: In computing the amount of net worth, please exclude both the value of your primary residence and the amount of indebtedness that is secured by your primary residence from the computation. However, if the amount of such indebtedness exceeds the value of your primary residence, include the excess (and only the excess) indebtedness amount in the computation of net worth, but still do not include the value of your primary residence in the computation. In addition, include in the computation any amount of such indebtedness, but not the value of your primary residence, that was incurred within 60 days preceding the proposed investment other than in connection with the acquisition of your primary residence.)

My estimated gross income together with my spouse for this calendar year is: (check one)

_____ under $75,000 _____ $75,000 - $99,999

_____ $100,000 - $199,999 _____ $200,000 and over

2.4 Are you related in any way to any other person who also intends to purchase Shares in this offering? If so, please state the name and nature of the relationship of each such person:

—

2.5 If you have used the services of a securities broker or dealer or a finder in submitting subscription documentation for the Shares, please identify the broker, dealer or finder:

—

—

3. EXECUTION

The information provided in this Questionnaire is true and complete as of the date provided below in all material respects and the undersigned recognizes that the Company is relying on the truth and accuracy of such information. The undersigned agrees to notify the Company promptly of any changes in the foregoing information that may occur prior to the closing of the sale of Shares of the Company.

_____ _____

(Signature of Purchaser) (Signature of Spouse, if any)

Name:_____ Name:_____

(Please Print or Type) (Please Print or Type)

Date:_____ Date:_____

Exhibit C

PURCHASER SUITABILITY QUESTIONNAIRE
FOR
AMYRIS, INC.

This Questionnaire is to be completed by each **ENTITY** (trust, corporation, partnership or other organization) purchasing securities of Amyris, Inc., a Delaware corporation (the "***Company***"). The purpose of this Questionnaire is to assure the Company that each proposed investor will meet certain suitability standards in connection with investment in the Company and the purchase of shares of the Company's Common Stock, $0.0001 par value per share (the "***Shares***"), including those imposed by applicable state and federal securities laws and the regulations under those laws.

If the answer to any question is "None" or "Not Applicable," please so state. If more space is needed for any answer, additional sheets may be attached.

Your answers will be kept confidential at all times. However, by signing this Questionnaire, you agree that the Company may present this Questionnaire to such parties as it deems appropriate to establish the availability of exemptions from registration or qualification requirements under federal and state securities laws.

1. IDENTIFICATION

1.1 Name(s) in which the Shares are to be registered:

—

1.2 Tax Identification Number:

—

1.3 Address of principal place of business:

—

—

1.4 Telephone number: ____

1.5 Jurisdiction of formation or of incorporation (Name the State or Country):

—

1.6 Form of entity (e.g., corporation, general partnership, limited partnership, trust, etc.):

—

1.7 Nature of business (e.g., investment, banking, manufacturing, venture capital investment fund, etc.):

—

2. ACCREDITATION

2.1 Amount of the proposed investment: $ _____

2.2 Is the entity's cash flow from all sources sufficient to satisfy its current needs, including possible contingencies, such that the entity has no need for liquidity in this proposed investment?

Yes_____ No_____

2.3 Was the entity specifically formed for the purpose of investing in the Company?

Yes_____ No_____

2.4 Does the entity have the ability to bear the economic risk of the investment, i.e., can the entity afford to lose its entire investment?

Yes_____ No_____

2.5 Is the entity an employee benefit plan governed by the Employee Retirement Income Security Act of 1974 (a 401(k) Plan, Keogh Plan, pension plan, etc., maintained by an employer for its employees)?

Yes_____ No_____

IF YES, please indicate which, if any, of the following categories accurately describes the entity:

_____ the employee benefit plan has total assets in excess of $5,000,000.

_____ the plan is a self-directed plan with investment decisions made solely by persons listed in Section 2.6 below or who are individuals, and each such individual has a net worth in excess $1,000,000 or had an individual income in excess of $200,000 in each of the two most recent years and has a reasonable expectation of reaching the same income level in the current year.

_____ investment decisions are made by a plan fiduciary which is either a bank, savings and loan association, insurance company or registered investment advisor.

2.6 Please indicate which, if any, of the following categories accurately describes the entity:

_____ A bank.

_____ A savings and loan association.

_____ A broker-dealer registered under Section 15 of the Securities Exchange Act of 1934.

_____ An insurance company.

_____ An investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act.

_____ A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

_____ A private business development company defined in Section 202(a)(22) of the Investment Advisors Act of 1940.

_____ An organization described in Section 501(c)(3) of the Internal Revenue Code with total assets in excess of $5,000,000 not formed for the purpose of investing in the Company.

_____ A corporation with total assets in excess of $5,000,000, not formed for the purpose of investing in the Company.

_____ A partnership with total assets in excess of $5,000,000, not formed for the purpose of investing in the Company.

_____ A Massachusetts or similar business trust with total assets in excess of $5,000,000, not formed for the purpose of investing in the Company.

_____ Any other trust with total assets in excess of $5,000,000, not formed for the purpose of investing in the Company.

2.7 Please indicate if one of the following describes the equity owners of the entity:

_____ Each equity owner of the entity (i.e., all shareholders, all general and/or limited partners or all beneficiaries, as applicable) is an individual whose net worth or joint net worth with his or her spouse exceeds $1,000,000.

_____ Each equity owner of the entity is an individual who had a personal income in excess of $200,000 in each of the two (2) most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and reasonably expects to reach the same income level in the current year.

_____ Each equity owner of the entity is an entity described in at least one category of Question 2.6 above.

_____ Although not all equity owners are described in the same category above in this Question 2.7, each equity owner is described in at least one such category.

2.8 Please indicate which of the following also describes the equity owners of the entity:

_____ Each equity owner of the entity has, by reason of his, her or its business and financial experience, the capacity to evaluate the merits and risks of the entity's proposed investment and to protect his, her or its own interests in connection with the investment.

_____ Each of the equity owners of the entity is able to bear the economic risk of the entity's investment, i.e., can afford loss of the entity's entire investment.

_____ The beneficial interest of each equity owner in the entity's proposed investment is less than 10% of such equity owner's net worth, or joint net worth with his or her spouse.

_____ Although not all equity owners are described in the same category above in this Question 2.8, each equity owner is described in at least one such category.

3. ADDITIONAL INFORMATION

3.1 Has your entity previously invested in private placements of securities of newly-formed, non-public companies or companies without a history of significant profits or earnings?

Never _____ Rarely _____ On Several Occasions _____

3.2 Does your entity, by reason of its business and financial knowledge and experience, have the capacity to evaluate the merits and risks of the entity's proposed investment and to protect the entity's own interests in connection with its investment in the Company?

Yes _____ No _____

IF YES, please describe the business and financial knowledge and experience, indicating factual basis for your conclusion that the entity has such capacity.

—

—

—

3.3 Do the persons responsible for making the investment decision for the entity, by reason of their business and financial knowledge and experience, have the capacity to evaluate the merits and risks of the entity's proposed investment?

Yes _____ No _____

IF YES, please describe the business and financial knowledge and experience, indicating factual basis for your conclusion that those persons have such capacity.

—

—

—

3.4 If you have used the services of a securities broker or dealer or a finder in submitting subscription documentation for the Shares, please identify the broker, dealer or finder:

__

__

3.5 Are you relying on the business or financial experience of an accountant, attorney or other professional advisor in evaluating the merits and risks of this investment in order to protect your own interest?

Yes_____ No_____

IF YES, please (a) have your advisor complete the Company's form of Advisor's Questionnaire and submit it with this Questionnaire, and (b) identify the advisor.

Name of professional advisor:

4. EXECUTION

The information provided in this Questionnaire is true and complete as of the date provided below in all material respects and the undersigned recognizes that the Company is relying on the truth and accuracy of such information. The undersigned agrees to notify the Company promptly of any changes in the foregoing information that may occur prior to the closing of the sale of Shares of the Company.

Name of Entity:

__

(Please Print or Type)

By: __

(Signature)

Name: __

(Please Print or Type)

Title: __

(Please Print or Type)

Date: __

Exhibit D

Opinion of Company Counsel

February 23, 2012

To the Purchasers of Common Stock of

Amyris, Inc. Who are Listed as Investing

on the Date Hereof on the Signature Pages to the Purchase Agreement

Ladies and Gentlemen:

We have acted as counsel for Amyris, Inc., a Delaware corporation (the "***Company***"), in connection with the sale on the date hereof by the Company to you of 10,160,325 shares of the Company's Common Stock (the "***Shares***") pursuant to the Stock Purchase Agreement, dated as of February 22, 2012 (the "***Purchase Agreement***"), among the Company and the parties whose names appear on the signature pages thereto (the "***Purchasers***"), and the execution and delivery by the Company of the Amendment No. 1 To Amended and Restated Investors' Rights Agreement (the "***Rights Agreement***"), dated as of February 23, 2012. This opinion is given to you pursuant to Article 6(a) of the Purchase Agreement in connection with the Closing of the sale of the Shares. The Purchase Agreement, the Rights Agreement, and that certain side letter between the Company and certain of the Purchasers (the "***Side Letter***"), dated as of February 23, 2012 are referred to herein collectively as the "***Transaction Documents.***" Unless defined herein, capitalized terms used herein have the meaning given to them in the Purchase Agreement.

We have examined such matters of law as we reasonably considered necessary for the purpose of rendering this opinion. As to matters of fact material to the opinions expressed herein, we have relied upon the representations and warranties as to factual matters contained in, and made by the Company pursuant to, the Purchase Agreement and upon certificates and statements of government officials and of officers of the Company, including but not limited to a certificate of the Company to us (the "***Opinion Certificate***"). In addition, we have examined originals or copies of documents, corporate records and other writings that are listed in Exhibit A attached hereto (the "***Reviewed Agreements"***) and have not conducted any other factual examination except as listed on Exhibit A. In such examination, we have assumed that the signatures on documents and instruments examined by us are authentic, that each is what it purports to be, and that all documents and instruments submitted to us as copies or facsimiles conform with the originals, which facts we have not independently verified.

In making our examination of documents (including the Transaction Documents) and rendering our opinions, we have further assumed that, except for the Company with respect to the Transaction Documents, (a) each party to such documents had the entity power and entity authority to enter into and perform all of such party's obligations thereunder, (b) each party to such documents has duly authorized, executed and delivered such documents and (c) each of such documents is enforceable against and binding upon the parties thereto. We have also assumed that (i) the representations and warranties of the Purchasers set forth in the Transaction Documents are accurate and complete, (ii) there is no fact or circumstance relating to you or your business that might prevent you from enforcing any of your rights provided for in the Transaction Documents and (iii) there are no extrinsic agreements or understandings among the parties to the Transaction Documents or among the parties to the Reviewed Agreements expressly identified on Exhibit A hereto, that would modify or interpret the terms of the

Transaction Documents or Reviewed Agreements or the respective rights or obligations of the parties thereto.

Notwithstanding the examination described above, the expressions "to our knowledge," "known to us," "our actual knowledge" or words of similar import when used in this opinion letter, refer to the current actual knowledge of attorneys within the firm who have rendered legal services to the Company in 2012 and means that, while such attorneys have not been informed by the Company that a matter stated is factually incorrect, we have made no independent factual investigation with respect to such matter. No inference as to our knowledge of any matters bearing on the accuracy of any such statement should be drawn from the fact of our representation of the Company or the rendering of the opinions set forth below.

Where statements in this opinion concerning the Company, or an effect on the Company, are qualified by the term "material" or "materially," those statements involve judgments and opinions as to the materiality or lack of materiality of any matter to the Company's business, assets, results of operations or financial condition that are entirely those of the Company and its officers.

We express no opinion as to matters governed by any laws other than the laws of the State of California, the Delaware General Corporation Law (the "***DGCL***") and the federal law of the United States of America, including the rules and regulations promulgated by governmental authorities thereunder, as such laws, rules and regulations exist on the date hereof (collectively, "***Applicable Laws***"). We express no opinion as to whether the laws of any particular jurisdiction apply, or to the extent that the laws of any jurisdiction other than those identified above are applicable to the Transaction Documents or the transactions contemplated thereby.

In rendering the opinion set forth in paragraph (1) (Qualification to Do Business) below as to the valid existence and good standing of the Company under the laws of the State of Delaware and as to its qualification to do business as a foreign corporation in good standing under the laws of the State of California, we have relied exclusively on certificates of public officials and the Opinion Certificate.

In rendering the opinion set forth in paragraph (2) (Authority and Power to Do Business) below concerning the Company's corporate power and corporate authority to conduct its business as it is presently conducted and as to the types of businesses the Company presently conducts, we have relied exclusively upon representations made to us in the Opinion Certificate.

We note that the parties to the Purchase Agreement have designated the laws of the State of Delaware as the laws governing the Purchase Agreement. Notwithstanding the designation therein of the laws of the State of Delaware, our opinion in paragraph (4) (Enforceability) below as to the validity, binding effect and enforceability of the Purchase Agreement is premised upon the results that would be obtained if a California court were to apply the internal laws of the State of California to contracts made between California residents present in California when the Purchase Agreement is entered into and, where applicable, the currently effective DGCL, without regard to laws regarding choice of law or conflict of laws.

In rendering the opinion in paragraph (6) (No Violations) below relating to violations of Applicable Laws, and paragraph (7) (No Consents) below relating to consents, approvals, authorizations and filings under, or pursuant to, Applicable Laws, such opinions are limited to Applicable Laws that in our experience are typically applicable to transactions of the nature provided for in the Transaction Documents. Moreover, we render no opinion in such paragraphs, or in paragraph (4) (Enforceability), regarding the Company's compliance with applicable securities laws, including but not limited to laws regarding the registration or qualification of the offer and sale of securities, or the registration by the Company under any such securities laws, and no such opinion should be inferred from the language of those paragraphs. Any opinion rendered in connection with applicable securities laws is rendered solely and expressly in paragraphs (8) (Securities Law Compliance) and (9) (Not an Investment Company) below.

In rendering the opinion in paragraph (7) (No Violations) below regarding breach of, or default under, any Reviewed Agreements set forth in Exhibit A, we have not reviewed, and express no opinion on, (a) financial covenants or similar provisions requiring financial calculations or determinations to ascertain whether there is any breach or default nor (b) provisions relating to the occurrence of a "material adverse event" or words of similar import. We also do not express any opinion on parol evidence bearing on interpretation or construction of such Reviewed Agreements, or on any oral modifications to such Reviewed Agreements made by the parties thereto. Moreover, to the extent that any of the Reviewed Agreements are governed by the laws of any jurisdiction other than the State of California our opinion relating to those agreements is based solely upon the plain meaning of their language as though California law applied, without regard to interpretation or construction that might be indicated by the laws stated as governing those agreements.

In rendering the opinion expressed in paragraph (8) (Securities Law Compliance) below, we have assumed the accuracy of, and have relied upon, the Company's representations to us that the Company has made no offer to sell the Shares by means of any general solicitation or publication of any advertisement therefor, and we have assumed that the offer and sale of the Shares is not integrated with any future securities offering of the Company.

This opinion is qualified by, and we render no opinion with respect to, or as to the effect of, the following:

(a) bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting the relief of debtors or the rights and remedies of creditors generally, including without limitation the effect of statutory or other law regarding fraudulent transfers, preferential transfers and equitable subordination;

(b) general principles of equity, including but not limited to judicial decisions holding that certain provisions are unenforceable when their enforcement would violate the implied covenant of good faith and fair dealing, would be commercially unreasonable or involve undue delay, whether or not such principles or decisions have been codified by statute, or that result from the exercise of the court's discretion;

(c) Section 1670.5 of the California Civil Code or any other California or United States federal law or provision of the DGCL or equitable principle which provides that a court may refuse to enforce, or may limit the application of, a contract or any clause thereof that the court finds to have been unconscionable at the time it was made, unconscionable in performance or contrary to public policy;

(d) any provision purporting to (i) exclude conflict of law principles under any law or (ii) select certain courts as the venue, or establish a particular jurisdiction as the forum, for the adjudication of any controversy;

(e) judicial decisions, that may permit the introduction of extrinsic evidence to modify the terms or the interpretation of any agreement;

(f) the tax or accounting consequences of any transaction contemplated in connection with the sale of the Shares under applicable tax laws and regulations and under applicable accounting rules, regulations, releases, statements, interpretations or technical bulletins;

(g) applicable antifraud statutes, rules or regulations of United States federal or applicable state laws concerning the issuance or sale of securities, including, without limitation, (i) the accuracy and completeness of the information provided by the Company to the Purchasers in connection with the offer and sale of the Shares, and (ii) the accuracy or fairness of the past, present or future fair market value of any securities;

(h) the effect any breach of the fiduciary duties of the members of the Company's Board of Directors, officers or principal stockholders would have on the enforceability authorization and performance of any agreement;

(i) whether or not any Transaction Document, and the transactions provided for therein, were fair and reasonable to the Company at the time of their authorization by the Company's Board of Directors and stockholders within the meaning of Section 144 of the DGCL;

(j) any provisions stating that (i) rights or remedies are not exclusive, (ii) rights or remedies may be exercised without notice, (iii) every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy or (iv) the failure to exercise, or any delay in exercising, rights or remedies available under an agreement will not operate as a waiver of any such right or remedy;

(k) provisions stating that rights set forth in the agreement in which such provision appears may only be waived in writing if an implied agreement by trade practice or course of conduct has given rise to a waiver or that limit the effect of waivers by trade practice or course of conduct;

(l) any United States federal or other antitrust laws, statutes, rules or regulations, including without limitation the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or other laws relating to collusive or unfair trade practices or designed to promote competition in any jurisdiction;

(m) any provision purporting to (i) waive rights to trial by jury, service of process or objections to the laying of venue or forum in connection with any litigation arising out of or pertaining to the agreement in which such provision appears, (ii) change or waive the rules of evidence, make determinations conclusive or fix the method or quantum of proof or (iii) waive the statute of limitations;

(n) any choice of law clause, to the extent the provision to be governed by that law could be determined by the court (i) to be contrary to a public or fundamental policy of a state or country whose law would apply in the absence of a choice of law clause, and (ii) to involve an issue in which such state or country, or California State, has a materially greater interest in the determination of the particular issue than does the state whose law is chosen;

(o) any United States federal laws, statutes, rules or regulations, including without limitation the International Investment and Trade in Services Survey Act (Title 22 of the United States Code, Chapter 46, §§3101-3108), or other state or foreign investment laws, statutes, rules and regulations governing investments in the United States or in U.S. entities by persons that are not citizens of the United States; and

(p) indemnification and contribution provisions to the extent enforcement of such provisions is contrary to public policy, indemnify a party to a contract against such party's actions taken in bad faith or that constitute a breach of fiduciary duties, or indemnify a party against liability for future conduct or the party's own fraud or wrongful, reckless or negligent acts or omissions.

In accordance with Section 95 of the American Law Institute's Restatement (Third) of the Law Governing Lawyers (2000), this opinion letter is to be interpreted in accordance with customary practices of lawyers rendering opinions to third parties in transactions of the type provided for in the Transaction Documents.

Based upon and subject to the foregoing, and except as set forth in the Purchase Agreement, as of immediately prior to the Closing we are of the following opinion.

(1) The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. The Company is qualified to do business as a foreign corporation in good standing under the laws of the State of California.

(2) The Company has all corporate power and corporate authority required to execute, deliver and perform its obligations under the Transaction Documents.

(3) All corporate action has been taken on the part of the Company's Board of Directors and stockholders that (a) is necessary for the execution and delivery of the Transaction Documents by the Company, (b) must be taken by the Company to authorize the sale and issuance of the Shares on the date hereof and (c) must be taken by the Company as of the date hereof to authorize performance by the Company of its obligations under the Transaction Documents.

(4) Each of the Transaction Documents has been duly executed by the Company and has been delivered by the Company to the Purchasers. Each of the Transaction Documents constitutes a valid and binding obligation of the Company, enforceable by you against the Company in accordance with its terms.

(5) The Shares to be issued to you under the Purchase Agreement on the date hereof are duly authorized, and when issued in compliance with the provisions of the Purchase Agreement, will be validly issued, fully paid and non-assessable, and the issuance of such Shares will not be subject to any preemptive rights, rights of first refusal or rights of first offer set forth in the Restated Certificate or Bylaws or any Reviewed Agreement set forth on Exhibit A.

(6) The execution, delivery and performance of the Transaction Documents by the Company do not, as of the Closing, result in (a) a violation by the Company of the Restated Certificate or Bylaws, (b) a material violation by the Company of any judgment or order of any court or governmental authority, (c) a material violation by the Company of Applicable Law or (d) a breach of, or a default under, any Reviewed Agreements set forth on Exhibit A.

(7) Other than those that previously may have been obtained or made, no consent, approval or authorization of, or filing with, any governmental authority pursuant to any Applicable Law is required to be made or obtained by the Company or any subsidiary of the Company in connection with the Company's (a) valid execution and delivery of the Transaction Documents, (b) performance of its obligations under the Purchase Agreement and (c) performance of its obligations under the other Transaction Documents as of the date hereof.

(8) Based in part upon the representations made by you in the Purchase Agreement, and subject to the filings of such securities law notices as may be required to be filed subsequent to the Closing, the offer, sale and issuance of the Shares to be issued to you in conformity with the terms of the Purchase Agreement constitute transactions exempt from the registration requirements of Section 5 of the Securities Act of 1933, as amended, and exempt from the qualification requirements of Section 25110 of the California Corporate Securities Law of 1968, as amended.

(9) The Company is not and, after giving effect to the offering and sale of the Shares, will not be, required to register as an “investment company” as such term is defined in the Investment Company Act of 1940, as amended.

In addition to the foregoing opinions, based upon the foregoing and other than as set forth in the Purchase Agreement, we supplementally confirm the following to you as of immediately prior to the Closing.

Litigation Confirmation. To our knowledge, there is no action, suit, proceeding or investigation by or before any United States federal, California State or Delaware State court or governmental authority that is pending or threatened in writing against the Company and that questions the validity of the Transaction Documents or the right of the Company to enter into and perform its obligations under the Transaction Documents. Please note that we have not conducted a docket search in any jurisdiction with respect to any action, suit, proceeding or investigation that may be pending against the Company and we have not undertaken any search regarding any of its affiliates, officers or directors, nor, other than to request the Opinion Certificate from the Company, have we undertaken any further inquiry whatsoever in connection with the existence any such action, suit, proceeding or investigation.

This opinion is rendered as of the date first written above solely for your benefit in connection with the sale and issuance of the Shares pursuant to the Purchase Agreement and may not be relied on by, nor may any copy be delivered to, any other person or entity without our prior written consent. Our opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters. We assume no obligation to inform you of any fact, circumstance, event or change in the law or the facts that may hereafter be brought to our attention that may alter, affect or modify the opinions expressed herein.

Very truly yours,

FENWICK & WEST LLP

By: __

Daniel Winnike, a Partner

Exhibit A

Review of Documents

1) The Purchase Agreement and the Rights Agreement and the Side Letter.

2) A copy of the Company's Restated Certificate of Incorporation, certified by the Delaware Secretary of State on September 30, 2010 (the "***Restated Certificate***").

3) A copy of the Company's Bylaws certified by the Company's Secretary on September 30, 2010 (the "***Bylaws***").

4) The Certificate of Incorporation of the Company filed with the Secretary of State of the State of California upon the Company's incorporation, the Certificate of Merger and Restated Certificate of Incorporation of the Company filed with the Secretary of State of the State of Delaware upon the Company's re-incorporation in Delaware, the California and Delaware bylaws of the Company initially adopted by the Company and minutes of meetings and actions by written consent of the Company's incorporator(s), shareholders and Board of Directors that are contained in the Company's minute books.

5) An Opinion Certificate addressed to us and dated of even date herewith executed by the Company (the "***Opinion Certificate***").

6) A Certificate of Status regarding the Company issued by the Secretary of State of the Delaware, dated February 21, 2012, indicating that the Company is qualified to do business, as a domestic corporation in that state (together with the letter referred to in item (9) below and the certificates referred to in item (10) below, the "***Certificate of Good Standing***").

7) A letter from the California Franchise Tax Board dated February 21, 2012 to the effect that the Company is in good standing with respect to its California franchise tax filings and has no known unpaid franchise tax liability.

8) A Certificate of Good Standing from the Secretary of State of the State of California, indicating that the Company is in good standing and is qualified to do business as a foreign corporation therein.

9) Copies of the Series D Preferred Stock Purchase Agreement dated June 21, 2010 and Amended and Restated Investors' Rights Agreement dated June 21, 2010.

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.

February 23, 2012

To the Investors Listed
On Schedule A hereto

Dear Investors:

Effective today, Amyris, Inc. (the "Company") is selling shares of the Company's Common Stock pursuant to that certain Securities Purchase Agreement dated February 22, 2012 (the "SPA") among the Company, the Investors and the other Purchasers named therein. In connection therewith, the Company and the Investors listed on Schedule A hereto (each, an "Investor," and collectively, the "Investors") are entering into this Letter Agreement.

The Company and the Investors agree to the following:

1. Certain Definitions. For purposes of this Letter Agreement (this "Letter Agreement"), the following terms shall have the following respective meanings:

(a) "Acquisition" means:

(x) a merger or consolidation of the Company with a Third Party which results in the holders of the voting securities of the Company outstanding immediately prior thereto (other than the Third Party, its Affiliates and "associates" (as such term is used in the Securities Exchange Act of 1934, as amended)) ceasing to represent at least fifty percent (50%) of the combined voting power of the surviving entity (or, if applicable, its parent company) immediately after such merger or consolidation;

(y) the sale or exclusive license to a Third Party of all or substantially all of the assets of the Company; or

(z) a Third Party, together with any of the Third Party's Affiliates or "associates" (as such term is used in the Securities Exchange Act of 1934, as amended), becoming the beneficial owner of fifty percent (50%) or more of the combined voting power of the outstanding securities of the Company or by contract or otherwise having the right to control the board of directors of the Company or the ability to cause the direction of management of the Company.

(b) "Affiliate" means, with respect to a Person, any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such first Person. For purposes of this definition, "control" and, with correlative meanings, the terms "controlled by" and "under common control with" mean (i) the possession, directly or indirectly, of the power to direct the management or policies of a Person, whether through the ownership of voting securities, by contract relating to voting rights or corporate governance, or otherwise, or (ii) the ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities or other ownership interest of a Person.

(c) "Board" means the Company's Board of Directors.

(d) "Milestone" means the date upon which the fermentation plant owned and operated by Paraíso Bioenergia S.A in Brotas, Sao Paulo State in Brazil, is fully operational for production purposes with: (i) total PP&E (plant, property and equipment) as defined under U.S. GAAP of R$[*] in Brazil; and (ii) a Production Cash Cost (as defined below) of not higher than US$[*] per liter, in each case as attested to and declared by the Company.

(e) "Person" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

(f) "Production Cash Cost" means cost per liter of raw farnesene produced at such fermentation plant, excluding depreciation and fixed plant overhead and operating expenses associated with initial production startup and assuming sugar feedstock at US$[*] per pound where such Production Cash Costs, excluding sugar feedstock, are calculated on the basis of a Brazilian Reals-to-United States Dollars foreign exchange rate of 1.8.

(g) "Subsidiary", as used in Section 3 means a corporation or other entity of which the Company owns, directly or indirectly, a majority of the outstanding voting power for the election of directors, or other similar managers, of such corporation or other entity.

(h) "Third Party" means any person other than the Company, the Investors and any Investor's Affiliates.

2. Board of Directors - Investor Designee. Until such time as an Acquisition is consummated, the Company shall use its reasonable efforts, to the extent consistent with the fiduciary duties of the Board, to cause one designee of each of Maxwell (Mauritius) Pte Ltd ("Maxwell"), Naxyris S.A. ("Naxos") and Biolding Investment SA ("Biolding") (each such Board designee, a "Designee"), to be appointed to the Board at a meeting of the Board or nominated or re-nominated for election at each annual meeting at which such designee is up for election or re-election, as the case may be; provided that (i) this right of Maxwell shall expire at such time as Maxwell (together with its Affiliates) holds less than 2,595,155 shares of the Company's Common Stock (with such number to be subject to proportionate adjustment in the event of stock splits, combinations, dividends, recapitalizations, and the like occurring after the date hereof) (the "Maxwell Share Threshold"), (ii) this right of Naxos shall expire at such time as Naxos (together with its Affiliates) holds less than 1,730,103 shares of the Company's Common Stock (with such number to be subject to proportionate adjustment in the event of stock splits,

[*] 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.

combinations, dividends, recapitalizations, and the like occurring after the date hereof) (the "Naxos Share Threshold"), and (iii) this right of Biolding shall expire at such time as Biolding (together with its Affiliates) holds less than 2,595,155 shares of the Company's Common Stock (with such number to be subject to proportionate adjustment in the event of stock splits, combinations, dividends, recapitalizations, and the like occurring after the date hereof) (the "Biolding Share Threshold"). Without limiting the foregoing, the Company shall appoint each Designee to the Board not later than the later of (x) March 15, 2012, in the case of Biolding, or June 15, 2012, in the case of Maxwell, or (y) fifteen (15) days following the applicable Investor's identification of such Designee to the Company and the provision of such information regarding the Designee as the Company shall reasonably request to complete any filings or public statements as are required by law or The NASDAQ Stock Market in connection with such appointment. Carole Piwnica is the current Designee of Naxos and HH Sheikh Abdallah bin Khalifa Al Thani is the current Designee of Biolding.

3. Follow-On Investment.

(a) Following completion of the Milestone by the Company and subject to a written notice with evidence of completion of the Milestone as described below delivered by the Company to Biolding or its designated representatives by the Company at least thirty (30) days before March 31, 2013 (or such later date as may be agreed upon from time to time by Biolding and the Company) confirming the Company's intention to complete the "Follow-On Investment" (as defined below) and subject to Biolding's verification to its reasonable satisfaction that the Milestone has been achieved, Biolding agrees to purchase $15,000,000 worth of additional shares of the Company's Common Stock in the Follow-On Investment. The Company shall provide to Biolding at the time of the written notice of the completion of the Milestone written evidence of the completion of the Milestone and Biolding shall have the right to examine and verify such evidence, including with input from outside advisors who are approved by the Company which approval shall not be unreasonably withheld and who agree to be bound by the confidentiality obligations contained in Section 12 hereof. If Biolding is not in agreement with the completion of the Milestone, Biolding shall not be obligated to purchase such additional shares of the Company's Common Stock in the Follow-On Investment. In such a case, Biolding and the Company can mutually decide to extend the date of completion of the Milestone.

(b) The "Follow-On Investment" means an offering by the Company of its Common Stock at market value (as defined in the applicable rules of The NASDAQ Stock Market) pursuant to a stock purchase agreement with substantially the same terms as those of the SPA. If the Company initiates the Follow-On Investment as described above, Biolding agrees to cooperate with the Company in all reasonable respects and use all reasonable efforts to complete the Follow-On Investment on or before April 30, 2013 or on or before such later date as may be agreed upon from time to time by Biolding and the Company. Biolding's obligations under this Section 3 are contingent upon the Company's reasonable cooperation to complete the Follow-On Investment following its initiation by the Company.

4. Right of JV Investment. (a) Until such time as an Acquisition is consummated, the Company hereby agrees to provide each of the Investors the "Right of JV Investment" (as defined below). The "Right of JV Investment" means that the Company will use all reasonable efforts to provide the Investors with a right to invest in any existing or future joint venture established by the Company with respect to commercialization, distribution or sale of products produced using the Company's technology (each, a "Joint Venture") before the

Company initiates discussions with any other investors (aside from the Company and its joint venture partner(s) that are strategic partners that will support the joint venture in an operational capacity as a result of its (their) reputation, experience and know-how in the market related to the Joint Venture, and not just in a financial capacity) (such other investors, "Third Party Investors") regarding such an investment as set forth below in this Section 4; provided that this Right of JV Investment shall expire: (i) with respect to Maxwell, at such time as Maxwell (together with its Affiliates) holds less than the Maxwell Share Threshold, (ii) with respect to Naxos, at such time as Naxos (together with its Affiliates) holds less than the Naxos Share Threshold, (iii) with respect to Biolding, at such time as Biolding (together with its Affiliates) holds less than the Biolding Share Threshold, and (iv) with respect to Sualk Capital Ltd ("Sualk"), at such time as Sualk (together with its Affiliates) holds less than 86,505 shares of the Company's Common Stock (with such number to be subject to proportionate adjustment in the event of stock splits, combinations, dividends, recapitalizations, and the like occurring after the date hereof) (the "Sualk Share Threshold").

(b) With respect to Right of JV Investment, the Company will notify the Investors in writing at least fifteen (15) days prior to pursuing any Third Party Investors to invest in a Joint Venture, with such notification to include the amount of the investment and the material proposed terms of such investment, including the proposed closing date (offers to any Third Party Investors shall be upon terms no more favorable to the offeree than those specified in writing to the Investors). Each Investor will, within thirty (30) days after receipt of such notice, deliver a written "Indication of Interest" to the Company, notifying the Company whether or not the Investor wishes to participate in the proposed investment on the proposed terms and at what level of investment. If the Investor does not deliver the Indication of Interest within such thirty (30) day period, the Right of First Investment applicable to such Investor with respect to such Joint Venture shall terminate and be of no further force or effect. The Company shall promptly, in writing, inform each Investor that elects to invest in the joint venture of the Indications of Interest received by the Company. Based on such notice, the Investors will agree among themselves what proportion of the investment in the Joint Venture each of such Investors will contribute. Following such determination, the Company will use all reasonable efforts to conclude negotiations in good faith with respect to such investment within the time frame indicated. If Company, its joint venture partner(s) (including any Third Party Investors), as applicable, and the Investor(s) (collectively, the "JV Parties") fail to conclude negotiations with respect to such investment within sixty (60) days following the date the Company receives completed Indications of Interest from all the Investors, the Right of JV Investment shall terminate with respect to such Joint Venture and be of no further force or effect. For the avoidance of doubt, (x) after fifteen (15) days from the date the Company delivers to the Investors a written notice regarding a Joint Venture, the Company shall be permitted to pursue any Third Party Investors to invest in such Joint Venture, (y) this Letter Agreement does not create a binding obligation on any of the Company's joint venture partner(s) (including any Third Party Investors), as applicable, to enter into an agreement with the Investors regarding an investment pursuant to their Right of JV Investment, and (z) without implying that this Letter Agreement creates a right of any Investor to acquire that portion of any joint venture that has been allocated to a joint venture partner of the Company pursuant to an agreement between the Company and such partner, it is expressly agreed that this Letter Agreement does not give any Investor any right to invest in that portion of the "JV Company" as defined in that certain First Amendment to the Technology, License, Development, Research and Collaboration Agreement

entered Into as of November 23, 2011 by and between the Company and Total Gas & Power USA SAS ("Total") as has been agreed between the Company and the Total will be allocated to Total.

5. Right of First Investment. (a) Until such time as an Acquisition is consummated, the Company hereby agrees to provide each of the Investors the "Right of First Investment" (as defined below). The "Right of First Investment" means that the Company will use all reasonable efforts to provide the Investors with (i) a right to participate in future sales by the Company in a capital raising transaction for cash (other than the Follow-On Investment and a private placement of promissory note(s) convertible into shares of Common Stock of the Company with a principal amount of up to $30,000,000 to be completed on or prior to February 29, 2012) of any debt securities or shares of, or securities convertible into or exchangeable or exercisable for any shares of, any class or series of its capital stock ("Securities") that are offered pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933, as amended; and (ii) a right to participate in future sales of any Securities of any existing or future subsidiary of the Company by the Company or any subsidiary of the Company; provided that this Right of First Investment shall expire: (w) with respect to Maxwell, at such time as Maxwell (together with its Affiliates) holds less than the Maxwell Share Threshold, (x) with respect to Naxos, at such time as Naxos (together with its Affiliates) holds less than the Naxos Share Threshold, (y) with respect to Biolding, at such time as Biolding (together with its Affiliates) holds less than the Biolding Share Threshold, and (z) with respect to Sualk, at such time as Sualk (together with its Affiliates) holds less than the Sualk Share Threshold.

(b) With respect to investments set forth in 5(a)(i) and (ii) above, the Company, on behalf of itself or its applicable subsidiary, will notify the Investors in writing (the "Notice") stating (i) its bona fide intention to offer such Securities, (ii) the number of such Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such Securities.

(c) Within thirty (30) business days after giving of the Notice, each Investor may elect to purchase or obtain, at the price and on the terms specified in the Notice, up to that portion of such Securities that equals the proportion that the number of shares of Common Stock of the Company held by such Investor bears to the total number of shares of Common Stock of the Company then outstanding. The Company shall promptly, in writing, inform each Investor that elects to purchase all the Securities available to it ("Fully Exercising Investor") of any other Investor's failure to do likewise. During the five (5) business day period commencing after such information is given, each Fully Exercising Investor shall be entitled to elect to purchase up to that portion of the Securities offered hereunder to, and not subscribed for by, the Investors that is equal to the proportion that the number of shares of Common Stock of the Company issued and held by such Fully Exercising Investor bears to the total number of shares of Common Stock of the Company issued and held by all Fully Exercising Investors who wish to purchase some of the unsubscribed Securities.

(d) The Company may, during the seventy-five (75) day period following the expiration of the period provided in paragraph 5(c) hereof, offer the remaining unsubscribed portion of such Securities to any person or persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Notice. If the Company does not consummate the sale of the Securities, or enter into a definitive agreement for the sale of Securities, within such period, or if the Company enters into such a definite agreement and such agreement is not consummated

within seventy-five (75) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such Securities shall not be offered unless first reoffered to the Investors in accordance herewith.

6. Other Shareholder Arrangements. The Company has delivered to the Investors copies of all shareholders agreements, side letters and other arrangements to which it is a party or intends to enter into with any of its shareholders.

7. Expenses. The Company will pay (or reimburse Maxwell or its Affiliates) for the legal fees and expenses of Skadden, Arps, Slate, Meagher & Flom LLP incurred in connection with its role as counsel to Maxwell in the transactions contemplated by the SPA and this Letter Agreement up to a maximum of $90,000.

8. Amendment and Waiver. No amendment, modification, termination or cancellation of this Letter Agreement shall be effective unless it is in writing signed by the Company and each of the Investors party hereto. No waiver of any of the provisions of this Letter Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

9. Entire Agreement. This Letter Agreement sets forth the entire understanding between the parties hereto relating to the subject matter hereof and supersedes and merges all previous written and oral negotiations, commitments, understandings and agreements relating to the subject matter hereof between the Company and the Investors.

10. Assignment. This Letter Agreement may not be transferred or assigned (whether by operation of law or otherwise) by either party without the prior written consent of the other party. Notwithstanding the foregoing, each Investor shall be permitted to assign the Right of First Investment to an Affiliate of such Investor.

11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or by commercial messenger or courier service to the parties at the following addresses (or at such other address for a party as shall be specified by like notice) or when sent by facsimile transmission or email to the facsimile number or email address specified below (or such other facsimile number or email as shall be specified by like notice), upon machine or electronic confirmation of receipt:

(a) if to the Company, to:
Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608
Attention: [*]
Facsimile: [*]
Email: [*]

(b) if to Maxwell, to:

Maxwell (Mauritius) Pte Ltd

[*] 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.

Les Cascades, Edith Cavell Street
Port Louis, Mauritius
Attention: [*]
Facsimile: [*]

With a Copy To:
60B Orchard Road
#06-18 Tower 2
The Atrium@Orchard
Singapore 238891

(c) if to Naxos, to:

Naxyris S.A.
40, Boulevard Joseph II
L-1840 Luxembourg
Attention: [*]
Facsimile: [*]
Email: [*]

Copy to: Jeffer Mangels Butler & Mitchell, LLP (which shall not constitute notice hereunder)
1900 Avenue of the Stars, 7th Floor
Los Angeles, California 90067
Attention: [*]
Facsimile: [*]
Email: [*]

(d) if to Biolding, to:

Biolding Investment SA
11A boulevard Prince Henri
L 1724 Luxembourg.
Attention: [*]
Facsimile: [*]
Email: [*]

Copy to: Artus Wise Partners

154, Boulevard Haussmann
Batiment B, 4ème étage
75008 Paris-France
Attention: [*]
Facsimile: [*]
Email: [*]

[*] 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.

(e) if to Sualk, to:

Sualk Ltd.
Fundo Pitanga
Rua Pedroso de Morais 1619 conj. 804
05419-001 São Paulo SP
Brasil
Attention: [*]
Email: [*]

12 Dispute Resolution.

12.1 Escalation. Prior to commencing any arbitration in connection with any dispute, controversy or claim arising out of relating to this Letter Agreement or the breach, termination or validity thereof ("Dispute"), the parties shall first engage in the procedures set forth in this Section 12.1. Such Dispute shall first be referred by written notice of the Dispute (the "Dispute Notice") from any party to its executive officers and to the executive officers of each party that the party sending the Dispute Notice has the Dispute with (the "Executive Officers") and the Executive Officers shall attempt to resolve such Dispute within ten (10) days after a party sent the Dispute Notice to the Executive Officers by meeting (either in person or by video teleconference, unless otherwise mutually agreed) at a mutually acceptable time, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the Dispute. If the Dispute has not been resolved within thirty (30) days after the Dispute Notice has been sent by a party to its Executive Officers and to the Executive Officers of the other party or parties, then either the party that has sent the Dispute Notice, or the party or parties that have received the Dispute Notice may, by written notice to the other party or parties, elect to submit the Dispute to arbitration pursuant to Section 12.2. If a party's Executive Officer intends to be accompanied at a meeting by an attorney, the Executive Officers of the other party shall be given at least seventy-two (72) hours' notice of such intention and may also be accompanied by an attorney. All negotiations conducted pursuant to this Section 12.1, and all documents and information exchanged by the parties in furtherance of such negotiations, (i) are the Confidential Information (as defined in Section 14) of the parties, and (ii) shall be inadmissible in any arbitration conducted pursuant to this Section 12 or other proceeding with respect to a Dispute.

9.2 Arbitration.

(a) All Disputes arising out of, relating to or in connection with this Letter Agreement, which have not been resolved pursuant to Section 12.1, shall be submitted to mandatory, final and binding arbitration before an arbitral tribunal pursuant to the Rules of Arbitration of the International Court of Arbitration of the International Chamber of Commerce

[*] 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 "ICC Rules"), in effect at the time of filing of the request for arbitration, as modified hereby. The International Court of Arbitration of the International Chamber of Commerce (the "ICC Court") shall administer the arbitration.

(b) There shall be three (3) arbitrators. If there are two parties to the arbitration, then one arbitrator shall be nominated by the initiating claimant party in the request for arbitration, the second nominated by the respondent party within thirty (30) days of receipt of the request for arbitration, and the third (who shall act as chairperson of the arbitral tribunal) nominated by the two (2) party-appointed arbitrators within thirty (30) days of the selection of the second arbitrator. In the event that either party fails to nominate an arbitrator, or if the two party-appointed arbitrators are unable or fail to agree upon the third arbitrator, within the time periods specified herein, the ICC Court shall appoint the remaining arbitrator(s) required to comprise the arbitral tribunal. If there are more than two parties to the arbitration, the claimant(s) shall jointly nominate one arbitrator and the respondent(s) shall jointly nominate one arbitrator, within thirty (30) days of receipt by respondent(s) of a copy of the request for arbitration. For avoidance of doubt, where there are two or more claimant(s), none of the claimants has to nominate an arbitrator in their request for arbitration. The third arbitrator (who shall act as chairperson of the arbitral tribunal) shall be nominated by the two (2) party-appointed arbitrators within thirty (30) days of the nomination of the second arbitrator. If either the claimant(s) or the respondent(s) fail to timely nominate an arbitrator, or if the two party-appointed arbitrators are unable or fail to agree upon the third arbitrator, within the time periods specified herein, then on the request of any party, the ICC Court shall appoint the remaining arbitrator(s) required to comprise the arbitral tribunal. The claimant in the arbitration shall provide a copy of the request for arbitration to the respondent at the time such request is submitted to the Secretariat of the International Chamber of Commerce.

(c) Each arbitrator chosen under this Section shall speak, read, and write English fluently and shall be either (i) a practicing lawyer who has specialized in business litigation with at least ten (10) years of experience in a law firm, (ii) an arbitrator experienced with commercial disputes, or (iii) a retired judge.

(d) The place of arbitration shall be Paris, France. The language of the arbitral proceedings and of all submissions and written evidence and any award issued by the arbitral tribunal shall be English. Any party may, at its own expense, provide for translation of any documents submitted in the arbitration or translation or interpretation of any testimony taken at any hearing before the arbitral tribunal. For the avoidance of doubt, no party is under any obligation to provide for translation of any documents submitted in the arbitration or translation or interpretation of any testimony taken at any hearing before the arbitral tribunal.

(e) The award shall be in writing, state the reasons for the award and be final and binding. The arbitral tribunal shall, subject to its discretion, endeavor to issue its award within four (4) months of the end of the hearing, or as soon as possible thereafter. It is expressly understood and agreed by the parties that the rulings and award of the arbitral tribunal shall be binding on the parties, their successors and permitted assigns. Judgment on the award rendered by the arbitral tribunal may be entered in any court having competent jurisdiction.

(f) Each party shall bear its own costs and expenses and attorneys' fees, and the party that does not prevail in the arbitration proceeding, as determined by the arbitral

tribunal, shall pay the arbitrator's fees and any administrative fees of arbitration. All proceedings and decisions of the tribunal shall be deemed Confidential Information of each of the Parties, and shall be subject to Section 14.

12.3 Interim Relief.

(a) The arbitral tribunal shall have the power to grant any remedy or relief that it deems appropriate, whether provisional or final, including conservatory relief and injunctive relief, and any such measures ordered by the arbitral tribunal may, to the extent permitted by applicable law, be deemed to be a final award on the subject matter of the measures and shall be enforceable as such.

(b) In addition to the remedies and relief available under Section 12.3(a) above and the ICC Rules, and subject to Section 12.2 above, each party expressly retains the right at any time to apply to any court of competent jurisdiction for interim, injunctive, provisional or conservatory relief, including pre-arbitral attachments or injunctions, and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

(c) For purposes of Section 12.3(b), each party hereby irrevocably and unconditionally consents and agrees that any action for interim, provisional and/or conservatory relief brought against it with respect to its obligations or liabilities under or arising out of or in connection with this Letter Agreement may be brought in the courts located in Paris, France or the state or federal courts located in the Borough of Manhattan, New York City, New York, and each party hereby irrevocably accepts and unconditionally submits to the non-exclusive jurisdiction of the aforesaid courts *in personam*, with respect to any such action for interim, provisional or conservatory relief. In any such action, each of the parties irrevocably waives, to the fullest extent they may effectively do so, any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens or any right of objection to jurisdiction on account of its place of incorporation or domicile, which it may now or hereafter have to the bringing of any such action or proceeding in the courts located in Paris, France or the state or federal courts located in the Borough of Manhattan, New York City, New York.

(d) Each party hereby irrevocably consents and agrees that the service of any and all legal process, summons, notices and documents which may be served in any action arising under this Letter Agreement may be made by sending a copy thereof by express courier to the party to be served at the address set forth in the notice provision of this Letter Agreement, with such service to be effective upon receipt. Nothing in this Letter Agreement will affect the right of any party to this Letter Agreement to serve process in any other manner permitted by law.

(e) Each party hereto hereby irrevocably waives any and all right to trial by jury in any legal proceeding brought pursuant to this Section 12.

13. Governing Law. This Letter Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts entered into therein, without reference to principles of choice of law or conflicts of laws that might lead to the application of laws other than the laws of the State of Delaware.

14. Confidentiality. Each of the Company and the Investors agree to use, and to use its reasonable best efforts to ensure that its authorized representatives use the same degree of care as such party uses to protect its own confidential information (but in no event less than reasonable care) to keep confidential the information provided to it pursuant to this Letter Agreement, and any other information furnished to it which the disclosing party identifies as being confidential or proprietary (so long as such information is not in the public domain) or, under the circumstances surrounding disclosure, such party knows or has reason to know should be treated as confidential ("Confidential Information"), unless otherwise required by law (provided that a party shall, to the extent permitted by law, promptly notify the other party of any required disclosure and take reasonable steps to minimize the extent of any such required disclosure); provided, however, that Confidential Information shall not include information, that (i) was in the public domain prior to the time it was furnished to such recipient, (ii) is at the time of the alleged breach (through no willful or improper action or inaction by such recipient) generally available to the public, (iii) was rightfully disclosed to such recipient by a third party without restriction or (iv) as of the time of the alleged breach, had been independently developed (as evidenced by written records) without any use of Confidential Information.

13. Counterparts. This Letter Agreement may be executed in one or more counterparts, which shall together constitute one agreement.

Please indicate your agreement to the terms of this Letter Agreement by executing the acknowledgement and agreement below and returning a copy to the attention of Tamara Tompkins, our General Counsel.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

AMYRIS, INC.

_____

Name: John G. Melo

Title: President and Chief Executive Officer

Acknowledged and Agreed as
of the date first written above:

INVESTOR: _____

By:

Name:

[Signature Page to Letter Agreement]

Schedule A: Schedule of Investors

Maxwell (Mauritius) Pte Ltd

Naxyris SA

Biolding Investment SA

Sualk Capital Ltd

PINE

ADDENDUM TO THE BANKING CREDIT FORM
CCB - LOAN

Cod. : 0001-9	Branch: Headquarters	**Addendum Date:** 02/17/2012	**Form nº. :** 0436/11 A

I - The Parties

1. BANCO PINE S.A., with its head offices at Avenida das Nacoes Unidas, 8501, floors 29 and 30- Ed. Eldorado Business Tower, Pinheiros, São Paulo, SP, CEP 05425-070, enrolled with the Finance Ministry Juridical Entity Record under nº 62.144.175/0001-20 hereafter referred to as **PINE.**

2. Issuer, hereafter referred to as the **ISSUER:** Name: **AMYRIS BRASIL LTDA**

Address: **R JAMES CLERK MAXWELL, N° 315 - TECHNOPARK - CEP: 13.069-380**	City/State **CAMPINAS / SP**
Finance Ministry Juridical Entity Record: **09.379.224/0001-20**	Bank Account N°: **3169-2**
3. Guarantor(s), hereafter referred to as **GUARANTOR(s):** Name:	Individual Taxpayer Registry/Finance Ministry Juridical Entity Record (CPF/CNPJ)
Address: / City/State	Marital Status and Assets Division:
4. Third party(s) Guarantor(s) hereafter referred to as **THIRD PARTY(S) GUARANTOR(S):** Name:	Individual Taxpayer Registry/Finance Ministry Juridical Entity Record (CPF/CNPJ)
Address:	City/State:
Marital Status/Assets Division if individual entity):	

II - Original Form ("Form"):

Heading: BANK CREDIT FORM - LOAN Nº 0436/11 Date: 12/21/2011

III - Whereas:

a) Through the issuance of this Form, according to the instrument provided in field II above in the Preamble, PINE has granted the ISSUER a credit in the amount of R$ 35,000,000.00 (Thirty-five million Brazilian Reals), with maturity date on 02/17/2012.

b) The ISSUER has paid the charges on this date, with a remaining debt balance in the amount of R$ 35,000,000.00 (Thirty-five million Brazilian Reals).

IV - As requested by the ISSUER, the parties decide, upon a mutual agreement, with the purpose of changing the terms for restitution of the remaining balance, due to be paid by the ISSUER to PINE, to enter into this agreement.

V - As a result from such new conditions herein agreed for restitution of the debt balance, the ISSUER will pay R$ 129,150.00 (One hundred and twenty-nine thousand, one hundred and fifty Brazilian Reals), as the Complementary IOF, and the changed field now has the following wording:

(...)

II - Conditions	
3. Term: 148 days	**4. Final Maturity: 05/17/2012**
IOF paid according to the legislation in place: R$ 345,380.00	**Complementary IOF: R$ 129.150,00**
III - Type of Disbursement:	
IV - Charges: A. (X) 120.77% of CDI variation calculated by CETIP and published by ANDIMA, added by the interest rates described in item "B".	

V - Payment Type					
The installments will be debited on the dates provided in the table below, from the ISSUER bank account, as provided above.					
Maturity	**Amounts**	**Maturity**	**Amounts**	**Maturity**	**Amounts**
5/17/2012	R$ 35,000,000.00 + CHARGES				

(...)

VI - The items above in the preamble in this Form that are not specifically described in this instrument will remain unchanged.

And, in witness whereof, the parties herein state that this agreement is executed without any intention to be renewed and they ratify all the other clauses and conditions that are not changed by this agreement, especially the agreed guarantees, and the parties execute this Agreement in 03 (three) counterparts of equal contents and form, and for one single purpose before the 2 (two) undersigned witnesses

Silo Paulo, February 17, 2012.

The ISSUER, THE GUARANTOR(s) AND THE THIRD PARTY GUARANTOR(s) STATE, FOR ALL THE REQUIRED PURPOSES AND EFFECTS, THAT THEY READ THIS INSTRUMENT AND AGREE WITH ALL THE CONDITIONS HEREIN ESTABLISHED AND WILL FULFILL THEM IN ALL THEIR TERMS.

ROEL WIN COLLIER
GENERAL DIRECTOR
AMYRIS BRASIL LTDA.

ISSUER AMYRIS BRASIL LTDA. BANCO PINE S/A

ROEL WIN COLLIER
GENERAL DIRECTOR
AMYRIS BRASIL LTDA.

Witnesses
Name: Name:
RG: RG:
CPF: CPF:

5885 Hollis St Suite 100
Emeryville, ca 94608
phone: 510.740.7440
fax: 510.225.2401

Steven R. Mills
1300 Dickens Court
Monticello, IL 61856

March 23, 2012

Re: Offer of Employment with Amyris Inc.

Dear Steven:

On behalf of Amyris Inc. ("Amyris"), I am delighted to offer to you employment with Amyris. If you accept this offer and satisfy the conditions of acceptance set forth herein, your employment with Amyris will commence on May 2, 2012, under the following terms:

1. **Position**

You will be employed full-time by Amyris as Chief Financial Officer, reporting to me, John Melo, CEO.

2. **Salary**

Your base salary will be $450,000 per year ($37,500.00 per month) payable in accordance with Amyris' regular payroll schedule which is currently semi-monthly. Your salary will be subject to adjustment from time to time pursuant to Amyris' employee compensation policies then in effect; provided however, that your base salary shall not be adjusted to be lower than the amount stated above.

3. **Bonus**

For the first two years of your employment, you will be eligible for an annual performance-based bonus of up to $150,000. Such bonus will be payable provided that (i) you achieve certain performance objectives which shall be established during the first month of your employment with Amyris, and (ii) you are still employed by Amyris at year-end and when the bonus is paid out. Thereafter you shall be eligible for a target annual performance-based bonus of up to at least 35% of your base salary.

4. **Equity**

Following the commencement of your employment with Amyris, you shall be granted an option to purchase 420,000 shares of common stock of Amyris at the fair market value of the common stock on the date of grant. Such shares would vest as follows: (i) twenty-five percent (25%) upon completion of your twelfth (12^{th}) month of employment, and (ii) the balance in a series of thirty-six (36) equal monthly installments upon completion of each additional month of employment with Amyris thereafter. In addition, following the commencement of your employment with Amyris, you shall be granted 250,000 restricted stock units ("RSUs") that would vest as follows: (i) ten percent (10%) would vest upon completion of the first anniversary of your start date; ten percent (10%) would vest upon completion of your eighteenth (18^{th}) month of employment; and the balance would vest upon the second anniversary of your start date. Such equity awards will be subject to Amyris' standard terms and conditions, including continuous service requirements, under its relevant equity incentive plan and grant documents.

5. **Relocation Expenses**

Amyris shall pay to you a relocation stipend in the amount of $125,000 for use in connection with your move from Illinois to the San Francisco Bay Area. This stipend shall be paid within fifteen (15) days after the commencement of your employment and may be used at your discretion. In the event that you terminate your employment with Amyris before the completion of twelve (12) months of employment (other than as a result of a Constructive Termination (as defined below)), you agree to promptly repay Amyris one hundred percent (100%) of the relocation stipend by personal check or other negotiable instrument, less any amounts which have been paid in taxes based on your income from the relocation stipend.

So long as you are employed by Amyris and provide reasonable documentation of the relevant expenses Amyris will reimburse you for the following:

- Up to six (6) months of rental expense for an apartment in the San Francisco Bay Area in order to provide you with enough time to secure permanent accommodations; and

- Up to eight (8) round trip (San Francisco, California to Monticello, Illinois) air fares per year for two (2) years for you and Betsy Mills.

To assist in your transition and successful integration into the culture of Amyris, Amyris will also provide you with a personal professional coach during your first six months of employment to be selected by mutual agreement.

6. **Benefits**

You will be eligible to participate in the employee benefits and benefit plans that are available to full-time employees of Amyris subject to the terms of such plans. Currently, these include (i) twelve (12) paid holidays, (ii) 4 weeks of paid vacation (pro-rated by hiring date), (iii) up to six (6) days of paid sick leave per year (pro-rated by hiring date), (iv) medical insurance, (v) dental insurance, (vi) supplemental health and flexible spending accounts, (vii) group term life insurance, (viii) accidental death & disability insurance, (ix) long-term disability insurance, and (x) 401K plan. You will also be eligible to receive paid access to gym facilities. The terms of your benefits will be governed by the applicable plan documents and Amyris' policies. Enclosed is an Employee Benefit Overview.

7. **Termination of Employment**

A. *Resignation Other Than Constructive Termination and Termination by Amyris for Cause*. If you resign your employment with Amyris following your start date other than as a result of a Constructive Termination (as defined below) or if Amyris terminates your employment for Cause (as defined below) at any time, you will receive your base salary as well as any accrued but unused vacation (if applicable) earned through the effective resignation or termination date and no additional compensation.

B. *Termination by Amyris other than for Cause or Result of Constructive Termination*. If Amyris terminates your employment for any reason other than Cause or you resign as a result of a Constructive Termination, Amyris shall pay to you, any base salary and accrued but unused vacation that is earned through the effective termination date and, conditioned on your (1) signing and not revoking a release of any and all claims, in a form prescribed by Amyris, and (2) returning to Amyris all of its

property and confidential information that is in your possession, you will receive the following:[1]

(i) Continuation of your base salary for six (6) months beyond the effective termination date, payable in accordance with the regular payroll practices of Amyris.

(ii) If you elect to continue your health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA") following the termination of your employment, then Amyris shall pay your monthly premium under COBRA for six (6) months following the effective termination date.

(iii) If your employment is terminated by Amyris for any reason other than for Cause or you resign as a result of a Constructive Termination within your first year of employment, a portion of your options granted under Section 4 above will vest as follows: the number of shares that shall vest shall be equal to the number obtained by multiplying the number of shares of common stock subject to the option granted pursuant to Section 4 by a fraction, the numerator of which shall be the number of complete months you have been employed by Amyris up to the date of termination and the denominator of which shall be forty-eight (48).

C. *Termination Following Change of Control.*

(i) If, during the first two (2) years of your employment with Amyris, there is a Change of Control event (as defined below), and Amyris terminates your employment without Cause or you resign as a result of a Constructive Termination within six (6) months of that event, then you will be eligible to receive the benefits provided in Section 7(B) above, as well as immediate accelerated vesting of a percentage the RSUs to be granted to you under Section 4 above (the "RSU Award"), conditioned on your complying with the requirements of Section 7(B) above, according to the following schedule:

- Within the first twelve (12) months of your employment, ten percent (10%) of the total RSUs subject to the RSU Award.
- From the thirteenth (13th) month of your employment through the eighteenth (18th) month of your employment, ten percent (10%) of the total RSUs subject to the RSU Award.
- From the nineteenth (19th) month of your employment through the second anniversary of your start date, the number of RSUs equal to the number obtained by multiplying the total number of the then unvested RSUs subject to the RSU Award by a fraction, the numerator of which shall be the number of complete months after your eighteenth (18th) month of employment that you have been employed by Amyris up to the date of termination and the denominator of which shall be six (6).

(ii) If during any time after the end of your second year of employment with Amyris. there is a Change of Control event and Amyris terminates your employment without Cause or you resign as a result of a Constructive Termination within six (6) months of that event, then you will be eligible to receive the benefits provided in Section 7(B) above, as well as immediate accelerated vesting of fifty percent (50%) of any of the then unvested shares under your outstanding options as of the date of termination conditioned on your complying with the requirements of Section 7(B) above.

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[1] Depending on the size of the option and RSU grants and the value of the shares at termination, the severance payments may become subject to IRC Section 280G.

D. *Definitions.* For all purposes under this Agreement the following terms shall have the meanings ascribed below:

(i) A termination for "Cause" shall mean a determination that your employment be terminated following your start date for any of the following reasons: (1) repeated failure or continued refusal following written notice by Amyris to comply in any material respect with lawful policies, standards or regulations of Amyris, (2) a violation of a federal or state law or regulation applicable to the business of Amyris, (3) conviction or plea of no contest to a felony or to a misdemeanor involving moral turpitude under the laws of the United States or any State, (4) fraud or misappropriation of property belonging to Amyris or its affiliates, (5) material non-performance, non-compliance or interference with any third party's performance of the terms of any confidentiality, invention assignment or proprietary information agreement with Amyris or with a former employer, (6) your failure to satisfactorily perform your duties as assigned from time to time by Amyris after having received written notice of such failure and at least thirty (30) days to cure such failure, or (7) your intentional misconduct or gross negligence in connection with the performance of your duties.

(ii) "Constructive Termination" shall mean a resignation of your employment following your start date within thirty (30) days of the occurrence of any of the following events: (1) a material reduction in your responsibilities, (2) a material reduction in your total compensation, unless such reduction is comparable in percentage to, and is part of, a reduction in the total compensation of all or substantially all executive officers of Amyris, or (3) a relocation of your principal office to a location more than fifty (50) miles from the location of your current principal office.

(iii) "Change of Control" shall mean (1) a merger, reorganization, consolidation or other transaction (or series of related transactions of such nature) pursuant to which more than fifty percent (50%) of the voting power of all outstanding equity securities of Amyris is transferred by the holders of Amyris's outstanding shares (excluding a reincorporation to effect a change in domicile), (2) a sale of all or substantially all of the assets of Amyris, or (3) any other transaction or series of related transactions, in which Amyris' stockholders immediately prior to such transaction or transactions own immediately after such transaction less than fifty percent (50%) of the voting equity securities of the surviving corporation or its parent.

8. **Amyris' Policies**

As an employee of Amyris, you will be subject to, and expected to comply with its policies and procedures, personnel and otherwise, as such policies are developed and communicated to you.

9. **"At-Will" Employment**

Subject to the terms of this letter, your employment with Amyris is "at-will". This means that it is not for any specified period of time and can be terminated by you or by Amyris at any time, with or without advance notice, and for any or no particular reason or cause. It also means that your job duties, title and responsibility and reporting level, compensation and benefits, as well as Amyris' personnel policies and procedures, may be changed at any time in the sole discretion of Amyris. However, the "at-will" nature of your employment shall remain unchanged during your tenure as an employee of Amyris and may not be changed, except in an express writing signed by you and by Amyris' Chief Executive Officer.

10. **Full-Time Service to Amyris**

Amyris requires that, as a full-time employee, you devote your full business time, attention, skills and efforts to the tasks and duties of your position as assigned by Amyris. If you wish to request consent to

provide services (for any or no form of compensation) to any other person or business entity while employed by Amyris, you must first receive permission from the Chief Executive Officer of Amyris. It is acknowledged that you are currently serving on the Board of Directors of Black Hills Corporation and Amyris hereby consents to the continuation of such service. Amyris will allow you to serve on a maximum of two boards during your tenure as CFO of Amyris, provided that (i) your service as a member of any other boards of directors is subject to pre-approval by the Board of Directors or Nominating and Governance Committee of Amyris, and (ii) you understand and acknowledge that you may be required to resign as a member of a board of directors of another company if the Board of Directors or Nominating and Governance Committee of Amyris determines in its reasonable judgment that continued service on such board of directors creates a conflict of interest with respect to your service as an employee and the Chief Financial Officer of Amyris.

11. **Conditions of Offer**

In order to accept this offer, and for your acceptance to be effective, you must satisfy the following conditions:

- You must provide satisfactory documentary proof of your identity and right to work in the United States of America on your first day of employment.
- You must agree in writing to the terms of the enclosed *Proprietary Information and Inventions Agreement* ("PIIA") without modification.
- You must consent to, and Amyris must obtain satisfactory results from, reference and background checks. Until you have been informed in writing by Amyris that such checks have been completed and the results satisfactory, you may wish to defer reliance on this offer.
- You must agree in writing to the terms of the enclosed *Mutual Agreement to Binding Arbitration* ("Arbitration Agreement") without modification.

By signing and accepting this offer, you represent and warrant that: (i) you are not subject to any pre-existing contractual or other legal obligation with any person or entity that may be an impediment to your employment with, or your providing services to, Amyris as its employee; and (ii) you have not and shall not bring onto Amyris' premises, or use in the course of your employment with Amyris, any confidential or proprietary information of another person or entity to whom you previously provided services.

12. **Tax Compliance**

For purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Code and the regulations thereunder ("Section 409A"). Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with your termination of employment constitute deferred compensation subject to Section 409A, and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the 6-month period measured from your separation from service from Amyris or (ii) the date of your death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. The first payment thereof will include a catch-up payment covering the amount that would have otherwise been paid during the period between your termination of employment and the first payment date but for the application of this provision, and

the balance of the installments (if any) will be payable in accordance with their original schedule. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder comply with Section 409A. To the extent any payment under this Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this Section 13 are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

13. **Entire Agreement**

Provided that the conditions of this offer and your acceptance are satisfied, this letter together with the enclosed PIIA and Arbitration Agreement (collectively, the "Offer Documents") shall constitute the full and complete agreement between you and Amyris regarding the terms and conditions of your employment. The Offer Documents cancel, supersede and replace any and all prior negotiations, representations or agreements, written and oral, between you and Amyris or any representative or agent of Amyris regarding any aspect of your employment. Any change to the terms of your employment with Amyris, as set forth in this letter, must be in an individualized writing to you, signed by the Chief Executive Officer of Amyris to be effective.

Please confirm your acceptance of this offer by signing and returning the enclosed copy of this letter as well as the PIIA and Arbitration Agreement to me by April 2, 2012. If not accepted by you as of that date, this offer will expire. We look forward to having you join Amyris. If you have any questions, please do not hesitate to contact me at (510) 740-7440.

Sincerely,

/s/ John G. Melo

John G. Melo
Chief Executive Officer

I HAVE READ AND ACCEPT THIS EMPLOYMENT OFFER:

/s/ Steven R. Mills — March 23, 2012
Steven R. Mills — Date

Enclosures

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 THE SUPPLY OF SUGARCANE JUICE AND OTHER UTILITIES

By this private instrument,

AMYRIS BRASIL S.A., a corporation with head office in the City of Campinas, State of São Paulo, at Rua James Clerk Maxwell, 315, Techno Park, Corporate Taxpayer Enrollment Number CNPJ/MF No. 09.379.224.0001/20, herein represented in accordance with its Bylaws and hereinafter simply referred to as "**Amyris**" or "**Party**"; and

PARAÍSO BIONERGIA S.A., a corporation with head office at Rodovia Brotas/Torrinha, km 7.5, Fazenda Paraíso, in the City of Brotas, State of São Paulo, Corporate Taxpayer Enrollment Number CNPJ/MF No. 46.363.016/0001-60, herein represented in accordance with its Bylaws and hereinafter simply referred to as "**Paraíso**" or "**Party**".

WHEREAS:

(A) Amyris and its controlling company Amyris, Inc. operate in the research, development, and sale of fuel and high-performance renewable chemicals and have developed a microbial technology to convert sugars into these products ("Amyris Technology");

(B) The products manufactured by Amyris include Amyris Biofene™, the renewable farnesene produced using Amyris Technology ("Biofene");

(C) Amyris wishes to install a Biofene plant in an area adjacent to the facilities of Paraíso ("Amyris Biorefinery");

(D) Amyris wishes to purchase from Paraíso sugarcane juice ("Juice") to be used as a basic raw material for Biofene production;

(E) In addition to the Juice, Amyris also wishes Paraíso to supply water and low-pressure vapor ("Vapor");

(F) Paraíso is the owner of a sugar and alcohol plant in the City of Brotas, State of São Paulo ("Plant"), and it wishes to supply to Amyris the products and utilities mentioned in items (D) and (E) above, as well as to lease to Amyris a tract of land for installation of Amyris Biorefinery in an area adjacent to its sugar and alcohol plant;

(G) The Parties have reached an agreement on the terms and conditions under which Paraíso wishes to supply and Amyris wishes to purchase Juice and the utilities described in item (E) above;

(H) The Parties agree that Amyris shall send to Paraíso all waste produced by the evaporation and fermentation of Juice for Paraíso to dispose of such waste at its convenience, it being understood that Amyris shall be exempted from any liability with regard to the processing of waste sent to Paraíso;

NOW, THEREFORE, the Parties resolve to execute this Agreement for the Supply of Sugarcane Juice and Other Utilities ("Agreement"), which shall be governed by the following clauses and conditions, which the Parties hereby mutually grant and accept:

CHAPTER I - SUBJECT MATTER

1.1. The subject matter hereof is to regulate the main conditions of supply, by Paraíso to Amyris, during the term of effectiveness hereof, of the following products and utilities required for implementation of Amyris Biorefinery: (i) Juice corresponding to the processing of up to [*] ([*]) tons of sugarcane per year, as specified in Exhibit I; and (ii) water and Vapor in the volumes described in Exhibit I.

1.1.1. Until the annual limit of Juice to be supplied by Paraíso is reached, as provided in Section 1.1 above, Amyris may only purchase sugarcane juice from third parties in the event Paraíso is not able to supply Juice to Amyris, without prejudice to the applicable penalties, as contemplated herein.

1.1.2. After the annual limit of Juice to be supplied by Paraíso is reached, as provided in Section 1.1 above, and should Amyris be interested in acquiring an additional volume of Juice to be used as production input in Amyris Biorefinery, Paraíso shall have preference in the supply of such additional volume of Juice, under the same conditions offered by any third party interested in supplying it. Should

[*] 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.

Paraíso fail to inform in writing that it is interested in supplying the additional volume of Juice required by Amyris within [*] ([*]) [*] after a written notice of Amyris requesting the supply of a volume in excess of the aforementioned annual limit, along with a formal commercial proposal submitted by the third party interested in supplying the Juice, which proposal shall inform the price, form of payment, term for supply and other relevant information relating to the supply of Juice, Amyris may purchase Juice from such supplier under the same terms and conditions contemplated in the respective commercial proposal submitted to Paraíso.

1.1.3. Upon the consent of Paraíso, Amyris may purchase other components with high concentration of sugar to be used in Amyris Biorefinery, as a temporary substitute for or in addition to the Juice, such as dextrose, saccharine sorghum, diluted VHP sugar and others. The Parties hereby agree that Paraíso shall only withhold the consent contemplated in this section if (i) the annual limit contemplated in Section 1.1 has not been reached; or if (ii) [*].

1.1.4. If the limit contemplated in Section 1.1 is not reached and Amyris still wishes to acquire Juice or other component with high concentration of sugar from third parties, Amyris shall be allowed to do it provided it pays to Paraíso the premium agreed in formulas "A" and "B", as applicable. In this case, Paraíso shall authorize the product to be purchased from third parties, except in the event contemplated in item (ii) above.

1.2. The Parties declare that they executed, on the date hereof, a real property lease agreement ("Lease Agreement") by means of which Paraíso leased to Amyris the tract of land where Amyris Biorefinery shall be installed.

1.2.1. Without prejudice to other terms and conditions established in the Lease Agreement, the Parties hereby acknowledge and agree that the necessary improvements carried out by Amyris in the real property contemplated in the Lease Agreement, which shall be understood as improvements required for the proper and actual use of the real property for the purposes for which it has been

[*] 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.

leased, shall be indemnified by Paraíso provided they are informed by Amyris to Paraíso in writing at least [*] ([*]) [*] in advance.

1.2.2. Paraíso shall indemnify Amyris for the valuable improvements, i.e., improvements for the purpose of increasing, improving or facilitating the use of the real property contemplated in the Lease Agreement, provided such improvements are made by Amyris with the prior written consent of Paraíso, in accordance with the terms and conditions established in the Lease Agreement.

1.2.3. Voluntary improvements and those exclusively related to the construction, installation, assembly, operation and maintenance of Amyris Biorefinery or, furthermore, any other improvement in addition to those mentioned in Sections 1.2.1 and 1.2.2 above, shall not be indemnified by Paraíso, except as otherwise agreed between the Parties.

1.2.4. The machines and equipment of Amyris Biorefinery, as agreed between the Parties in due course, may be removed by Amyris upon termination of the Lease Agreement, subject to the conditions established in Section 8.1 below and provided such removal does not affect the structure and substance of the real property.

CHAPTER II - EFFECTIVENESS

2.1. This Agreement shall be effective as from the date of execution hereof, and it shall remain valid and effective for a period of [*] ([*]) [*], provided the events of early termination contemplated in Section 8.1 and the automatic extension of the term of effectiveness hereof upon occurrence of act of God and force majeure events. In case of act of God or force majeure events, effectiveness hereof shall be automatically extended for the term of duration of these events. Should the act of God or force majeure event last longer than [*] ([*]) [*], any of the Parties may request termination hereof by means of written notice to the other Party, without the imposition of any penalty or fine, it being understood that only the amounts owed until then by one of the Parties to the other hereunder, under the Lease Agreement and under other contracts or agreements executed by the Parties shall be owed.

2.2. Extension. Extension of the term of effectiveness hereof shall not be automatic, and it shall depend on the prior written consent of the Parties, except as otherwise provided in Section 2.1 above.

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CHAPTER III - OBLIGATIONS OF PARAÍSO

3.1. Paraíso hereby agrees, on its own account and at its own risk, as follows:

(i) to supply Juice in accordance with the specifications, volume and other conditions established in Exhibit I;

(ii) to supply Vapor and water for operation of Amyris Biorefinery in accordance with the specifications, volume and other conditions established in Exhibit I;

(iii) to properly dispose, at no additional cost to Amyris, of the waste generated from the evaporation, fermentation and purification of Juice as a result of the operation of Amyris Biorefinery and sent to Paraíso by Amyris in the amounts and in accordance with the specifications established in Exhibit II. Paraíso hereby agrees to receive the waste generated in the operation of Amyris Biorefinery and to properly dispose of it, and it hereby further agrees to be liable for such disposal, exempting Amyris from any legal liability, for all legal purposes and effects, provided Amyris observes the specifications, instructions and other conditions for the handling of such waste until it is sent to Paraíso, as established in Exhibit II. Paraíso shall further obtain (if necessary) and maintain the environmental and regulatory licenses required for operation of the Plant, including, without limitation to, the handling and disposal of waste generated from the operation of Amyris Biorefinery sent to it, pursuant to the provisions hereof;

(iv) to deliver the tract of land and rights-of-way required for construction, assembly, operation and maintenance of Amyris Biorefinery and its corresponding facilities, which tract of land and rights-of-way are owned by Paraíso and leased to Amyris;

(v) to supply all documents and to perform all required administrative and legal actions for the purpose of assisting Amyris to comply with all rules, procedures and requirements relating to the establishment of a branch of Amyris on the tract of land leased by Paraíso. Should Paraíso incur costs and expenses to obtain documents or to perform the administrative and legal actions described in this

item, and provided these documents or actions do not result from legal obligations imposed to Paraíso, Paraíso shall give Amyris notice of the need to incur these costs, informing the amount to be disbursed. Should Amyris authorize the disbursement of such funds, it shall reimburse them within five (5) days as of submission of the corresponding proofs of payment and receipts. Such authorization (and consequent disbursement) may not be withheld by Amyris in case the expenses referred to in this item are in accordance with reasonable market prices;

(vi) should Amyris need the supply of a volume of water in excess of the volume established in Exhibit I, Paraíso shall use its best efforts to perform all possible actions to assist Amyris in obtaining the rights required to use an additional volume of water; and

(vii) to assist Amyris in obtaining all environmental and regulatory licenses required for implementation and regular operation of Amyris Biorefinery.

3.2. In the event of alienation of the real property where Amyris Biorefinery is located, Amyris, as lessee, shall have the right of first refusal to acquire such tract of land. Should Amyris fail to exercise its right of first refusal, the new purchaser shall comply with the specific obligations of Paraíso to Amyris under the Lease Agreement. The Parties shall register the Lease Agreement with the competent Real Estate Registry Office for it to produce its regular effects and, notwithstanding the above, Paraíso shall inform the possible purchasers of the existence hereof and of the Lease Agreement, warning them of the need to comply with the obligations contemplated in the Lease Agreement relating to such real property.

CHAPTER IV - OBLIGATIONS OF AMYRIS

4.1. It shall be incumbent upon Amyris:

4.1.1. During the Implementation Phase of Amyris Biorefinery:

(i) to obtain the construction, implementation and operating licenses of Amyris Biorefinery; and

(ii) to provide the required connections so as to allow the Juice to be directly supplied to Amyris Biorefinery and the waste to be directly sent to the Plant, incurring the resulting costs.

4.1.2 During the Operational Phase:

(i) to maintain in force all licenses and authorizations required for conduction of its activities, especially those required for the construction, installation and operation of Amyris Biorefinery;

(ii) to timely pay all invoices issued in accordance with this Agreement for collection of the price to be paid for the Juice and other utilities supplied hereunder, in accordance with the payment conditions established in Section 7.2; and

(iii) to return to Paraíso the waste generated from operation of Amyris Biorefinery, pursuant to the specifications and volumes informed in Exhibit II.

CHAPTER V - MUTUAL OBLIGATIONS

5.1 At any time as of commencement of effectiveness hereof , any of the Parties shall (i) inform the other Party within at most [*] ([*]) [*] after it becomes aware of or receives any summons, subpoena, judicial, extrajudicial or administrative notice that may result in an obligation to indemnify of any of the Parties, as provided herein, or which could otherwise directly or indirectly affect the implementation, construction or operation of Amyris Biorefinery, including governmental requirements and orders, examinations, inspections, evaluations, audits, legal actions, among others, it being understood that such Party shall immediately provide the other Party with a copy of such documents and inform it of the measures already adopted; and (ii) immediately inform the other Party of any threatened or actual event that could interfere in, delay, prevent or stop, for any reason, the implementation, construction, commissioning and operation of Amyris Biorefinery, as well as adopt and suggest measures for resolution thereof.

5.2 It shall be further incumbent upon the Parties:

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(i) to be liable for its employees or employees of its subcontractors, including, as the case may be, for all costs, taxes and contributions directly or indirectly owed as a result of their respective activities, such as: social, labor, social security and insurance charges, taxes, fees, emoluments and tax or social insurance contributions, premium pay for dangerous work and others, as required in accordance with their functions;

(ii) to provide, for control and verification purposes, any documents that prove the existence and compliance with contractual, labor, social security, tax, social, severance guarantee fund and other legal obligations, including, without limitation to, Debt Clearance Certificates (Brazilian Social Security Institute, or INSS) and Tax Clearance Certificate (CRF) of its employees or employees of its contractors, should this be the case, used in its activities;

(iii) to be liable for any and all legal actions, claims, or complaints brought by its employees, representatives and/or contractors relating to its activities, being liable for any lien the other Party may incur during effectiveness hereof as a result of such actions, claims, or complaints.

5.3. Default. In the event of failure to comply with the obligations contemplated herein or in the Lease Agreement and provided no penalty is contemplated in the other agreements, the innocent Party shall give the defaulting Party notice of such default. Should such default not be cured within [*] ([*]) [*] after the notice of default is sent, the defaulting Party shall be subject to a daily pecuniary fine equivalent to [*] Brazilian Reais (R$[*]) from the date on which the default is verified to the date it is cured, without prejudice to the right to terminate this agreement pursuant to the provisions of Section 8.1, as well as to the exercise of other rights contemplated in such instruments.

5.4. Obligation to Indemnify. Each Party (hereinafter referred to as "Indemnifying Party") assumes the obligation to fully and unconditionally indemnify the other Party (hereinafter referred to as "Indemnified Party"), without any limitation relating to time and amount, for:

(i) the provision of false, inaccurate or insufficient representations and warranties or the breach or violation of representations and warranties provided herein, especially those provided in Chapter VI, or

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the provision of false, inaccurate or incomplete representations during the phases preceding execution hereof;

(ii) any and all direct and actual damages, it being understood that neither Party shall be held liable for indirect Damages, loss of income, and ceasing profits of the Indemnified Party which result from breach of or noncompliance, by the Indemnifying Party, with any of its duties or obligations contemplated herein;

(iii) any and all losses or damages of any amount relating to liabilities or contingencies of any kind related hereto and which have been caused by fault or malice of the Indemnifying Party, including, without limitation to, any labor, social security, tax, civil, commercial, environmental, regulatory or any other liability or contingency of any kind (the losses and damages described in this item and in items (i) and (iii) above are hereinafter collectively referred to as "Losses").

5.5. Payment. Any and all amounts resulting from the provisions of Section 5.4 owed by one of the Parties to the other shall be paid within at most [*] ([*] [*] as from the date of receipt, by the nonperforming Party, of a collection notice to be sent by the aggrieved Party.

CHAPTER VI - REPRESENTATIONS AND WARRANTIES OF THE PARTIES

6.1 Representations and Warranties of the Parties. Each Party hereby represents and warrants the following to the other Party:

(i) each Party is a company duly organized and validly existing in accordance with the applicable law, and it has the power and authority to conduct its business, hold and dispose of its properties, execute this instrument and comply with the obligations contemplated herein;

(ii) execution hereof and compliance with the obligations contemplated herein have been duly authorized and approved by all required corporate actions and do not require any approval or consent of any other person, including spouses, or any governmental authorization that has still not been obtained and which is in full force and effect;

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(iii) except for [*], and to the best knowledge of the Parties, there is no actual or threatened action or proceeding in progress before any court, governmental authority or arbitrator which can be reasonably expected to significantly and adversely affect the financial condition or operations of the Parties, or their ability to comply with their obligations hereunder or, furthermore, able to affect the legality, validity or enforceability of said obligations.

6.2. Representations and warranties of Paraíso:

(i) Liability for Environmental Contingencies. Paraíso ensures that it is in compliance with any and all laws applicable to its business, especially the applicable environmental law, and that it is not aware of any fact that may result in Losses, damages or environmental liabilities, or which may affect the continuity, existence, formation, validity and effectiveness hereof;

(i i) Noncompliance with the Environmental Law. Should the existence of any environmental liability, nonconformity or noncompliance with the environmental law be detected with regard to the period preceding commencement of implementation and construction of Amyris Biorefinery, or during the period of implementation, commissioning and operation of Amyris Biorefinery and which, in this latter case, is proven to be exclusively attributable to Paraíso and to affect regular compliance with this Agreement, Paraíso shall be solely and fully liable for all expenses for immediate remediation of the affected area and/or for the illegality, as well as for any order and notification issued by a governmental authority and for any Losses caused to Amyris. Paraíso shall immediately perform all required actions, including judicial and/or extrajudicial actions, for the implementation, construction, commissioning or operation of Amyris Biorefinery not to be interrupted, performing all required actions to cease he interruption as soon as possible in case such interruption is inevitable. Should Paraíso fail to adopt the required measures or to perform the required actions as mentioned above, Amyris may adopt the required measures and perform the required actions, and Paraíso hereby agrees to reimburse all expenses or amounts spent by Amyris in this regard within [*] ([*]) [*] as of the issuance of a notice, which shall be accompanied by the corresponding proofs of payment and receipts.

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(iv) Compliance with the [*]. Paraíso represents and warrants to Amyris that execution hereof does neither violate the [*]. Paraíso has adopted and shall adopt all measures to, should it be required to do it under [*].

6.3. Amyris, in turn, agrees, during implementation, construction, commissioning, operation and/or disassembly of Amyris Biorefinery, to fully comply with all environmental obligations contemplated in the environmental laws and regulations currently in force and which may be created, enacted and/or published, as well as to promptly comply with all environmental orders issued by any public authority, being liable for the damages proved to have been caused by it to the real property and to Paraíso during installation of Amyris Biorefinery and during effectiveness hereof and/or of the Lease Agreement.

6.4. The Parties' liability to indemnify the other Party for damages caused to the latter in view of the failure to comply with the environmental law and related rules, as provided in Section 6.2, item (ii) and in Section 6.3, shall remain in full force for an indefinite term, even after termination or rescission hereof.

CHAPTER VII - MECHANISMS FOR REQUESTS AND SUPPLIES, PRICE AND PENALTIES FOR FAILURE TO SUPPLY

7.1. Mechanism for requests and supplies:

7.1.1. As from the month in which Amyris Biorefinery starts operations, on the [*] day of each [*], Amyris shall establish the volume and weekly schedule of delivery of Juice for the following [*], subject to the maximum annual limit contemplated in Section 1.1 above. Amyris shall issue an order for each request for the supply of Juice hereunder. Such order may be formalized by email or fax with transmission confirmation, and it shall mention the volume of each lot (understood as the volume of Juice supplied per week).

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7.1.2. The weekly schedule and the volume of Juice may be changed at the sole discretion of Amyris, provided Amyris informs Paraíso [*] ([*]) [*] before the estimated date of supply of new volumes of Juice.

7.1.3. Paraíso shall supply the Juice in accordance with technical specifications approved by the Parties and duly explained in Exhibit I. The proportion of water and Vapor to be supplied by Paraíso for each cubic meter of Juice delivered is also identified in Exhibit I.

7.1.4. The volume of waste to be sent by Amyris to Paraíso for proper disposal is identified in Exhibit II.

7.1.5. The Parties agree that Paraíso may not supply, on any day, a volume of Juice in excess of the daily capacity of Amyris' evaporators (or fermentators), which corresponds to [*] cubic meters per hour ([*] m^3/hour).

7.1.6. The Parties acknowledge and agree that Paraíso shall only be required to supply Vapor and Juice to Amyris hereunder during sugarcane harvesting.

7.1.7. Notwithstanding the above, Paraíso agrees that Amyris may, should it wish to do so, operate the Biorefinery during the off-season, for which reason it hereby agrees to (i) grant Amyris access to the infrastructure shared by Amyris Biorefinery and Paraíso Plant throughout the year, allowing, among other actions, Amyris Biorefinery to use the water available at the Plant throughout the year, and (ii) use its best efforts to continue supplying Vapor and Juice to Amyris during the sugarcane off-season. For that purpose, Paraíso shall inform Amyris in writing, ideally at least [*] ([*]) [*] before commencement of the off-season period, if it will be able to supply these products to Amyris or not, as well as the conditions under which it intends to do it. Should Amyris accept the conditions for the supply of Juice and Vapor during the off-season period, supply of these utilities shall be subject to the rules contemplated herein, except as otherwise specifically agreed between the Parties for the off-season period.

7.2. Price.

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7.2.1. Amyris shall pay for the Juice, which price includes payment for the Vapor and water supplied proportionally to the Juice delivered (in the proportion and in accordance with the provisions of Exhibit I), the (i) opportunity cost of [*] plus a premium calculated in accordance with formula "A" informed in Exhibit III, or the (ii) opportunity cost of [*] plus a premium calculated in accordance with formula "B" informed in Exhibit III, whichever is lower.

7.2.2. After the price for each ton of Juice supplied is calculated in accordance with the provisions of Section 7.2.2. above, the amount to be monthly paid for the total volume of Juice supplied in a certain month shall be the amount defined in Exhibit IV.

7.2.3. Should Paraíso decide to include [*] in its product portfolio and invest in the Plant for purposes of enabling it to produce [*] in substitution for the production of [*], wholly or in part, the Parties shall renegotiate in good faith the remuneration for the Juice and other utilities supplied, so that the [*] opportunity cost parameters also reflect the opportunity cost of the volume of [*] Paraíso ceases to produce every month as a result of the supply of Juice to Amyris, based on its installed capacity and on the production policy then adopted by Paraíso.

7.2.4. Should, for any reason, the products that are or may be used as a basis to calculate the Price of Juice and other utilities supplied - which are: [*], [*] and [*] - no longer be produced in commercial scale by the usual domestic producers, the Parties shall renegotiate in good faith new parameters to determine the Price of the utilities supplied.

7.2.5. Should macroeconomic circumstances result in an evident economic and financial unbalance in the contractual relationship hereby agreed, the Parties shall negotiate in good faith an adjustment to the nominal price of the premium paid on the [*] price and on the premium paid on the [*] price identified in formulas "A" and "B" of Exhibit III.

7.3. Penalties for Failure to Supply.

7.3.1. Should, in a given month, Paraíso fail to supply [*] percent ([*]%) of the programmed volumes to be supplied, as determined by Amyris pursuant to the provisions of Section

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7.1.1 above, Paraíso shall be subject to a fine corresponding to [*] of Brazilian Real (R$[*]) per volume of Juice that, if processed, would be equivalent to [*] Paraíso failed to supply during such month.

7.3.2. Should the supply of Vapor and water by Paraíso to Amyris be interrupted and should this interruption not be related to the failure to supply Juice as provided in Section 7.3.1 above, Paraíso shall be subject to a fine corresponding to the same amount above per volume of Juice that, if processed, would be equivalent to [*] Amyris has not been able to evaporate or ferment.

7.3.3. Paraíso shall not be held liable under the provisions of Section 7.3.1 above in the event it fails to supply the volume of Juice scheduled for a certain month as a result of weather conditions that impede, delay or in any way affect the production of Juice. In this case, however, Paraíso agrees to give priority to the supply of Juice to Amyris over production of its other products, until the volume of Juice requested by Amyris for the month in which the Juice has not been duly supplied is reached, subject to the maximum volumes of supply of Juice described in Section 7.1.5, as well as to the limits and other obligations of Paraíso relating to the production of other products as a result of [*].

7.3.4. The fines contemplated in Sections 7.3.1 and 7.3.2 shall be applied without prejudice to the possibility of early termination hereof, pursuant to the provisions of Section 8.1 below, or to the claim for damages hereby agreed.

7.4. Payment Conditions.

7.4.1. By the [*] ([*]) [*] of the [*] following the [*] of supply of Juice, Paraíso shall issue an invoice relating to the volume consumed in the preceding month. Amyris shall pay Paraíso within [*] as from the date of receipt of the corresponding invoice.

7.4.2. In the event of late payment of the invoices issued by Paraíso under Section 7.4.1 above, Amyris shall be subject to payment of default interest of [*] percent ([*]%) per [*] or fraction thereof, as well as to inflation adjustment based on the [*], or [*],

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applicable on the outstanding amount from the maturity date of the corresponding invoice to the date of actual payment, without prejudice to other penalties contemplated herein.

7.4.3. Except in the event of lack of supply or of proof of supply of Juice, water and Vapor by Paraíso in noncompliance with the specifications and conditions contemplated in Exhibit I, should Amyris fail to pay the amounts owed to Paraíso in accordance with the terms and conditions contemplated in Sections 7.4.1 and 7.4.2 above within [*] ([*]) [*] as from the maturity date of any invoice issued by Paraíso, Paraíso may (i) suspend the supply of Juice, Vapor and water until all amounts owed by Amyris to Paraíso hereunder are paid; or (ii) decide to continue supplying such products and impose the daily fine contemplated in Section 5.3 above; or also (iii) terminate this Agreement in accordance with the provisions of Section 8.1 below, without prejudice to the right to charge, by the appropriate legal means, the amount of the outstanding invoices, in addition to the corresponding contractual and legal charges.

7.5. Measurement. Measurement of the volume and quality of Juice and utilities supplied by Paraíso to Amyris, and of the volume of waste sent to Paraíso, as well as verification of compliance thereof with the specifications contemplated herein, shall follow the rules and procedures contemplated in Exhibit V.

CHAPTER VIII - EARLY TERMINATION; REIMBURSEMENT FOR LOSSES

8.1. Events. This Agreement may be terminated by operation of law before the end of the term of effectiveness contemplated in Section 2.1 in the following events:

(i) by any of the Parties, if for any reason beyond the control of the Parties the licenses required for construction, installation and operation of Amyris Biorefinery are not granted;

(ii) by the aggrieved Party, in the event of noncompliance with any obligation contemplated herein which is not cured within [*] ([*]) [*] as from receipt of a notice from the aggrieved Party;

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(iii) by the other Party, in the event any of the representations and warranties provided by the Parties in Chapter VI loses, wholly or in part, truth and validity with regard to the Party that has provided it;

(iv) by any of the Parties, in the event any applicable law is enacted or any final court order is published and such law or court order provenly renders completion of the activities contemplated herein impossible or economically unviable;

(v) by the other Party, in the event any of the Parties undergoes liquidation, is declared bankrupt, files a petition in bankruptcy, adopts a full or partial liquidation plan, promotes its own dissolution, files for judicial reorganization or enters into an agreement with creditors (except for the [*]), or enters into a transaction involving its merger or consolidation, capitalization, reclassification, restructuring or other reorganization exclusively for a purpose corresponding to the submission of a plan for judicial reorganization or agreement with creditors, or private agreement, pursuant to the provisions of or under Brazilian Federal Law No. 11101/2005;

(vi) if, until Amyris Biorefinery starts operations and for reasons beyond the control of the Parties, Amyris is not able to guarantee, by means of agreements with third parties, or on its own account, the supply of a sufficient volume of utilities required for operation of Amyris Biorefinery, in which case neither the claim for damages contemplated in Section 8.2 nor any other penalty shall apply.

8.2. Reimbursement for Losses resulting from Early Termination. The Party responsible for early termination hereof, by negligence or malice, shall be subject to payment of the amount corresponding to the Losses incurred by the other Party and any possible penalties contemplated herein or in other instruments executed between the Parties, which payment shall be made within at most [*] ([*]) [*] as from receipt of a notice by the defaulting Party.

8.3. Removal of assets. At the end of the term of effectiveness hereof or upon termination of the Agreement in accordance with the provisions of Section 8.1 above, by Amyris' fault, the Lease Agreement shall also be terminated and Amyris may remove from the leased area any and all equipment it has installed therein for purposes of assembling Amyris Biorefinery. Amyris shall pay the rent agreed

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under the Lease Agreement for a reasonable term, as required for complete removal of the assets owned by Amyris, as well as all costs and expenses incurred for removal of these assets.

8.3.1. Amyris shall be solely and exclusively liable for and it shall observe all procedures, conditions and cautions contemplated in the environmental law for removal of any equipment, product or material during disassembly of Amyris Biorefinery.

CHAPTER IX - FUTURE BUSINESS OPPORTUNITIES

9.1. Expansion of Amyris Biorefinery. After Amyris Biorefinery starts operations and should Amyris wish to increase the production capacity of the plant, Paraíso shall have an option to invest in the increase in the production capacity of Amyris Biorefinery. Should the investment involved in the option contemplated in this section be represented by the purchase of capital stock of the company holding Amyris Biorefinery's business, the direct interest to be held by Paraíso in the voting stock of such company shall not exceed [*] percent ([*]%).

9.2. The Parties agree to study and negotiate in good faith the interest to be held by Paraíso in Amyris Biorefinery, especially the terms and conditions applicable to the structure, corporate governance, profit distribution, rights of first refusal and other matters of interest to the Parties.

9.3. The Parties hereby agree that the rights to sell Biofene, as well as any other product manufactured using Amyris Technology, shall be owned at all times by Amyris and/or its controlling company Amyris Inc., as the case may be, regardless of the transaction to be carried out between the Parties under Sections 9.1 and 9.2 above.

9.4. Amyris' interest in increasing the production capacity of Amyris Biorefinery shall be informed in writing to Paraíso at least [*] ([*]) [*] before the scheduled date for such increase, and the applicable notice shall inform the amount of the investment, the term for contribution of funds, a description of the assets and services for which the investment will be used and other relevant conditions ("Terms of Investment"). Should the amount involved in the option contemplated in this Chapter IX be invested in the purchase of equity interest in the company holding Amyris Biorefinery's

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business, the amount to be invested by Paraíso in the increase in the production capacity of Amyris Biorefinery shall be fully invested in the subscription and payment of new common shares or units of capital issued by the company holding Amyris Biorefinery's business ("Amyris SPE"). The Parties agree that subject to the restriction mentioned in Section 9.1 above, the subscription price relating to the units of capital or shares issued by Amyris SPE shall be determined on the basis of similar criteria to those adopted for capitalization, either in cash or by means of the contribution of assets of Amyris Biorefinery carried out by Amyris in such company, thus preventing Paraíso's investment in Amyris SPE from resulting in an interest manifestly disproportional to the capital invested by it vis-à-vis the amount contributed by Amyris.

9.5. The Parties acknowledge and agree that, should Paraíso exercise the option to invest in the expansion of the production capacity of Amyris Biorefinery, the contributed amounts shall be wholly used for the purchase of equipment, machines and other assets, formation of working capital, as well as in the engagement of services and lease of goods exclusively required for expansion of the production capacity of Amyris Biorefinery or for the creation of reserves duly approved by Paraíso.

CHAPTER X - CONFLICT RESOLUTION

10.1. Negotiation between the Parties. The Parties shall use their best efforts to try to amicably resolve all conflicts resulting herefrom. In the event of any conflict, the Party interested in resolution thereof shall give the other Party written notice of its interest to conduct amicable negotiations in good faith, in order to resolve the conflict within [*] ([*]) [*] as from receipt of the notice.

10.2. Arbitration. Should the Parties fail to reach an amicable agreement with regard to the conflict after the end of the term referred to in Section 10.1 above, any and all doubts, matters and conflicts in general relating hereto shall be resolved by arbitration, in accordance with the Conciliation and Arbitration Rules of the Brazil-Canada Chamber of Commerce, in a proceeding to be conducted by the Brazil-Canada Chamber of Commerce, except for the situations involving failure to comply with obligations to pay net and certain amounts, which may be charged by means of a process of execution.

10.3. Additional Rules. The provisions of Law No. 9307/1996 shall apply whenever the procedural rules of the Brazil-Canada Chamber of Commerce are silent with regard to any procedural aspect.

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10.4. Jurisdiction of the Arbitral Tribunal. The Arbitral Tribunal shall be entitled to resolve any conflicts relating to the dispute, including incidental, provisional, coercive or interlocutory conflicts, it being understood that the arbitrators may not decide in equity.

10.5. Composition of the Arbitral Tribunal. The Arbitral Tribunal shall be composed of three (3) arbitrators, one of whom shall be appointed by Amyris, other by Paraíso and the third, who shall chair the Arbitral Tribunal, shall be appointed by the arbitrators designated by the Parties. Should the arbitrators appointed by the Parties fail to reach an agreement with regard to the third arbitrator, such arbitrator shall be designated in accordance with the rules of the Brazil-Canada Chamber of Commerce, within at most [*] ([*]) [*] as of the date of such deadlock.

10.6. Place of Arbitration. Arbitration shall be conducted in Portuguese in the City of São Paulo, Brazil. The arbitration award shall be issued in the City of São Paulo.

10.7. Confidentiality. The arbitration proceedings, as well as the documents and information submitted to arbitration, shall be granted confidential treatment in accordance with the provisions of Sections 11.9 through 11.12 hereof.

10.8. Enforcement of the Arbitration Award. The arbitration award to be issued by the Arbitral Tribunal may be submitted to any court empowered to order enforcement thereof, which court order shall be final and binding with regard to the merits thereof and which shall be binding upon the Parties, which hereby expressly waive any appeal.

10.9. Resort to the Courts. Notwithstanding the provisions of this Chapter IX, each Party reserves the right to resort to the Judiciary for purposes of (a) ensuring commencement of arbitration proceedings, (b) obtaining provisional remedies to protect rights before commencement of arbitration, it being understood that no such proceeding shall be deemed a waiver of arbitration as the sole form of conflict resolution chosen by the Parties, (c) enforcing any decision of the Arbitral Tribunal, including, without limitation to, the arbitration award, and (d) claiming, should this be the case, nullity of the arbitration award, as provided by law. Should both Parties resort to the Judiciary, the Parties hereby elect the Court of the Judicial District of Campinas, State of São Paulo, to hear any legal action.

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CHAPTER XI - FINAL PROVISIONS

11.1. Amendment to the Law. Should any law, rule, instruction, executive order or any other legal provision be amended or created, especially, without limitation to, laws, rules, instructions or executive orders contemplating tax or environmental matters, which directly and indirectly excessively affect the economic and financial balance hereof, the Parties shall negotiate in good faith an adjustment to the amounts and terms of this Agreement in order to restore the contractual balance hereof.

11.2. Taxes. All taxes, fees and contributions and other tax, social security labor or environmental duties or charges levied on the operations and obligations assumed herein or resulting herefrom shall be incurred by the Parties in accordance with the provisions of the applicable law.

11.3. Binding Effect. This instrument shall be binding upon the Parties and their successors on any account, pursuant to the provisions of the Applicable Law.

11.4. Entire Agreement. This instrument revokes and supersedes all previous agreements or negotiations of any kind between the Parties.

11.5. Assignment. This instrument may only be assigned by means of the execution of a specific private instrument signed by all Parties.

11.6. Applicable Law. This instrument shall be governed and construed in accordance with the laws of the Federative Republic of Brazil ("Applicable Law").

11.7. Partial Nullity and Omissions. No nullity of any provision hereof or omission relating to any matter relating to the subject matter hereof shall affect the validity of the remaining provisions of this instrument. In these cases, the Parties shall agree on actual solutions most near (in economic terms) to their intent at the moment of execution hereof.

11.8. Notices. All notices addressed in accordance with the provisions hereof shall be in writing and delivered "personally" against receipt provided by the other Party, it being understood that personal

delivery may be replaced by facsimile with acknowledgment of receipt, courier with acknowledgment of receipt or certified mail, return receipt requested, but always to the following addresses and to the attention of the following representatives of the Parties:

If to Amyris:
Attn.: [*]
Rua James Clerk Maxwell, 315, Techno Park
Campinas, São Paulo
Email: [*]

If to Paraíso:
Paraíso Bioenergia S.A.
Attn.: Management
Estrada Brotas Torrinha km 7.5
Brotas
São Paulo

11.9. Confidentiality. Each Party shall grant (and shall ensure that its contractors, subcontractors, consultants and agents, as well as all successors and permitted assignees thereof grant) confidential treatment to all documents and other technical or commercial information, whether oral, written or otherwise, provided to it by the other Party or on its behalf and which relates to this instrument, to any of the transactions or actions contemplated herein, to the business or activities of the other Party or to all information and documents obtained during any inspection conducted in accordance with the provisions hereof. Except as required by the applicable law, none of the Parties shall publish or otherwise disclose or use the aforementioned information for private purposes, except as required for compliance with its obligations hereunder. Should one of the Parties be required by law or regulation to disclose information on this Agreement to investors, creditors and other interested third parties, it shall inform the other Party of the need and intent to disclose such information, and the Parties shall negotiate the time and form of such disclosure in good faith.

11.10. Authorization for Disclosure. Notwithstanding the provisions above, each Party acknowledges and accepts that the aforementioned documents and information may only be disclosed by the Party to

[*] 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.

its affiliates, employees, advisers, consultants, counsel, actual and prospective investors and other third parties upon the express consent of the other Party. In addition, each Party shall inform such affiliates, employees, advisers, consultants, counsel, actual and prospective investors and other third parties of the existence of the confidentiality obligation agreed in Section 10.7 above, ensuring compliance with such provision by these entities or individuals.

11.11. Exceptions. The provisions on confidential information above shall not apply to (a) any information that has entered the public domain otherwise than by breach of this instrument; (b) information that is or comes to be in the possession of the receiving Party before the aforementioned publication and disclosure and that has not been obtained in violation of any confidentiality obligation; or (c) information obtained from third parties the receiving Party believes, after reasonable investigation, were free to disclose it, provided such information has not been obtained by the receiving Party in noncompliance with any confidentiality obligation.

11.12. Survival of the Confidentiality Obligation. The provisions relating to Sections 11.9 and 11.10 shall survive termination hereof, and they shall, however, expire and lose effectiveness [*] ([*]) [*] after the end of the Term of Effectiveness, except with regard to information on the business and activities of each Party, which shall remain protected by the confidentiality obligation regardless of the term mentioned in this Section.

11.13. Forbearance. No forbearance of the Parties with regard to compliance with obligations of the other Party or with regard to the regular and timely exercise of their rights shall constitute a desistence of, amendment to, modification, waiver or novation of any of the rights hereby established, contemplated and agreed.

11.14. No Representation. None of the Parties or their agents, employees, contractors or representatives:

(i) shall be deemed, for any reason, agents, employees or representatives of the other Party;

(ii) shall have authority to enter into any agreement or commitment or to assume any liability or obligation on behalf of the other Party; or

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(iii) shall represent third parties that have any right against the other Party.

11.15. Inexistence of Employment and Corporate Relationship. This agreement does not create any employment relationship between the employees and representatives of Amyris and Paraíso. In addition, this instrument does neither create nor can be deemed to create any agency, representation or corporate relationship or association between the Parties.

11.16. No Joint or Subsidiary Tax Liability between the Parties. Each Party shall be individually and exclusively liable for payment of all taxes required by the tax law, and each Party shall file all tax returns and make all required registrations, so as to comply with all its obligations to the tax authorities, without any joint or subsidiary liability.

11.17. Wording. The references contained herein only refer to the Chapters, Sections and Exhibits hereto, except as otherwise expressly indicated.

11.18. Captions and Headings. The captions and headings are merely indicative and do not serve the purpose of limiting rights or changing definitions expressly adopted herein.

11.19. Specific Performance. Subject to the provisions of Chapter IX, this instrument grants the Parties the right to seek, as established in the Brazilian Code of Civil Procedure, specific performance of the obligations contemplated herein.

11.20. Amendments. This instrument may only be amended by means of a written instrument signed by both Parties.

IN WITNESS WHEREOF, the Parties execute this AGREEMENT FOR THE SUPPLY OF SUGARCANE JUICE AND OTHER UTILITIES in three (3) counterparts of equal contents and form, in the presence of the undersigned witnesses.

São Paulo, March 18, 2011

AMYRIS BRASIL S.A.

/s/ Roel Win Collier
Name: Roel Win Collier
Title:

_____
Name:
Title:

PARAÍSO BIOENERGIA S.A.

/s/ Dario Costa Gaeta
Name: Dario Costa Gaeta
Title: Chief Executive Officer

_____
Name:
Title:

_____
Name:
Title:

Witnesses:

1. /s/ Gabriel Mundim
Name: Gabriel Mundim
ID: [*]
CPF/MF: [*]

/s/ Isadora Chansky Cohen
Isadora Chansky Cohen
ID: [*]
CPF/MF: [*]

[Signature page of the Agreement for the Supply of Sugarcane Juice and Other Utilities executed on March 18, 2011 by and between Amyris Brasil S.A. and Paraíso Bioenergia S.A.]

[*] 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 I: JUICE, VAPOR AND WATER SPECIFICATIONS

Clarified and filtered sugarcane juice

1.1 Juice specifications

parameters	Amounts
Brix	[*]
Insoluble solids	[*]
Sulfite	[*]
[*]	[*]
[*]	[*]
[*]	[*]
[*]	[*]

1.2. References for analysis

- Brix - analysis by the [*] method [*]
- Insoluble solids - methodology according to [*]
- Sulfite - [*] method, according to: [*]

[*] 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.

- Microorganisms Count - methodology pursuant to [*]

- Pol - Polarity (Sucrose Concentration), pursuant to [*]

- AR - Reducing Sugars, according to [*], pursuant to [*]

1.3. Determination of Juice quality parameters

1.3.1. Composite sampling

- **Amyris** and **Paraíso** shall install composite sampling systems at the appropriate places of the transfer line. [*]

- [*]

- [*]

- [*]

[*] 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.

- [*]
- [*]
- [*]
- [*]

1.4. Pol and AR (Reducing Sugars) analyses for ART determination

- method: Pol - Polarity (Sucrose Concentration), pursuant to item 1.2
- laboratory equipment to be used: [*]
- AR method pursuant to item 1.2
- laboratory equipment to be used: [*]

1.5. Formula to calculate ART in the juice

[*]

[*] 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.

[*]

1.6. Interlaboratory operationality

- [*]
- [*]
- [*]
- [*]
- [*]

[*] 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.

- [*]
- [*]
- [*]

2. [*] vapor with the following characteristics

2.1. Specification:

[*]

2.2. Amounts:

[*]

3. Process water with the following characteristics

3.1. Specification:

pH: [*]
Chlorides: [*]
Hardness: [*]
Sulfites: [*]

[*] 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.

Silica: [*]

Suspended solids: [*]

3.2. Volumes:

[*]

4. Water for [*]

[*]

4.1. Volumes:

[*]

[*] 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 II: WASTE SPECIFICATIONS - EFFLUENTS AND VINASSE

1) Vinasse with the following characteristics:

Characterization - typical amounts:

potassium: [*]

farnesene: [*]

Volumes:

[*]

2) Wastewater with the following characteristics:

Characterization - typical amounts:

pH: [*]

DQO: [*]

[*]

Volumes:

[*]

3) Condensed Water with the following characteristics:

Characterization - typical amounts:

[*]

Volumes:

[*]

4) Water from [*]

Volumes:

[*]

[*] 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 III: DETERMINATION OF THE PRICE OF JUICE

A)

(i) The price of Juice is calculated based on the opportunity cost of [*] plus a premium, using the following formula:

[*]

Where,

(i) [*]

(ii) [*]

(iii) [*]

(iv) [*]

or

B)

Juice Price (R$/ton) = [*]

[*] 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.

(i) [*]

(ii) [*]

(vii) [*]

(viii) [*]

[*] 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 IV: CALCULATION OF THE MONTHLY AMOUNT TO BE PAID FOR THE TOTAL VOLUME OF JUICE SUPPLIED EVERY MONTH

MonthlyAmount = [(Juice Price) x Q] [*]

Where,

MonthlyAmount = amount to be paid for the total volume of Juice supplied in the corresponding month (R$);

Juice Price = the lower amount resulting from calculation of the price of Juice by means of application of formulas “A” and “B” of Exhibit III (R$);

Q = volume of juice supplied in the corresponding month (t)

[*]

[*] 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 V - MEASUREMENT

1. Juice rate measurement

1.1. All volumes of juice shall be measured in tons.

1.2. The following resources and criteria shall be taken into consideration to control the transfer of juice by pipes from **PARAÍSO** factory to **AMYRIS** evaporation unit.

1.2.1. **PARAÍSO** and **AMYRIS** shall install [*]

1.2.2. [*]

1.2.3. [*]

1.2.4. [*]

1.2.5. [*]

1.2.6. In order to guarantee a precise measurement, [*]

[*] 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.

1.2.6.1. [*]

1.2.6.2. [*]

1.2.7. [*]

1.2.8. [*]

1.2.9. [*]

1.2.9.1. [*]

[*] 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.

1.2.10 [*]

2. Vinasse flow metering

2.1. All volumes of vinasse shall be measured in cubic meters.

2.2. The following resources and criteria shall be taken into consideration to control the transfer of vinasse by pipes from **AMYRIS** to the point of receipt of vinasse of **PARAÍSO**.

2.2.1. [*]

[*] 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.

Exhibit 31.01

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 Quarterly Report on Form 10-Q 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: May 9, 2012

/s/ JOHN MELO

John Melo

President and Chief Executive Officer

Exhibit 31.02

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO RULE 13a-14(c) and 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

I, Steven R. Mills, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: May 9, 2012

/s/ STEVEN R. MILLS

Steven R. Mills

Chief Financial Officer

Exhibit 32.01

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 Quarterly Report of Amyris, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2012, 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 Quarterly Report of the Company on Form 10-Q for the quarterly period ended March 31, 2012 (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: May 9, 2012

/s/ JOHN MELO

John Melo
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.02

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 Quarterly Report of Amyris, Inc. (the "Company") on Form 10-Q for the quarterly period ended March 31, 2012, as filed with the Securities and Exchange Commission on the date hereof, I, Steven R. Mills, 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 Quarterly Report of the Company on Form 10-Q for the quarterly period ended March 31, 2012 (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: May 9, 2012

/s/ STEVEN R. MILLS
Steven R. Mills
Chief Financial Officer
(Principal Financial Officer)