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 June 30, 2013
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 August 2, 2013**
Common Stock, $0.0001 par value per share	76,191,175 shares

AMYRIS, INC.
QUARTERLY REPORT ON FORM 10-Q
For the Quarterly Period Ended June 30, 2013

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PART I

ITEM 1. FINANCIAL STATEMENTS

Amyris, Inc.

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

	June 30, 2013	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 11,503	$ 30,592
Short-term investments	1,412	97
Accounts receivable, net of allowance of $481 as of June 30, 2013 and December 31, 2012	7,268	3,846
Inventories, net	4,065	6,034
Prepaid expenses and other current assets	7,136	8,925
Total current assets	31,384	49,494
Property, plant and equipment, net	144,141	163,121
Restricted cash	956	955
Other assets	17,234	20,112
Goodwill and intangible assets	9,120	9,152
Total assets	$ 202,835	$ 242,834
Liabilities and Equity		
Current liabilities:		
Accounts payable	$ 8,889	$ 15,392
Deferred revenue	7,637	1,333
Accrued and other current liabilities	22,745	24,410
Capital lease obligation, current portion	1,014	1,366
Debt, current portion	4,959	3,325
Total current liabilities	45,244	45,826
Capital lease obligation, net of current portion	728	1,244
Long-term debt, net of current portion	56,651	61,806
Related party debt	45,572	39,033
Deferred rent, net of current portion	9,976	8,508
Deferred revenue, net of current portion	6,500	4,255
Other liabilities	17,889	15,933
Total liabilities	182,560	176,605
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, 200,000,000 and 100,000,000 shares authorized as of June 30, 2013 and December 31, 2012, respectively; 76,177,691 and 68,709,660 shares issued and outstanding as of June 30, 2013 and December 31, 2012, respectively	8	7
Additional paid-in capital	695,538	666,233
Accumulated other comprehensive loss	(16,892)	(12,807)
Accumulated deficit	(657,817)	(586,327)
Total Amyris, Inc. stockholders' equity	20,837	67,106
Noncontrolling interest	(562)	(877)
Total stockholders' equity	20,275	66,229
Total liabilities and stockholders' equity	$ 202,835	$ 242,834

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 June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Revenues				
Product sales	$ 4,185	$ 15,580	$ 7,168	$ 41,887
Grants and collaborations revenue	6,664	3,683	11,550	6,845
Total revenues	10,849	19,263	18,718	48,732
Cost and operating expenses				
Cost of products sold	8,853	23,636	17,813	67,447
Loss on purchase commitments and write off of production assets	8,423	—	8,423	36,652
Research and development	13,992	18,500	29,746	39,844
Sales, general and administrative	14,718	22,231	29,545	43,946
Total cost and operating expenses	45,986	64,367	85,527	187,889
Loss from operations	(35,137)	(45,104)	(66,809)	(139,157)
Other income (expense):				
Interest income	57	503	93	1,109
Interest expense	(1,558)	(1,260)	(3,120)	(2,314)
Other expense, net	(2,030)	(1,025)	(911)	(1,176)
Total other expense	(3,531)	(1,782)	(3,938)	(2,381)
Loss before income taxes	(38,668)	(46,886)	(70,747)	(141,538)
Provision for income taxes	(246)	(249)	(482)	(493)
Net loss	$ (38,914)	$ (47,135)	(71,229)	(142,031)
Net (income) loss attributable to noncontrolling interest	38	329	(261)	677
Net loss attributable to Amyris, Inc. common stockholders	$ (38,876)	$ (46,806)	(71,490)	(141,354)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.51)	$ (0.81)	(0.96)	(2.63)
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	75,959,228	57,442,834	74,640,314	53,828,541

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 June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Comprehensive loss:				
Net loss	$ (38,914)	$ (47,135)	$ (71,229)	$ (142,031)
Foreign currency translation adjustment, net of tax	(4,742)	(7,407)	(4,031)	(5,936)
Total comprehensive loss	(43,656)	(54,542)	(75,260)	(147,967)
Loss (income) attributable to noncontrolling interest	38	329	(261)	677
Foreign currency translation adjustment attributable to noncontrolling interest	(62)	(81)	(54)	(168)
Comprehensive loss attributable to Amyris, Inc.	$ (43,680)	$ (54,294)	$ (75,575)	$ (147,458)

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

Amyris, Inc.

Condensed Consolidated Statements of Stockholders' Equity
(In Thousands, Except Share and Per Share Amounts)
(Unaudited)

	Common Stock						
	Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity
December 31, 2012	**68,709,660**	**$ 7**	**$ 666,233**	**$ (586,327)**	**$ (12,807)**	**$ (877)**	**$ 66,229**
Issuance of common stock upon exercise of stock options, net of restricted stock	475,907	—	736	—	—	—	736
Issuance of common stock in a private placement, net of issuance cost of $39	6,567,299	1	19,960				19,961
Shares issued from restricted stock unit settlement	424,825	—	(569)	—	—	—	(569)
Stock-based compensation	—	—	9,178	—	—	—	9,178
Foreign currency translation adjustment, net of tax	—	—	—	—	(4,085)	54	(4,031)
Net income (loss)	—	—	—	(71,490)	—	261	(71,229)
June 30, 2013	76,177,691	**$ 8**	**$ 695,538**	**$ (657,817)**	**$ (16,892)**	**$ (562)**	**$ 20,275**

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

Amyris, Inc.

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

	Six Months Ended June 30,	
	2013	**2012**
Operating activities		
Net loss	$ (71,229)	$ (142,031)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	8,491	7,507
Loss (gain) on disposal of property, plant and equipment	(38)	181
Stock-based compensation	9,178	15,435
Amortization of debt discount	1,061	—
Provision for doubtful accounts	—	236
Loss on purchase commitments and write-off of production assets	8,423	36,652
Change in fair value of derivative instruments	(719)	1,215
Other noncash expenses	213	185
Changes in assets and liabilities:		
Accounts receivable	(3,467)	3,221
Inventories, net	1,150	130
Prepaid expenses and other assets	1,098	(3,168)
Accounts payable	(1,912)	(9,074)
Accrued and other long-term liabilities and restructuring	(5,619)	(1,220)
Deferred revenue	8,549	(271)
Deferred rent	(447)	(608)
Net cash used in operating activities	(45,268)	(91,610)
Investing activities		
Purchase of short-term investments	(1,763)	(8,239)
Maturities of short-term investments	334	—
Sales of short-term investments	—	16,449
Change in restricted cash	(1)	(953)
Purchase of property, plant and equipment, net of disposals	(3,711)	(43,277)
Deposits on property, plant and equipment	—	(2,088)
Net cash used in investing activities	(5,141)	(38,108)
Financing activities		
Proceeds from issuance of common stock, net of repurchases	167	487
Proceeds from issuance of common stock in private placements, net of issuance costs	19,980	62,582
Principal payments on capital leases	(867)	(2,076)
Proceeds from debt issued	2,645	50,656
Proceeds from debt issued to related party	10,000	—
Principal payments on debt	(1,902)	(9,458)
Net cash provided by financing activities	30,023	102,191
Effect of exchange rate changes on cash and cash equivalents	1,297	(1,112)
Net decrease in cash and cash equivalents	(19,089)	(28,639)
Cash and cash equivalents at beginning of period	30,592	95,703
Cash and cash equivalents at end of period	$ 11,503	$ 67,064

Amyris, Inc.

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

	Six Months Ended June 30,	
	2013	**2012**
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 1,004	$ 1,760
Cash paid for income taxes, net of refunds	$ —	$ —
Supplemental disclosures of noncash investing and financing activities:		
Acquisitions of property, plant and equipment within accounts payable, accrued liabilities and notes payable	$ 307	$ 5,096
Financing of insurance premium under notes payable	$ 147	$ —
Accrued offering cost of common stock in private placement	$ (19)	$ 92
Accrued issuance cost of convertible notes	$ —	$ 40
Long-term deposits used for purchase of property, plant and equipment	$ —	$ 11,052

See the accompanying notes to the 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 renewable hydrocarbon molecule called farnesene (Biofene®), 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 is focused initially on Brazilian sugarcane. 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"). Nearly all of the Company's revenues through 2012 came from the sale of ethanol and reformulated ethanol-blended gasoline with substantially all of the remaining revenues coming from collaborations, government grants and sales of renewable products. In the third quarter of 2012, the Company transitioned out of the ethanol and reformulated ethanol-blended gasoline business. The Company does not expect to be able to replace much of the revenue lost in the near term as a result of this transition, particularly in 2013, while it continues its efforts to establish a renewable products business.

Beginning in March 2012, the Company initiated a plan to shift a portion of its production capacity from contract manufacturing facilities to a Company-owned plant that was then under construction. As a result, the Company evaluated its contract manufacturing agreements and recorded a loss of $30.4 million related to adverse purchase commitments, $10.0 million related to the write-off of facility modification costs and $5.5 million related to Company-owned equipment at contract manufacturing facilities in the year ended December 31, 2012. During the three and six months ended June 30, 2013, the Company recorded an additional loss of $8.4 million, which is included in the loss on purchase commitments and write-off of production assets related to a termination and settlement of an existing agreement with one of its contract manufacturers (see Note 8 Significant Agreements). The Company regularly monitors its plan related to production capacity, sales requirements and related cost structure. Changes to this plan may result in additional losses and impairment charges.

The Company's renewable products business strategy is to focus on the commercialization of specialty products while moving established commodity products into joint venture arrangements with leading 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 (i.e., low per unit production costs). The Company is building its experience producing renewable products at commercial scale. The Company's prospects are subject to risks, expenses and uncertainties frequently encountered by companies in this stage of development.

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, cash contributions from product sales, and with new debt and equity financing. The Company's planned 2013 working capital needs and its planned operating and capital expenditures for 2013 are dependent on significant inflows of cash from existing collaboration partners, as well as additional funding from new collaborations, and a pending convertible debt offering, and may also require additional funding from credit facilities or loans. The Company will continue to need to fund its research and development and related activities and to provide working capital to fund production, storage, distribution and other aspects of its business. The Company's operating plan contemplates capital expenditures of approximately $10.0 million in 2013 and the Company expects to continue to incur costs in connection with its existing contract manufacturing arrangements (see Note 6 Debt and Note 10 Stockholders' Equity).

Liquidity

The Company has incurred significant losses in each year since its inception and believes that it will continue to incur losses and negative cash flow from operations into at least 2014. As of June 30, 2013, the Company had an accumulated deficit of $657.8 million and had cash, cash equivalents and short term investments of $12.9 million. The Company has significant outstanding debt and contractual obligations related to purchase commitments, as well as capital and operating leases. As of June 30, 2013, the Company's debt, net of debt discount, totaled $107.2 million, of which $5.0 million matures within the next twelve months. In addition, the Company's debt agreements contain various covenants, including restrictions on the Company's business that could cause the Company to be at risk of defaults. Please refer to Note 5 Commitments and Contingencies and Note 6 Debt for further details regarding the Company's obligations and commitments.

In March 2013, the Company signed a collaboration agreement with Firmenich that included an annual collaboration funding component, and obtained a commitment letter from an existing stockholder with respect to additional convertible note funding of which $10.0 million was received in the second quarter of 2013 (see Note 8 Significant Agreements and Note 6 Debt), and the Company expects to use amounts received under these arrangements to fund its operations. The Company also received $20.0 million in funding through the sale of a convertible note in private placement under an existing funding agreement with a related party in July 2013 (see Note 17 Subsequent Events). Furthermore, the Company is expecting additional funding in 2013 from collaborations, a pending convertible debt offering, and potentially, other sources. In August 2013, the Company entered into an agreement with certain investors to sell up to $73.1 million in convertible promissory notes in private placements over a period of up to 24 months from the date of signing. This convertible note financing requires the Company to satisfy various conditions before the funding is available, and the offering is divided into two tranches (one for $42.6 million and one for $30.4 million), each with differing closing conditions. Of the total possible purchase price in the financing, $60.0 million would be paid in the form of cash ($35.0 million in the first tranche and up to $25.0 million in the second tranche) and $13.1 million would be paid by cancellation of outstanding promissory notes by an existing stockholder in connection with its exercise of pro rata rights ($7.6 million in the first tranche and $5.4 million in the second tranche). The financing is subject to timing and completion risks, including a requirement that the Company meet certain production milestones before the second tranche is available, and a requirement that the Company obtain stockholder approval prior to completing any closings in the transaction.

Though the Company expects to close its pending convertible note financing in September 2013, if there is any significant delay in such closing, it would likely need to secure additional short-term funding in September 2013. Such short-term funding may not be available on reasonable terms or at all. For example, in order to raise sufficient additional funds, we could be forced to issue further preferred and discounted equity, agree to onerous covenants, grant security interests in our assets, enter into collaboration and licensing arrangements that require us to relinquish commercial rights or grant licenses on terms that are not favorable to us, or any or all of these. If we are unable to secure sufficient short-term funding to bridge our operations to a delayed closing or fail to complete the pending convertible debt financing within the period covered by any such short-term funding, and fail to secure alternative funding to finance our operations, we would be forced to curtail our operations and cease most of our cash expenditures, which would have a material adverse effect on our ability to continue with our business plans and our status as a going concern.

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 Regulation S-X. 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 March 28, 2013. 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.

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 year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by U.S. GAAP. 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.

Recent Accounting Pronouncements

In December 2011, the International Accounting Standards Board ("IASB") and the Financial Accounting Standards Board ("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 International Financial Reporting Standards ("IFRS"). In January 2013, the FASB issued an accounting standard update to limit the scope of the new balance sheet offsetting disclosures to derivative instruments, repurchase agreements, and securities lending transactions to the extent that they are offset in the financial statement or subject to an enforceable master netting arrangement or similar arrangement. While this guidance does not change existing offsetting criteria in U.S. GAAP or the permitted balance sheet presentation for items meeting the criteria, it requires an entity to disclose both net and gross information about assets and liabilities that have been offset and the related arrangements. Required disclosures under this new guidance should be provided retrospectively for all comparative periods presented. This new guidance is effective for fiscal years beginning on or after January 1, 2013, and interim periods within those years, which was the Company's first quarter of fiscal 2013. The adoption of this guidance did not have a material effect on the Company's consolidated financial statements.

In July 2012, the FASB issued an amended accounting standard update to simplify how entities test indefinite-lived intangible assets for impairment which improve consistency in impairment testing requirements among long-lived asset categories. The amended guidance permits an assessment of qualitative factors to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying value. For assets in which this assessment concludes it is more likely than not that the fair value is more than its carrying value, then the amended guidance eliminates the requirement to perform quantitative impairment testing as outlined in the previously issued standards. The amended guidance is effective for fiscal years beginning after September 15, 2012; however, early adoption is permitted. This amended guidance did not have an impact on the Company's consolidated financial statements.

In February 2013, in connection with the accounting standard related to the presentation of the Statement of Comprehensive Income, the FASB issued an accounting standard update to improve the reporting of reclassifications out of accumulated other comprehensive income of various components. This guidance requires companies to present either parenthetically on the face of the financial statements or in the notes, significant amounts reclassified from each component of accumulated other comprehensive income and the income statement line items affected by the reclassification. This standard is effective for interim periods and fiscal years beginning after December 15, 2012, which was the Company's first quarter of fiscal 2013. The adoption of this guidance did not have a material effect on the Company's consolidated financial statements.

In July 2013, the FASB issued a new accounting standard update on the financial statement presentation of unrecognized tax benefits. The new guidance provides that a liability related to an unrecognized tax benefit would be presented as a reduction of a deferred tax asset for a net operating loss carryforward, a similar tax loss or a tax credit carryforward if such settlement is required or expected in the event the uncertain tax position is disallowed. The new guidance becomes effective for the Company on January 1, 2014 and will be applied prospectively to unrecognized tax benefits that exist at the effective date with retrospective applications permitted. The Company is currently assessing the impact of this new guidance.

3. Fair Value of Financial Instruments

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 June 30, 2013, the Company’s financial assets and financial liabilities are presented below at fair value and were classified within the fair value hierarchy as follows (in thousands):

	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Financial Assets				
Money market funds	$ 1,797	$ —	$ —	$ 1,797
Certificates of deposit	1,412	—	—	1,412
Total financial assets	$ 3,209	$ —	$ —	$ 3,209
Financial Liabilities				
Loans payable[1]	$ —	$ 19,841	$ —	$ 19,841
Credit facilities[1]	—	9,124	—	9,124
Convertible notes[1]	—	—	70,185	70,185
Compound embedded derivative liability	—	—	10,012	10,012
Currency interest rate swap derivative liability	—	2,937	—	2,937
Total financial liabilities	$ —	$ 31,902	$ 80,197	$ 112,099

(1) These liabilities are carried on the consolidated balance sheet on a historical cost basis.

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 loans payable, convertible notes, credit facilities and currency interest rate swaps 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 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.

The carrying amounts of certain financial instruments, such as cash equivalents, accounts receivable, accounts payable, accrued liabilities and notes payable, approximate fair value due to their relatively short maturities, and low market interest rates, if applicable. The fair values of the loans payable, convertible notes and credit facilities are based on the present value of expected future cash flows and assumptions about current interest rates and the creditworthiness of the Company.

The following table provides a reconciliation of the beginning and ending balances for the compound embedded derivative liability measured at fair value using significant unobservable inputs (Level 3) (in thousands):

	Compound Embedded Derivative Liability
Balance at December 31, 2012	$ 7,894
Transfers in to Level 3	4,521
Total (gain) losses included in other income (expense), net	(2,403)
Balance at June 30, 2013	$ 10,012

The compound embedded derivative liability, which is included in other liabilities, represents the fair value of the equity conversion option and a "make-whole" provision relating to the outstanding senior unsecured convertible promissory notes issued to Total Energies Nouvelles Activites USA (f.k.a. Total Gas & Power USA SAS) ("Total") (see Note 6 Debt). There is no current observable market for this type of derivative and, as such, the Company determined the fair value of the embedded derivative using a Black-Scholes valuation model that combines expected cash outflows with market-based assumptions regarding risk-adjusted yields, stock price volatility, probability of a change of control and the trading information of the Company's common stock into which the notes are convertible. The Company marks the embedded derivative to market due to the conversion price not being indexed to the Company's own stock. Except for the "make-whole interest" provision included in the conversion option, which is only required to be settled in cash upon a change of control at the noteholder's option, the embedded derivative will be settled in either cash or shares. As of June 30, 2013, the Company had sufficient common shares to settle the conversion option in shares.

The Company's financial assets and financial liabilities as of December 31, 2012 are presented below their fair value and were classified within the fair value hierarchy as follows (in thousands):

	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Financial Assets				
Money market funds	$ 15,847	$ —	$ —	$ 15,847
Certificates of deposit	757	—	—	757
Total financial assets	$ 16,604	$ —	$ —	$ 16,604
Financial Liabilities				
Notes payable[1]	$ —	$ 1,676	$ —	$ 1,676
Loans payable[1]	—	20,707	—	20,707
Credit facilities[1]	—	11,503	—	11,503
Convertible notes[1]	—	—	62,522	62,522
Compound embedded derivative liability	—	—	7,894	7,894
Currency interest rate swap derivative liability	—	1,367	—	1,367
Total financial liabilities	$ —	$ 35,253	$ 70,416	$ 105,669

(1) These liabilities are carried on the consolidated balance sheet on a historical cost basis.

Derivative Instruments

The Company's derivative instruments included Chicago Board of Trade (CBOT) ethanol futures and Reformulated Blendstock for Oxygenate Blending (RBOB) gasoline futures. All derivative commodity instruments were recorded at fair value on the consolidated balance sheets. None of the Company's derivative instruments were designated as a hedging instrument. Changes in the fair value of these non-designated hedging instruments were recognized in cost of products sold in the consolidated statements of operations. As of June 30, 2013, the Company had no outstanding derivative commodity instruments resulting from the Company's transition out of its ethanol and ethanol-blended gasoline business in the quarter ended September 30, 2012.

In June 2012, the Company entered into a loan agreement with Banco Pine S.A. under which the bank provided the Company with a short term loan of R$52.0 million (approximately US$25.6 million based on the exchange rate as of September 30, 2012, the time of the loan repayment) (the "Bridge Loan"). At the time of the Bridge Loan, the Company also entered into a currency interest rate swap arrangement with Banco Pine with respect to the repayment of R$22.0 million (approximately US$9.9 million based on the exchange rate of as of June 30, 2013). The swap arrangement exchanges the principal and interest payments under the Banco Pine loan of R$22.0 million entered into in July 2012 for alternative principal and interest payments that are subject to adjustment based on fluctuations in the foreign exchange rate between the U.S. dollar and Brazilian real. The swap has a fixed interest rate of 3.94%. Changes in the fair value of the swap are recognized in other income (expense), net in the consolidated statements of operations.

As of June 30, 2013, included in Other Liabilities is the Company's compound embedded derivative liability of $10.0 million and represents the fair value of the equity conversion option and a "make-whole" provision relating to the outstanding senior unsecured convertible promissory notes issued to Total (see Note 6 Debt).

Derivative instruments measured at fair value as of June 30, 2013 and December 31, 2012, 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			
	June 30, 2013		December 31, 2012	
Type of Derivative Contract	Quantity of Contracts	Fair Value	Quantity of Contracts	Fair Value
Currency interest rate swap, included as net liability in other long term liability	1	$ 2,937	1	$ 1,367

Type of Derivative Contract	Income Statement Classification	Three Months Ended June 30,		Six Months Ended June 30,	
		2013	2012	2013	2012
		Gain (Loss) Recognized		Gain (Loss) Recognized	
Regulated fixed price futures contracts	Cost of products sold	$ —	$ 462	$ —	$ (258)
Currency interest rate swap	Other income (expense), net	$ (1,505)	$ (1,215)	$ (1,570)	(1,215)

4. Balance Sheet Components

Inventories

Inventories are stated at the lower of cost or market and consist of the following (in thousands):

	June 30, 2013	December 31, 2012
Raw materials	$ 1,143	$ 1,574
Work-in-process	1,374	1,771
Finished goods	1,548	2,689
Inventories, net	$ 4,065	$ 6,034

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. Cost is computed on a first-in, first-out basis. Inventory costs include transportation costs incurred in bringing the inventory to its existing location. The Company also evaluates the terms of its agreements with its suppliers and establishes accruals for estimated adverse purchase commitments as necessary, applying the same lower of cost or market approach that is used to value inventory.

Property, Plant and Equipment, net

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

	Useful Life	June 30, 2013	December 31, 2012
Leasehold improvements	Lesser of remaining useful life or lease term	$ 39,118	$ 39,290
Machinery and equipment	7 - 15 Years	98,039	105,162
Computers and software	3 - 5 Years	8,442	8,232
Furniture and office equipment	5 years	2,458	2,467
Buildings	15 Years	6,789	5,888
Vehicles	5 years	499	575
Construction in progress		43,055	45,372
		$ 198,400	206,986
Less: accumulated depreciation and amortization		(54,259)	(43,865)
Property, plant and equipment, net		$ 144,141	$ 163,121

The Company's first, purpose-built, large-scale Biofene production plant in southeastern Brazil commenced operations in December 2012. This plant is in Brotas in the state of São Paulo and is adjacent to an existing sugar and ethanol mill, Paraíso Bioenergia. The Company's construction in progress consists primarily of the upfront plant design and the initial construction of a second large-scale production plant in Brazil, located at the Usina São Martinho sugar and ethanol mill (also in the state of São Paulo).

Property, plant and equipment, net includes $3.4 million and $9.1 million of machinery and equipment and furniture and office equipment under capital leases as of June 30, 2013 and December 31, 2012, respectively. Accumulated amortization of assets under capital leases totaled $1.1 million and $4.1 million as of June 30, 2013 and December 31, 2012, respectively.

Depreciation and amortization expense, including amortization of assets under capital leases, was $4.1 million and $3.7 million for the three months ended June 30, 2013 and 2012, respectively, and was $8.5 million and $7.3 million for the six months ended June 30, 2013 and 2012, respectively.

The Company capitalizes interest costs incurred to construct plant and equipment. The capitalized interest is recorded as part of the depreciable cost of the asset to which it relates to and is amortized over the asset's estimated useful life. Interest cost capitalized as of June 30, 2013 and December 31, 2012 was R$1.1 million (approximately $0.5 million and $0.6 million based on the exchange rate as of June 30, 2013 and December 31, 2012, respectively).

Accrued and Other Current Liabilities

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

	June 30, 2013	December 31, 2012
Professional services	$ 2,903	$ 824
Accrued vacation	2,481	2,673
Payroll and related expenses	4,006	5,809
Tax-related liabilities	707	851
Deferred rent, current portion	1,111	1,448
Accrued interest	1,302	965
Contractual obligations to contract manufacturers, current	9,275	9,952
Customer advances	372	970
Other	588	918
Total accrued and other current liabilities	$ 22,745	$ 24,410

Other Liabilities

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

	June 30, 2013	December 31, 2012
Contractual obligations to contract manufacturers, non-current	$ 2,000	$ 4,000
Fair market value of swap obligations	2,937	1,367
Fair value of compound embedded derivative liability[(1)]	10,012	7,894
Tax-related liabilities[(2)]	1,932	1,609
Other[(2)]	1,008	1,063
Total other liabilities	$ 17,889	$ 15,933

(1) The compound embedded derivative liability represents the fair value of the equity conversion feature and a "make-whole" feature related to the outstanding senior unsecured convertible promissory notes issued to Total.

(2) Certain reclassifications of prior period amounts have been made to conform to the current period presentation. Such reclassifications did not change previously reported consolidated financial statements.

5. Commitments and Contingencies

The Company leased certain facilities and financed certain of its equipment under operating and capital leases. Operating leases include leased facilities and capital leases included leased equipment (see Note 4 Balance Sheet Components). Rent expense under operating leases was approximately $1.4 million and $1.2 million respectively, for the three months ended June 30, 2013 and 2012, respectively, and was $2.1 million and $2.4 million for the six months ended June 30, 2013 and 2012, respectively.

On April 30, 2013, the Company entered into an amendment to its operating lease for its headquarters in Emeryville, California (the "Amendment"). The operating lease amendment provided for an extension of the lease term to May 2023, a modification of the base rent and elimination of the Company's loans and notes payable to the lessor of approximately $1.6 million (see Note 6 Debt). In addition, per the terms of the Amendment, the Company also received a rent credit of approximately $71,000 per month for the period June 2013 through December 2013 and a rent credit of approximately $42,000 per month for the full year 2014.

Future minimum payments under the Company's lease obligations as of June 30, 2013, are as follows (in thousands):

Years ending December 31:	Capital Leases	Operating Leases	Total Lease Obligations
2013 (Six Months)	$ 549	$ 3,009	$ 3,558
2014	1,007	6,108	7,115
2015	289	6,663	6,952
2016	—	6,685	6,685
2017	—	6,586	6,586
Thereafter	—	39,009	39,009
Total future minimum lease payments	1,845	$ 68,060	$ 69,905
Less: amount representing interest	(103)		
Present value of minimum lease payments	1,742		
Less: current portion	(1,014)		
Long-term portion	$ 728		

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 June 30, 2013 and December 31, 2012.

The Company has a credit facility ("FINEP Credit Facility") with a financial institution to finance a research and development project on sugarcane-based biodiesel (see Note 6 Debt). The FINEP Credit Facility provides for loans of up to an aggregate principal amount of R$6.4 million (approximately US$2.9 million based on the exchange rate as of June 30, 2013) 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 (approximately US$2.7 million based on the exchange rate as of June 30, 2013). Through December 31, 2012, the Company received all four disbursements after compliance with certain terms and conditions under the FINEP Credit Facility as described in more detail in Note 6. After the release of the first disbursement and prior to any subsequent drawdown from the FINEP Credit Facility, the Company provided bank letters of guarantee of R$3.3 million (approximately US$1.5 million based on the exchange rate as of June 30, 2013) through Banco ABC Brasil S.A. As of June 30, 2013, all available credit under this facility was fully drawn.

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 (approximately US$11.2 million based on the exchange rate as of June 30, 2013). 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 under the BNDES Credit Facility.

The Company has signed loan agreements and a security agreement where the Company pledged certain farnesene production assets as collateral (the fiduciary conveyance of movable goods) with each of Nossa Caixa and Banco Pine. Under the loan agreements, Banco Pine agreed to lend R$22.0 million and Nossa Caixa agreed to lend R$30.0 million as financing for capital expenditures relating to the Company's production facility in Brotas. The Company's total acquisition cost for the farnesene production assets pledged as collateral under these agreements is approximately R$68.0 million (approximately US$30.7 million based on the exchange rate as of June 30, 2013). The Company is a also a parent guarantor for the payment of the outstanding balance under these loan agreements.

The Company has an export financing agreement for approximately US$2.5 million (approximately R$5.0 million based on exchange rate as of March 18, 2013) for a 1 year-term to fund exports through March 2014. This loan is collateralized by future exports from the Company's subsidiary in Brazil.

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 3 months of rent of approximately R$0.2 million (approximately US$0.1 million based on the exchange rate as of June 30, 2013) in the aggregate as a guarantee that the Company will meet its performance obligations under such operating lease agreement.

Purchase Obligations

As of June 30, 2013, the Company had $11.6 million in purchase obligations which included $10.9 million in non-cancelable contractual obligations and construction commitments, of which $4.0 million have been accrued as loss on purchase commitments.

On June 25, 2013, the Company and Tate & Lyle Ingredients Americas LLC ("Tate & Lyle") entered into a Settlement Agreement, Termination Agreement and Mutual Release (the "Termination Agreement") to terminate the parties' November 2010 contract manufacturing agreement. Under the Termination Agreement, no further payments will be owed for the remaining term of the Contract Manufacturing Agreement (i.e., through 2016). As of June 30, 2013 the Company has an outstanding liability of $8.8 million pertaining to its obligation under the Termination Agreement. In July 2013, the Company paid $3.6 million of its obligation pertaining to the Termination Agreement.

Other Matters

Certain conditions may exist as of the date the financial statements are issued which may result in a loss to the Company but will only be recorded when one or more future events occur or fail to occur. The Company's management assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against and by the Company or unasserted claims that may result in such proceedings, the Company's management evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material would be disclosed. Loss contingencies considered to be remote by management are generally not disclosed unless they involve guarantees, in which case the guarantee would be disclosed.

In May 2013, a securities class action complaint was filed against the Company and its CEO, John G. Melo, in the U.S. District Court for the Northern District of California. The complaint seeks unspecified damages on behalf of a purported class that would comprise all individuals who acquired the Company's common stock between April 29, 2011 and February 8, 2012. The complaint alleges securities law violations based on the Company's commercial projections during that period. The Company believes the complaint lacks merit, and intends to defend itself vigorously. Because the case is at a very early stage and no specific monetary demand has been made, it is not possible for us to estimate the potential loss or range of potential losses for the case.

The Company is subject to disputes and claims that arise or have arisen in the ordinary course of business and that have not resulted in legal proceedings or have not been fully adjudicated. Such matters that may arise in the ordinary course of business are subject to many uncertainties and outcomes are not predictable with assurance. Therefore, if one or more of these legal disputes or claims resulted in settlements or legal proceedings that were resolved against the Company for amounts in excess of management's expectations, the Company's consolidated financial statements for the relevant reporting period could be materially adversely affected.

6. Debt

Debt is comprised of the following (in thousands):

	June 30, 2013	December 31, 2012
Credit facilities	$ 10,357	$ 12,409
Notes payable	—	1,572
Convertible notes	25,000	25,000
Related party convertible notes	45,572	39,033
Loans payable	26,253	26,150
Total debt	107,182	104,164
Less: current portion	(4,959)	(3,325)
Long-term debt	$ 102,223	$ 100,839

FINEP Credit Facility

In November 2010, the Company entered into a 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 (approximately US$2.9 million based on the exchange rate as of June 30, 2013) which is secured by a chattel mortgage on certain equipment of the Company as well as by bank letters of guarantee. As of December 31, 2012, all available credit under this facility was fully drawn.

Interest on loans drawn under this credit facility is fixed at 5% 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%, then the interest will be 5% plus a TJLP adjustment factor, otherwise the interest will be at 11% per annum. In addition, a fine of up to 10% shall apply to the amount of any obligation in default. Interest on late balances will be 1% interest per month, levied on the overdue amount. Payment of the outstanding loan balance is being made in 81 monthly installments, which commenced in July 2012 and extends through March 2019. Interest on loans drawn and other charges are paid on a monthly basis and commenced in March 2011. As of June 30, 2013 and December 31, 2012, the total outstanding loan balance under this credit facility was R$5.8 million (approximately US$2.6 million based on exchange rate as of June 30, 2013) and R$6.4 million (approximately US$3.1 million based on exchange rate as of December 31, 2012), respectively.

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

- The Company would share with FINEP the costs associated with the FINEP Project. At a minimum, the Company would contribute from its own funds approximately R$14.5 million (approximately US$7.1 million based on the exchange rate as of December 31, 2012) of which R$11.1 million was to be contributed prior to the release of the second disbursement. As of December 31, 2012, all four disbursements were completed and for its part, the Company has fulfilled all of its cost sharing obligations;
- After the release of the first disbursement, prior to any subsequent drawdown from the FINEP Credit Facility, the Company was required to provide bank letters of guarantee of up to R$3.3 million in aggregate (approximately US$1.5 million based on the exchange rate as of June 30, 2013). On December 17, 2012 and prior to release of the second disbursement on December 26, 2012, the Company obtained the required bank letter of guarantees from Banco ABC Brasil, S.A.
- 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.

BNDES Credit Facility

In December 2011, the Company entered into a credit facility ("BNDES Credit Facility") in the amount of R$22.4 million (approximately US$10.1 million based on the exchange rate at June 30, 2013) 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 (approximately US$8.6 million based on the exchange rate at June 30, 2013) and an additional tranche of approximately R$3.3 million (approximately US$1.5 million based on the exchange rate at June 30, 2013) that becomes available upon delivery of additional guarantees. The credit line is available for 12 months from the date of the Credit Facility, 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 was due initially on a quarterly basis with the first installment due in March 2012. From and after January 2013, interest payments are due on a monthly basis together with principal payments. The loaned amounts carry interest of 7% per annum. Additionally, there is 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 collateralized by a first priority security interest in certain of the Company's equipment and other tangible assets totaling R$24.9 million (approximately US$11.2 million based on the exchange rate as of June 30, 2013). 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 10.0% of the total approved amount (R$22.4 million in total debt) available under this Credit Facility. For advances of the second tranche (above R$19.1 million), the Company is required to provide additional bank guarantees equal to 90.0% of each such advance, plus additional Company guarantees equal to at least 130.0% 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 June 30, 2013 and December 31, 2012 the Company had R$17.2 million (approximately US$7.8 million based on the exchange rate as of June 30, 2013) and R$19.1 million (approximately US$9.3 million based on the exchange rate as of December 31, 2012) in outstanding advances under the BNDES Credit Facility.

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 June 30, 2013 and December 31, 2012, a principal amount of zero and $1.6 million, respectively, was outstanding under these notes payable. During the three months ended June 30, 2013, as part of the Amendment entered into on April 30, 2013 to the Company's operating lease for its headquarters, the Company recorded the elimination of these notes payable as a lease incentive and recorded approximately $1.4 million to deferred rent liability in the consolidated balance sheet.

Convertible Notes

In February 2012, the Company completed the sale of senior unsecured 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 3.0% senior unsecured convertible promissory notes with a March 1, 2017 maturity date and an initial conversion price equal to $7.0682 per share of the Company's common stock, subject to adjustment for proportional adjustments to outstanding common stock and anti-dilution provisions in case of dividends and distributions. As of June 30, 2013, the notes were convertible into an aggregate of up to 3,536,968 shares of common stock. 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 the Company's 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. Furthermore, the senior unsecured convertible notes include restrictions on the amount of debt the Company is permitted to incur. The Company's total outstanding debt at any time cannot exceed the greater of $200.0 million or 50% of its consolidated total assets and its secured debt cannot exceed the greater of $125 million or 30% of its consolidated total assets. As of June 30, 2013 and December 31, 2012, a principal amount of $25.0 million and $25.0 million, respectively, was outstanding under these notes payable.

Related Party Convertible Notes

In July 2012, the Company entered into a further amendment of the collaboration agreement with Total that expanded Total's investment in the biofene collaboration, incorporated the development of certain joint venture products for use in diesel and jet fuel into the scope of the collaboration, provided a new structure for the research and development program and formation of the joint venture (the “Fuels JV”) to commercialize the products encompassed by the diesel and jet fuel research and development program (the “Program”) and changed the structure of the funding from Total to include a convertible debt mechanism.

The purchase agreement for the notes related to the funding from Total provides for the sale of an aggregate of $105.0 million in notes as follows:

- As part of an initial closing under the purchase agreement (which initial closing was completed in two installments), (i) on July 30, 2012, the Company sold a 1.5% Senior Unsecured Convertible Note Due 2017 to Total in the face amount of $38.3 million, including $15.0 million in new funds and $23.3 million in previously-provided diesel research and development funding by Total, and (ii) on September 14, 2012, the Company sold another note (in the same form) for $15.0 million in new funds from Total.
- The purchase agreement provides that additional notes may be sold in subsequent closings in July 2013 (for cash proceeds to the Company of $30.0 million) and July 2014 (for cash proceeds to the Company of $21.7 million, which would be settled in an initial installment of $10.85 million payable at such closing and a second installment of $10.85 million payable in January 2015).

The notes each have a March 1, 2017 maturity date and an initial conversion price equal to $7.0682 per share of the Company's common stock. The notes bear interest of 1.5% per annum (with a default rate of 2.5%), accruing from the date of funding and payable at maturity or on conversion or a change of control where Total exercises the right to require the Company to repay the notes. Accrued interest is canceled if the notes are canceled based on a "Go" decision. The agreements contemplate that the research and development efforts under the Program may extend through 2016, with a series of "Go/No Go" decisions by Total through such date tied to funding by Total.

The notes become convertible into the Company's common stock (i) within 10 trading days prior to maturity (if they are not canceled as described above prior to their maturity date), (ii) on a change of control of the Company, (iii) if Total is no longer the largest stockholder of the Company following a "No-Go" decision (subject to a six-month lock-up with respect to any shares of common stock issued upon conversion), and (iv) on a default by the Company. If Total makes a final "Go" decision, then the notes will be exchanged by Total for equity interests in the Fuels JV, after which the notes will not be convertible and any obligation to pay principal or interest on the notes will be extinguished. If Total makes a "No-Go" decision, outstanding notes will remain outstanding and become payable at maturity.

In connection with the Private Placement that occurred on December 24, 2012, Total elected to participate in the Private Placement by exchanging approximately $5.0 million of its $53.3 million in senior unsecured convertible promissory notes then outstanding for 1,677,852 of the Company's common stock at $2.98 per share. As such, $5.0 million of the outstanding $53.3 million in senior unsecured convertible promissory notes was cancelled. The cancellation of the debt was treated as an extinguishment of debt in accordance with the guidance outlined in ASC 470-50.

On March 24, 2013, the Company entered into a letter agreement with Total under which Total agreed to waive its right to cease its participation in the parties' fuels collaboration at the July 2013 decision point and committed to proceed with the July 2013 funding tranche of $30.0 million (subject to the Company's satisfaction of the relevant closing conditions for such funding in the securities purchase agreement). As consideration for this waiver and commitment, the Company agreed to:

- Reduce the conversion price for the senior unsecured convertible promissory notes to be issued in connection with such funding from $7.0682 per share to a price per share equal to the greater of (i) the consolidated closing bid price of the Company's common stock on the date of the letter agreement, plus $0.01, and (ii) $3.08 per share, provided that the conversion price will not be reduced by more than the maximum possible amount permitted under the NASDAQ rules such that the new conversion price would require the Company to obtain stockholder consent; and
- Grant Total a senior security interest in the Company's intellectual property, subject to certain exclusions and subject to release by Total when the Company and Total enter into final documentation regarding the establishment of the Fuels JV.

In addition to the waiver by Total described above, Total also agreed that, at the Company's request and contingent upon the Company meeting its obligations described above, it would pay advance installments of the amounts otherwise payable at the July 2013 closing. Specifically, if the Company requested such advance installments, subject to certain closing conditions and delivery of certifications regarding the Company's cash levels, Total was obligated to fund $10.0 million no later than May 15, 2013, and an additional $10.0 million no later than June 15, 2013, with the remainder to be funded on the original July 2013 closing date.

On June 6, 2013, the Company sold and issued a 1.5% Senior Unsecured Convertible Note to Total in an aggregate principal amount of $10.0 million with a March 1, 2017 maturity date pursuant to the July 30, 2012 purchase agreement as discussed above. In accordance with the Letter Agreement dated March 24, 2013 this convertible note has a conversion price equal to $3.08 per

share of the Company's common stock. The Company did not request the initial $10.0 million advance, due no later than May 15, 2013, but did request the June advance (as described above), under which this convertible note was issued.

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. Total has a right to require repayment of 101% of the principal amount of the notes in the event of a change of control of the Company and the notes provide for payment of unpaid interest on conversion following such a change of control if Total does not require such repayment. The purchase agreement and notes include covenants regarding payment of interest, maintenance of the Company's 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 purchase agreement and notes, with added default interest rates and associated cure periods applicable to the covenant regarding SEC reporting. Furthermore, the senior unsecured convertible notes include restrictions on the amount of debt the Company is permitted to incur. The Company's total outstanding debt at any time cannot exceed the greater of $200.0 million or 50% of its consolidated total assets and its secured debt cannot exceed the greater of $125.0 million or 30% of its consolidated total assets. As of June 30, 2013 and December 31, 2012, $45.6 million and $39.0 million, respectively, was outstanding under these convertible notes, net of debt discount of $12.7 million and $9.3 million, respectively.

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 June 30, 2013 and December 31, 2012, a principal amount of zero and $177,000, respectively, was outstanding under the loan. During the three months ended June 30, 2013, as part of the Amendment entered into on April 30, 2013 to the Company's operating lease for its headquarters, the Company recorded the elimination of this loan payable as a lease incentive and recorded approximately $168,000 to deferred rent liability in the consolidated balance sheet.

In June 2012, the Company entered into a loan agreement with Banco Pine under which Banco Pine provided the Company with a short-term bridge loan of R$52.0 million (approximately US$25.6 million based on the exchange rate as of September 30, 2012, the time of loan repayment). The interest rate for the bridge loan was 0.4472% monthly (approximately 5.5% on an annualized basis). The principal and interest due under the bridge loan matured and were required to be repaid on September 19, 2012, subject to extension by Banco Pine. At the time of this bridge loan, the Company entered into a currency interest rate swap arrangement with the lender for R$22.0 million (approximately US$9.9 million based on the exchange rate as of June 30, 2013). The interest rate swap arrangement exchanged the principal and interest payments under the Banco Pine loan of R$22.0 million entered into in July 2012 for alternative principal and interest payments that were subject to adjustment based on fluctuations in the foreign exchange rate between the U.S. dollar and Brazilian real. The swap had a fixed interest rate of 3.94%. In July 2012, the Company repaid the outstanding bridge loan of R$52.0 million from Banco Pine.

In July 2012, the Company entered into a Note of Bank Credit and a Fiduciary Conveyance of Movable Goods agreements with each of Nossa Caixa and Banco Pine. Under these agreements, the Company's total acquisition cost for the farnesene production assets pledged as collateral was approximately R$68.0 million (approximately US$30.7 million based on the exchange rate as of June 30, 2013). The Company is also a parent guarantor for the payment of the outstanding balance under these loan agreements. Under such instruments, the Company could borrow an aggregate of R$52.0 million (approximately US$23.5 million based on the exchange rate as of June 30, 2013) as financing for capital expenditures relating to the Company's manufacturing facility in Brotas. Under the loan agreements, Banco Pine, agreed to lend R$22.0 million and Nossa Caixa agreed to lend R$30.0 million. The funds for the loans are provided by Banco Nacional de Desenvolvimento Econômico e Social ("BNDES"), but are guaranteed by the lenders. The loans have a final maturity date of July 15, 2022 and bear a fixed interest rate of 5.5% per year. The loans are also subject to early maturity and delinquency charges upon occurrence of certain events including interruption of manufacturing activities at Brotas for more than 30 days, except during sugarcane off-season. For the first two years that the loans are outstanding, the Company is required to pay interest only on a quarterly basis. After August 15, 2014, the Company is required to pay equal monthly installments of both principal and interest for the remainder of the term of the loans. As of June 30, 2013 and December 31, 2012, a principal amount of $23.5 million and $25.4 million, respectively, was outstanding under these loan agreements.

In October 2012, the Company entered into a loan payable agreement with a lender under which it borrowed $0.6 million to pay the insurance premiums of certain policies. The loan is payable in nine monthly installments of principal and interest. Interest accrues at a rate of 3.24% per annum. As of June 30, 2013 and December 31, 2012, the outstanding unpaid loan balance was zero and $0.4 million, respectively.

On March 18, 2013, the Company entered into an export financing agreement with Banco ABC Brasil S.A. ("ABC Bank") for approximately US$2.5 million (approximately R$5.0 million based on exchange rate as of March 18, 2013) for a 1 year-term

to fund exports through March 2014. This loan is collateralized by future exports from the Company's subsidiary in Brazil. As of June 30, 2013, the principal amount outstanding was US$2.5 million.

Letters of Credit

In June 2012, the Company entered into a letter of credit agreement for $1.0 million under which it provided a letter of credit to the landlord for its headquarters in Emeryville, California in order to cover the security deposit on the lease. The letter of credit is secured by a certificate of deposit. Accordingly, the Company has $1.0 million as restricted cash as of June 30, 2013 and December 31, 2012.

Future minimum payments under the debt agreements as of June 30, 2013 are as follows (in thousands):

Years ending December 31:	Related Party Convertible Debt	Convertible Debt	Loans Payable	Credit Facility
2013 (Six Months)	$ —	$ 383	$ 921	$ 1,403
2014	—	760	5,287	2,698
2015	—	765	4,069	2,559
2016	—	761	3,912	2,419
2017	62,187	25,125	3,750	2,279
Thereafter	—	—	15,150	583
Total future minimum payments	62,187	27,794	33,089	11,941
Less: amount representing interest	(16,615)	(2,794)	(6,836)	(1,584)
Present value of minimum debt payments	45,572	25,000	26,253	10,357
Less: current portion	—	—	(2,783)	(2,176)
Noncurrent portion of debt	$ 45,572	$ 25,000	$ 23,470	$ 8,181

7. Joint Ventures and Noncontrolling Interest

SMA Indústria Química

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

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 RS$61.8 million (approximately US$27.9 million based on the exchange rate as of June 30, 2013) 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 shall be determined in accordance with the joint venture agreements,

and the Company would continue to have the obligation to acquire products produced by SMA for the remainder of the term of the supply agreement then in effect even though the Company would no longer be involved in SMA's management.

The Company has a 50% ownership interest in SMA. The Company has identified SMA as a variable interest entity ("VIE") pursuant to the accounting guidance for consolidating VIEs because the amount of total equity investment at risk is not sufficient to permit SMA to finance its activities without additional subordinated financial support, as well as because the related commercialization agreement provides a substantive minimum price guarantee. Under the terms of the joint venture agreement, 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.

Novvi

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 to focus on the worldwide development, production and commercialization of base oils made from Biofene for the automotive, commercial and industrial lubricants markets (the "Original JV Agreement"). The parties originally envisioned operating their joint venture through Novvi S.A., a Brazilian entity jointly owned by Cosan and Amyris Brasil.

Under the Original JV Agreement and related agreements, the Company and Cosan each owned 50% of Novvi S.A. and each party would share equally any costs and any profits ultimately realized by Novvi S.A. The joint venture agreement had an initial term of 20 years from the date of the Original JV 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. The Shareholders' Agreement had 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 Novvi S.A. Since its formation, the Novvi S.A. had minimal operating activities while the Company and Cosan continued to determine and finalize the strategy and operating activities of Novvi S.A. Upon determination by the Company and Cosan that the joint venture be operated out of a US entity, the operating activities of Novvi S.A. ceased. The Company has identified that Novvi S.A. is a VIE and determined that the power to direct activities, which most significantly impact the economic success of the joint venture, is equally shared between the Company and Cosan. Accordingly, the Company is not the primary beneficiary and therefore accounts for its investment in Novvi S.A. under the equity method of accounting.

On March 26, 2013, the Company, Amyris Brasil and Cosan entered into a termination agreement to terminate the Original JV Agreement. In addition, Amyris Brasil agreed to sell, its 50% ownership in Novvi S.A. for approximately R$22,000 which represented the current value of its 50% equity ownership in Novvi S.A., a now-dormant company, to Cosan. Upon the consummation of the transaction with the shares transferring from Amyris Brasil to Cosan, the Shareholders Agreement of Novvi S.A. dated June 3, 2011 automatically terminated.

In September 2011, the Company and Cosan US, Inc. ("Cosan U.S.") formed Novvi LLC, a U.S. entity that is jointly owned by the Company and Cosan U.S. On March 26, 2013 the Company and Cosan U.S. entered into agreements to (i) expand their base oils joint venture to also include additives and lubricants and (ii) operate their joint venture exclusively through Novvi LLC ("Novvi"). Specifically, the parties entered into an Amended and Restated Operating Agreement for Novvi, which sets forth the governance procedures for Novvi and the joint venture and the parties' initial contribution. The Company also entered into an IP License Agreement with Novvi under which the Company granted Novvi (i) an exclusive (subject to certain limited exceptions for the Company), worldwide, royalty-free license to develop, produce and commercialize base oils, additives, and lubricants derived from Biofene for use in automotive and industrial lubricants markets and (ii) a non-exclusive, royalty free license, subject to certain conditions, to manufacture Biofene solely for its own products. In addition, both the Company and Cosan U.S. granted Novvi certain rights of first refusal with respect to alternative base oil and additive technologies that may be acquired by the Company or Cosan U.S. during the term of the IP License Agreement. Under these agreements, the Company and Cosan U.S. will each own 50% of Novvi and each party will share equally in any costs and any profits ultimately realized by the joint venture. Novvi is governed by a six member Board of Managers, three from each investor who will appoint the Officers of Novvi who will be responsible for carrying out the daily operating activities of Novvi as directed by the Board of Managers. The IP License Agreement has an initial term of 20 years from the date of the agreement, subject to standard early termination provisions such as uncured material breach or a party's insolvency. Under the terms of the Amended and Restated Operating Agreement for initial contribution, Cosan U.S. is obligated to fund its 50% ownership share of Novvi in cash in the amount of $10.0 million and the Company is obligated to fund its 50% ownership share of Novvi through the granting of an IP License to develop, produce and

commercialize base oils, additives, and lubricants derived from Biofene for use in the automotive, commercial and industrial lubricants markets which has been agreed upon by Cosan U.S. and Amyris valued at $10.0 million. On March 26, 2013, the Company measured its initial contribution of IP to Novvi at the Company's carrying value of the licenses granted under the IP License Agreement, which was zero. Additional funding requirements to finance the ongoing operations of Novvi are expected to happen through revolving credit or other loan facilities provided by unrelated parties (i.e. such as financial institutions); cash advances or other credit or loan facilities provided by the Company and Cosan U.S. or their affiliates; or additional capital contributions by the Company and Cosan U.S.

The Company has identified Novvi as a VIE and determined that the power to direct activities, which most significantly impact the economic success of the joint venture (i.e. continuing research and development, marketing, sales, distribution and manufacturing of Novvi products), is equally shared between the Company and Cosan. Accordingly, the Company is not the primary beneficiary and therefore accounts for its investment in Novvi under the equity method of accounting. The Company will continue to reassess its primary beneficiary analysis of Novvi if there are changes in events and circumstances impacting the power to direct activities that most significantly affect Novvi's economic success. Under the equity method, the Company's share of profits and losses are to be included in “Income (loss) from equity method investments, net” in the consolidated statements of operations. During the three and six months ended June 30, 2013, the Company recorded no amounts for its share of Novvi's net loss as the carrying amount of the Company's investment in Novvi was zero and losses in excess of the carrying amount are offset by the accretion of the Company's share in the basis difference resulted from the parties' initial contribution. For the three months ended June 30, 2013 and 2012, the Company recorded $0.1 million and $0.9 million, respectively, and $2.6 million and $0.9 million for the six months ended June 30, 2013 and 2012, respectively, of revenue from the research and development activities that it has performed on behalf of Novvi.

Glycotech

In January 2011, the Company entered into a production service agreement ("Agreement") with Glycotech, whereby Glycotech is to provide process development and production services for the manufacturing of various Company products at its leased facility in Leland, North Carolina. The Company products to be manufactured by Glycotech will be owned and distributed by the Company. Pursuant to the terms of the agreement, the Company is required to 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 the Company. 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 agreed 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 Glycotech'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 June 30, 2013, 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. As of June 30, 2013, the assets include $22.8 million in property, plant and equipment and $4.1 million in other assets, and $0.5 million in current assets. The liabilities include $0.2 million in accounts payable and accrued current liabilities and $0.2 million in loan obligations by Glycotech to its shareholders that are non-recourse to the Company. The creditors of each consolidated VIE have recourse only to the assets of that VIE.

(In thousands)	June 30, 2013	December 31, 2012
Assets	$ 27,405	$ 29,564
Liabilities	$ 477	$ 355

The change in noncontrolling interest for the six months ended June 30, 2013 and 2012 is summarized below (in thousands):

	2013	2012
Balance at January 1	$ (877)	$ (240)
Foreign currency translation adjustment	54	168
Gain (loss) attributable to noncontrolling interest	261	(677)
Balance at June 30	$ (562)	$ (749)

8. Significant Agreements

Tate & Lyle Termination Agreement

On June 25, 2013, the Company and Tate & Lyle entered into a Settlement Agreement, Termination Agreement and Mutual Release (the "Termination Agreement") to terminate the parties' November 2010 contract manufacturing agreement (the "Contract Manufacturing Agreement"). The Termination Agreement resolves all outstanding issues that had arisen in connection with the Company's relationship with Tate & Lyle.

The Contract Manufacturing Agreement had secured manufacturing capacity for farnesene through 2016 at Tate & Lyle's facility in Decatur, Illinois. The Contract Manufacturing Agreement included a base monthly payment regardless of level of production at Tate & Lyle's facility in addition to a variable amount based on volume. With the Company's commencement of production at its farnesene facility located in Brazil, the Company determined that maintaining the Contract Manufacturing Agreement was no longer desired from a cost and operational perspective. The Company had no production at the Tate & Lyle facility since the first quarter of 2013.

Pursuant to the Termination Agreement, the Company is required to make four payments to Tate & Lyle, totaling approximately $8.8 million, of which $3.6 million is to satisfy outstanding obligations and $5.2 million is in lieu of additional payments otherwise owed under the Contract Manufacturing Agreement. These four payments are due under the Termination Agreement between July 17, 2013 and December 16, 2013, and such payments are deemed to be in full satisfaction of all amounts otherwise owed under the Contract Manufacturing Agreement. Under the Termination Agreement, no further payments will be owed for the remaining term of the Contract Manufacturing Agreement (i.e., through 2016). As a result, the Company recorded a loss of $8.4 million which is included in the loss on purchase commitments and write-off of production assets and consisted of an impairment charge of $6.7 million relating to Company-owned equipment at Tate & Lyle, a $2.7 million write- off of an unamortized portion of equipment costs funded by the Company for Tate & Lyle, offset by a reversal of $1.0 million provision for loss on fixed purchase commitments. As of June 30, 2013 the Company has an outstanding liability of $8.8 million pertaining to its obligation under the Termination Agreement. In July 2013, the Company paid $3.6 million of its obligation pertaining to the Termination Agreement (see Note 17 Subsequent Events).

IFF Joint Development and License Agreement

On April 23, 2013, the Company entered into a joint development and license agreement with International Flavors & Fragrances Inc. ("IFF"). Under the terms of the multi-year agreement, IFF and the Company will jointly develop certain fragrance ingredients. IFF will have exclusive rights to these fragrance ingredients for applications in the flavors and fragrances field, and the Company will have exclusive rights in other fields. IFF and the Company will share in the economic value derived from these ingredients. The joint development and license agreement provides for up to $6.0 million in funding by IFF to the Company during the first phase of the collaboration, of which $4.5 million is based on achievement of certain milestones. As of June 30, 2013 the Company has recorded deferred revenue of $1.5 million pertaining to this agreement.

Firmenich Master Collaboration Agreement

On March 13, 2013, the Company entered into a Master Collaboration Agreement (the "Agreement") with Firmenich to establish a collaboration for the development and commercialization of multiple renewable flavors and fragrances ("F&F") compounds. Under this Agreement, except for rights granted under preexisting collaboration relationships, the Company is granting Firmenich exclusive access for such compounds to specified Company intellectual property for the development and commercialization of F&F products in exchange for research and development funding and a profit sharing arrangement. The Agreement supersedes and expands a prior collaboration agreement between the Company and Firmenich.

The Agreement provides annual, up-front funding to the Company by Firmenich of $10.0 million for each of the first three years of the collaboration. The initial payment of $10.0 million was received by the Company on March 27, 2013 of which $2.9 million was recognized as revenue for the three and six months ended June 30, 2013. The Agreement contemplates additional funding by Firmenich on a discretionary basis and up to $5.0 million over three milestone payments from Firmenich to the Company. Under the Company's revenue recognition policy for milestone payments, for arrangements that 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. As these milestones are defined or modified after the initial contract date, they could possibly still be substantive milestones and accounted for under the milestone method assuming that they meet all of the criteria.

In addition, the Agreement contemplates that the parties will mutually agree on a supply price for each compound and share product margins from sales of each compound on a 70/30 basis (70% for Firmenich) until Firmenich receives $15.0 million more than the Company in the aggregate, after which the parties will share 50/50 in the product margins on all compounds. The Company also agreed to pay a one-time success bonus of up to $2.5 million to Firmenich for outperforming certain commercialization targets. Firmenich's eligibility to receive the one-time success bonus commences upon the first sale of the first Firmenich product.

The Agreement does not impose any specific research and development commitments on either party after year six, but if the parties mutually agree to perform development after year six, the Agreement provides that the parties will fund it equally.

Under the Agreement, the parties jointly select target compounds, subject to final approval of compound specifications by Firmenich. During the development phase, the Company is required to provide labor, intellectual property and technology infrastructure and Firmenich is required to contribute downstream polishing expertise and market access. The Agreement provides that the Company will own research and development and strain engineering intellectual property, and Firmenich will own blending and, if applicable, chemical conversion intellectual property. Under certain circumstances such as the Company's insolvency, Firmenich gains expanded access to the Company's intellectual property. Following development of F&F compounds under the Agreement, the Agreement contemplates that the Company will manufacture the initial target molecules for the compounds and Firmenich will perform any required downstream polishing and distribution, sales and marketing.

9. Goodwill and Intangible Assets

The following table presents the components of the Company's intangible assets (in thousands):

		June 30, 2013			December 31, 2012		
	Useful Life in Years	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
In-process research and development	Indefinite	$ 8,560	$ —	$ 8,560	$ 8,560	$ —	$ 8,560
Acquired licenses and permits	2	772	(772)	—	772	(740)	32
Goodwill	Indefinite	560	—	560	560		560
		$ 9,892	$ (772)	$ 9,120	$ 9,892	$ (740)	$ 9,152

The following table presents the activity of intangible assets for the six months ended June 30, 2013 (in thousands):

	December 31, 2012				June 30, 2013
	Net Carrying Value	Additions	Adjustments	Amortization	Net Carrying Value
In-process research and development	$ 8,560	$ —	$ —	$ —	$ 8,560
Acquired licenses and permits	32	—	—	(32)	—
Goodwill	560	—	—	—	560
	$ 9,152	$ —	$ —	$ (32)	$ 9,120

The intangible assets acquired through the Draths Corporation acquisition on October 6, 2011 of in process research and development of $8.6 million and goodwill of $0.6 million 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 (increase) its net income (loss) for the year in which the related impairment charges occur.

Acquired licenses and permits are amortized using a straight-line method over its estimated useful life. Amortization expense for this intangible was zero and $97,000 for the three months ended June 30, 2013 and 2012, respectively and was $32,000 and $193,000 for the six months ended June 30, 2013 and 2012, respectively. As of June 30, 2013, acquired licenses and permits were fully amortized.

10. Stockholders' Equity

February 2012 Private Placement

In February 2012, the Company completed a private placement of 10,160,325 shares of its common stock at a price of $5.78 per share for aggregate proceeds of $58.7 million. In connection with this private placement, the Company entered into an agreement with an investor to purchase additional shares of the Company's common stock for an additional $15.0 million by March 2013 upon satisfaction by the Company of criteria associated with the commissioning of the Company's production plant in Brotas. This was satisfied by the investor through a $10.0 million investment in a private placement completed by the Company in December 2012 and subsequently, through a $5.0 million investment in a private placement completed by the Company in March 2013.

May 2012 Private Placement

In May 2012, the Company completed a private placement of 1,736,100 shares of its common stock at a price of $2.36 per share for aggregate proceeds of $4.1 million.

December 2012 Private Placement

In December 2012, the Company completed a private placement of its common stock for the issuance of 14,177,849 shares of its common stock at a price of $2.98 per share for aggregate proceeds of $37.2 million and the cancellation of $5.0 million worth of outstanding senior unsecured convertible promissory notes previously issued by the Company. Shares totaling 1,677,852 were issued to Total in exchange for this cancellation. Net cash received for this private placement as of December 31, 2012 was $22.2 million and the remaining $15.0 million of proceeds was received in January 2013. In connection with this private placement, the Company entered into a Letter of Agreement, dated December 24, 2012 with an investor under which the Company acknowledged that the investor's initial investment of $10.0 million in December 2012 represented partial satisfaction of the investor's preexisting contractual obligation to fund $15.0 million by March 31, 2013 upon satisfaction by the Company of criteria associated with the commissioning of the Company's production plant in Brotas.

In January 2013, the Company received $15.0 million in proceeds from a private placement offering that closed in December 2012. Consequently, the Company issued 5,033,557 shares of the 14,177,849 shares of the Company's common stock.

Biolding Follow-on Investment

In March 2013, the Company completed a private placement of 1,533,742 shares of its common stock at a price of $3.26 per share for aggregate proceeds of $5.0 million. This private placement represented the final tranche of Biolding's preexisting contractual obligation to fund $15.0 million upon satisfaction by the Company of certain criteria associated with the commissioning of a production plant in Brazil.

Evergreen Shares for 2010 Equity Plan and 2010 ESPP

On January 23, 2013, the Company's Board of Directors approved the additional shares which will be available for issuance under the 2010 Equity Plan and the 2010 ESPP. These shares represent an automatic increase in the number of shares available for issuance under the 2010 Equity Plan and the 2010 ESPP of 3,435,483 and 687,096, respectively, equal to 5% and 1%, respectively of 68,709,660 shares, the total outstanding shares of the Company's common stock as of December 31, 2012. This automatic increase was effective as of January 1, 2013. Shares available for issuance under the 2010 Equity Plan and 2010 ESPP were initially registered on a registration statement on Form S-8 filed with the Securities and Exchange Commission on October 1, 2010 (Registration No. 333-169715). The Company filed registration statements on Form S-8 on March 28, 2013 and May 20, 2013 with respect to the shares added by the automatic increase on January 1, 2013.

11. Stock-Based Compensation

The Company's stock option activity and related information for the six months ended June 30, 2013 was as follows:

	Number Outstanding	Weighted - Average Exercise Price	Weighted - Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
				(in thousands)
Outstanding - December 31, 2012	8,946,592	$ 9.07	7.5	$ 954
Options granted	1,616,105	$ 2.87		
Options exercised	(158,966)	$ 0.98		
Options cancelled	(1,600,431)	$ 9.59		
Outstanding - June 30, 2013	8,803,300	$ 7.99	7.45	$ 388
Vested and expected to vest after June 30, 2013	8,162,316	$ 8.19	7.31	$ 364
Exercisable at June 30, 2013	4,121,741	$ 9.98	5.81	$ 228

The aggregate intrinsic value of options exercised under all option plans was $0.1 million and $0.1 million for the three months ended June 30, 2013 and 2012, respectively and was $0.3 million and $0.7 million for the six months ended June 30, 2013 and 2012, 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 six months ended June 30, 2013 was as follows:

	RSUs	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Life (Years)
Outstanding - December 31, 2012	**2,550,799**	**$ 7.92**	**1.3**
Awarded	1,016,000	$ 2.85	—
Vested	(613,619)	$ 6.06	—
Forfeited	(182,664)	$ 4.23	—
Outstanding - June 30, 2013	**2,770,516**	**$ 4.20**	**1.26**
Expected to vest after June 30, 2013	2,414,032	$ 4.20	1.21

The following table summarizes information about stock options outstanding as of June 30, 2013:

	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—$2.76	1,053,612	8.52	$ 2.54	250,328	$ 1.98
$2.81—$2.83	26,800	9.80	$ 2.83	—	$ —
$2.87—$2.87	962,000	9.93	$ 2.87	—	$ —
$2.89—$3.05	921,948	9.51	$ 2.99	153,339	$ 3.04
$3.12—$3.83	237,025	8.30	$ 3.29	40,388	$ 3.21
$3.86—$3.86	1,157,506	8.12	$ 3.86	391,969	$ 3.86
$3.93—$3.93	893,923	4.20	$ 3.93	893,923	$ 3.93
$4.06—$9.32	1,145,195	5.94	$ 6.08	840,954	$ 6.22
$10.44—$16.00	1,086,335	6.32	$ 15.29	673,675	$ 15.38
$16.50—$30.17	1,318,956	6.98	$ 22.51	877,165	$ 22.15
$0.10—$30.17	8,803,300	7.45	$ 7.99	4,121,741	$ 9.98

Stock-Based Compensation Expense

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Research and development	$ 1,049	$ 1,558	$ 2,296	$ 3,071
Sales, general and administrative	3,936	7,356	6,882	12,364
Total stock-based compensation expense	$ 4,985	$ 8,914	$ 9,178	$ 15,435

As of June 30, 2013, there were unrecognized compensation costs of $19.8 million related to stock options, and the Company expects to recognize those costs over a weighted average period of 2.91 years. As of June 30, 2013, there were unrecognized compensation costs of $6.6 million related to RSUs, and the Company expects to recognize those costs over a weighted average period of 1.83 years.

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 June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Expected dividend yield	—%	—%	—%	—%
Risk-free interest rate	1.2%	1.1%	1.2%	1.1%
Expected term (in years)	6.1	6.0	6.1	6.0
Expected volatility	82%	76%	82%	76%

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Expected dividend yield	—%	—%	—%	—%
Risk-free interest rate	1.7%	1.4%	1.5%	1.6%
Expected term (in years)	6.1	7.2	6.4	7.2
Expected volatility	82%	76%	83%	76%

12. Related Party Transactions

February 2012 Private Placement

In February 2012, the Company completed a private placement of 10,160,325 shares of its common stock at a price of $5.78 per share 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 the Company's existing common stock at the time of the transaction. In addition, members of the Company's Board of Directors and certain parties related to such directors participated in the offering.

May 2012 Private Placement

In May 2012, the Company completed a private placement of 1,736,100 shares of its common stock at a price of $2.36 per share for aggregate proceeds of $4.1 million pursuant to a series of Common Stock Purchase Agreements, among the Company and members of the Company's Board of Directors and certain parties related to such directors.

Biolding Follow-on Investment

In March 2013, the Company completed a private placement of 1,533,742 shares of its common stock to an existing stockholder, Biolding Investment SA ("Biolding"), at a price of $3.26 per share for aggregate proceeds of $5.0 million. This private placement represented the final tranche of Biolding's preexisting contractual obligation to fund $15.0 million upon satisfaction by the Company of certain criteria associated with the commissioning of a production plant in Brazil.

Letter Agreement with Total

As of March 24, 2013, the Company entered into a letter agreement with Total under which Total agreed to waive its right to cease its participation in our fuels collaboration at the July 2013 decision point and committed to proceed with the July 2013 funding tranche of $30.0 million (subject to the Company's satisfaction of the relevant closing conditions for such funding in the securities purchase agreement). As consideration for this waiver and commitment, the Company agreed to:

- Reduce the conversion price for the senior unsecured convertible promissory notes to be issued in connection with such funding from $7.0682 per share to a price per share equal to the greater of (i) the consolidated closing bid price of the Company's common stock on the date of the letter agreement, plus $0.01, and (ii) $3.08 per share, provided that the conversion price will not be reduced by more than the maximum possible amount permitted under the NASDAQ rules such that the new conversion price would require the Company to obtain stockholder consent; and
- Grant Total a senior security interest in the Company's intellectual property, subject to certain exclusions and subject to release by Total when the Company and Total enter into final documentation regarding the establishment of the Fuels JV.

In addition to the waiver by Total described above, Total also agreed that, at the Company's request and contingent upon the Company meeting its obligations described above, it would pay advance installments of the amounts otherwise payable at the July 2013 closing. Specifically, if the Company requests such advance installments, subject to certain closing conditions and delivery of certifications regarding the Company's cash levels, Total is obligated to fund $10.0 million no later than May 15, 2013, and an additional $10.0 million no later than June 15, 2013, with the remainder to be funded on the original July 2013 closing date.

On June 6, 2013, the Company sold and issued a 1.5% Senior Unsecured Convertible Note to Total in an aggregate principal amount of $10.0 million with a March 1, 2017 maturity date pursuant to the July 30, 2012 purchase agreement as discussed above. In accordance with the Letter Agreement dated March 24, 2013 this convertible note has a conversion price equal to $3.08 per share of the Company's common stock. The Company did not request the initial $10.0 million advance, due no later than May 15, 2013, but did request the June advance (as described above), under which this convertible note was issued.

13. Income Taxes

For the three months ended June 30, 2013 and 2012, the Company recorded a provision for income taxes of $246,000 and $249,000, respectively, and a provision for income taxes of $482,000 and $493,000, respectively, for the six months ended June 30, 2013 and 2012. The provision for income taxes for the six months ended June 30, 2013 and 2012 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.

As of June 30, 2013, the US Internal Revenue Service has completed its audit of the Company for tax year 2008 which concluded that there were no adjustments resulting from the audit. While the statutes are closed for tax year 2008, the US federal tax carryforwards (net operating losses and tax credits) may be adjusted by the Internal Revenue Service in the year in which the carryforward is utilized.

On January 2, 2013, the President signed into law the American Taxpayer Relief Act of 2012, or ATRA. Under prior law, a taxpayer was entitled to a research tax credit for qualifying amounts incurred through December 31, 2011. The ATRA extends the research credit for two years for qualified research expenditures incurred through the end of 2013. The extension of the research credit is retroactive and includes amounts incurred after 2011. The benefit of the reinstated credit did not impact the income statement in the period of enactment, which is the first quarter of 2013, as the research and development credit carryforwards are offset by a full valuation allowance.

14. Segment Information

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 research and 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 segment 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 June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
United States	$ 4,458	$ 16,596	$ 10,022	$ 42,902
Brazil	1,259	813	2,077	1,688
Europe	4,005	1,395	4,230	3,333
Asia	1,127	459	2,389	809
Total	$ 10,849	$ 19,263	$ 18,718	$ 48,732

Long-Lived Assets

	June 30,	December 31,
	2013	2012
United States	$ 58,562	$ 70,273
Brazil	83,794	90,982
Europe	1,785	1,866
Total	$ 144,141	$ 163,121

15. Comprehensive Income (Loss)

Comprehensive income (loss) represents all changes in stockholders' equity except those resulting from investments or contributions by stockholders. The Company's 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):

	June 30, 2013	December 31, 2012
Foreign currency translation adjustment, net of tax	$ (16,892)	$ (12,807)
Total accumulated other comprehensive loss	$ (16,892)	$ (12,807)

16. 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 June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Numerator:				
Net loss attributable to Amyris, Inc. common stockholders	$ (38,876)	$ (46,806)	$ (71,490)	$ (141,354)
Denominator:				
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	75,959,228	57,442,834	74,640,314	53,828,541
Net loss per share attributable to common stockholders, basic and diluted	$ (0.51)	$ (0.81)	$ (0.96)	$ (2.63)

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 anti-dilutive:

	Three and Six Months Ended June 30,	
	2013	2012
Period-end stock options to purchase common stock	8,803,300	9,190,218
Convertible promissory notes	13,617,144	3,536,968
Period-end common stock subject to repurchase	1	793
Period-end common stock warrants	21,087	23,339
Period-end restricted stock units	2,770,516	1,657,231
Total	25,212,048	14,408,549

17. Subsequent Events

Related Party Convertible Debt Financings

On July 26, 2013, the Company sold and issued a 1.5% Senior Unsecured Convertible Note to Total in an aggregate principal amount of $20.0 million with a March 1, 2017 maturity date pursuant to the July 30, 2012 purchase agreement described in Note 6 Debt. This purchase and sale completed Total's commitment to purchase $30.0 million of such notes by July 2013. In accordance with the Letter Agreement dated March 23, 2013 this convertible note has a conversion price equal to $3.08 per share of Company common stock.

In August 2013, the Company entered into an agreement with certain investors to sell up to $73.1 million in convertible promissory notes in private placements over a period of up to 24 months from the date of signing. This convertible note financing requires the Company to satisfy various conditions before the funding is available, and the offering is divided into two tranches (one for $42.6 million and one for $30.4 million), each with differing closing conditions. Of the total possible purchase price in the financing, $60.0 million would be paid in the form of cash ($35.0 million in the first tranche and up to $25.0 million in the second tranche) and $13.1 million would be paid by cancellation of outstanding promissory notes by an existing stockholder in connection with its exercise of pro rata rights ($7.6 million in the first tranche and $5.4 million in the second tranche). The financing is subject to timing and completion risks, including a requirements that the Company meets certain production milestones before the second tranche is available, obtain stockholder approval prior to completing any closings in the transaction, and issues a warrant to one of the purchasers to purchase 1,000,000 shares of the Company's common stock at an exercise price of $0.01 per share, exercisable only if another of the purchasers in the financing converts preexisting promissory notes with a certain per share conversion price.

Tate & Lyle Termination Agreement

Pursuant to the Termination Agreement described in Note 8 Significant Agreements, the Company is required to make four payments to Tate & Lyle, totaling approximately $8.8 million due between July 17, 2013 and December 16, 2013. In July 2013, the Company paid $3.6 million of its total $8.8 million obligation pursuant to the Termination Agreement.

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

Amyris is a renewable products company focused on providing sustainable alternatives to a broad range of petroleum-sourced products. We developed innovative microbial engineering and screening technologies that modify the way microorganisms process sugars. We are using our proprietary synthetic biology platform to design microbes, primarily yeast, and use them as living factories in established fermentation processes to convert plant-sourced sugars into renewable hydrocarbons. We are developing, and, in some cases, already commercializing, products from these hydrocarbons in several target industry sectors, including cosmetics, lubricants, flavors and fragrances, polymers and specialty materials , and transportation fuels. We call these No Compromise products because we design them to perform comparably to or better than currently available products.

We have been applying our industrial synthetic biology platform to provide alternatives to a broad range of petroleum-sourced products. We have focused our development efforts on the production of Biofene, our brand of renewable farnesene, a long-chain, branched liquid hydrocarbon molecule. Using Biofene as a first commercial building block molecule, we are developing a wide range of renewable products for our target markets.

While our platform is able to utilize a wide variety of feedstocks, we are focusing our large-scale production plans primarily on the use of Brazilian sugarcane as our feedstock because of its renewability, low cost and relative price stability. We have also been able to produced Biofene through the use of other feedstocks such as sugar beets, corn dextrose, sweet sorghum and cellulosic sugars.

Our first purpose-built, large-scale Biofene production plant commenced operations in southeastern Brazil in December 2012. This plant in Brotas, in the state of São Paulo, is adjacent to an existing sugar and ethanol mill, Paraiso Bionergia. We have also commenced initial construction of a second large-scale production plant in Brazil, located at the Usina São Martinho sugar and ethanol mill also in the state of São Paulo, which we intend to complete the construction when market development support the start-up of that plant.

Our business strategy is focused on our commercialization efforts on specialty products while moving established commodity products, including our fuels and base oil lubricants products, into joint venture arrangements with established industry leaders. We believe this approach will permit access to the capital and resources necessary to support large-scale production and global distribution for our ubiquitous products. Our initial renewable products efforts have been focused on products for the cosmetics, niche fuel opportunities, fragrance oils, and liquid polymer sectors.

Total Relationship

In June 2010, we entered into a collaboration agreement with Total. This agreement provided 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. In November 2011, we entered into an amendment of the collaboration agreement with Total with respect to development and commercialization of Biofene for diesel. This represented an expansion of the initial collaboration with Total, and established a global, exclusive collaboration for the development of Biofene for diesel and a framework for the creation of a joint venture to manufacture and commercialize Biofene for diesel. In addition, a limited number of other potential products were subject to development for the joint venture on a non-exclusive basis. In July 2012, we entered into a further amendment of the collaboration agreement with Total that expanded Total's investment in the Biofene collaboration, incorporated the development of certain joint venture products for use in diesel and jet fuel into the scope of the collaboration, and changed the structure of the funding from Total to include a convertible debt mechanism. Under the new agreements, we issued senior unsecured convertible notes to Total for an aggregate of $30.0 million in new cash in the third quarter of 2012 and an additional $30.0 million in 2013. Total may decide to provide further funding in 2014. Upon completion of the research and development program, we and Total would form a joint venture company that would have exclusive rights to produce and market renewable diesel and/or jet fuel. Should Total decide not to pursue commercialization, under certain conditions, it is eligible to recover up to $100.0 million, payable in March 2017, in the form of cash or in the form of common stock at a conversion price of $7.0682 per share (or, for notes issued in 2013, a lower price as determined under the March 2013 letter agreement as described below).

In connection with a private placement of our common stock that occurred in December 2012, Total elected to participate by exchanging approximately $5.0 million of its $53.3 million in senior unsecured convertible debt outstanding for 1,677,852 shares at the purchase price in this private placement of $2.98 per share. As such, $5.0 million of the outstanding $53.3 million in senior unsecured convertible debt was cancelled.

In March 2013, we entered into a letter agreement with Total under which Total agreed to waive its right to cease its participation in our fuels collaboration at the July 2013 decision point referenced above and committed to proceed with the July 2013 funding tranche of $30.0 million (subject to our satisfaction of the relevant closing conditions for such funding in the securities purchase agreement). As consideration for this waiver and commitment, we agreed to:

- Reduce the conversion price for the senior unsecured convertible promissory notes to be issued in connection with such funding from $7.0682 per share to a price per share equal to the greater of (i) the consolidated closing bid price of our common stock on the date of the letter agreement, plus $0.01, and (ii) $3.08 per share; and

- Grant Total a senior security interest in our intellectual property, subject to certain exclusions and subject to release by Total when we and Total enter into final documentation regarding the establishment of the Fuels JV.

In addition to the waiver by Total described above, Total also agreed that, at our request and contingent upon us meeting our obligations described above, it would pay advance installments of the amounts otherwise payable at the July 2013 closing. Specifically, if we requested such advance installments, subject to certain closing conditions and delivery of certifications regarding our cash levels, Total was obligated to fund $10.0 million no later than May 15, 2013, and an additional $10.0 million no later than June 15, 2013, with the remainder to be funded on the original July 2013 closing date.

In June 2013, we sold and issued a 1.5% Senior Unsecured Convertible Note to Total in an aggregate principal amount of $10.0 million with a maturity date of March 1, 2017 pursuant to the July 2012 purchase agreement. This convertible note has a conversion price of $3.08 per share in accordance with the March 2013 Letter Agreement as discussed above. We did not request the initial advance described above, but did request the June advance, under which this convertible note was issued. Subsequently, in July 2013, we sold a $20.0 million senior unsecured convertible note to Total with the same conversion price as the note in the June 2013 sale. This purchase and sale completed Total's commitment to purchase $30.0 million of such notes by July 2013. We expect that Total will cancel an additional portion of its outstanding convertible promissory notes in connection with its exercise of pro rata rights in our pending August 2013 convertible debt financing (with the final amount of such cancellation to be determined based on the final size of the closing in such offering).

Manufacturing

Beginning in March 2012, we initiated a plan to shift production capacity from contract manufacturing facilities to Amyris-owned plants that were then 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 in the first quarter of 2012. We recognized additional charges of $1.4 million and $7.8 million, respectively, in the third and fourth

quarter of 2012 associated with losses on 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 in the three months ended March 31, 2012.

Tate & Lyle

On June 25, 2013, we entered into a Termination Agreement with Tate & Lyle to terminate the parties' November 2010 Contract Manufacturing Agreement. The Termination Agreement resolves all outstanding issues that had arisen in connection with our relationship with Tate & Lyle.

The Contract Manufacturing Agreement had secured manufacturing capacity for farnesene through 2016 at Tate & Lyle's facility in Decatur, Illinois. The Contract Manufacturing Agreement included a base monthly payment regardless of level of production at Tate & Lyle's facility in addition to a variable amount based on volume. With the commencement of production at our farnesene facility located in Brazil, we determined that maintaining the Contract Manufacturing Agreement was no longer desired from a cost and operational perspective. We had no production at the Tate & Lyle facility since the first quarter of 2013.

Pursuant to the Termination Agreement, we are required to make four payments to Tate & Lyle, totaling approximately $8.8 million, of which $3.6 million is to satisfy outstanding obligations and $5.2 million is in lieu of additional payments otherwise owed under the Contract Manufacturing Agreement. These four payments are due under the Termination Agreement between July 17, 2013 and December 16, 2013, and such payments are deemed to be in full satisfaction of all amounts otherwise owed under the Contract Manufacturing Agreement. Under the Termination Agreement, no further payments will be owed for the remaining term of the Contract Manufacturing Agreement (i.e., through 2016). Additionally, we recorded a loss on purchase commitments and write-off of production assets of $8.4 million which consisted of an impairment charge of $6.7 million relating to our equipment at Tate & Lyle, a $2.7 million write- off of an unamortized portion of equipment costs funded us for Tate & Lyle, offset by a reversal of $1.0 million provision for loss on fixed purchase commitments. As of June 30, 2013 we have an outstanding liability of $8.8 million pertaining to our obligation under the Termination Agreement. In July 2013, we paid $3.6 million of our obligation pertaining to the Termination Agreement.

Joint Ventures

Novvi

On March 26, 2013, we and Cosan entered into a termination agreement to terminate the Original JV Agreement. In addition, we agreed to sell our 50% ownership in Novvi S.A. for approximately R$22,000 which represented the current value of our 50% equity ownership in Novvi S.A., a now-dormant company, to Cosan. Upon the consummation of the transaction with the shares transferring from Amyris Brasil to Cosan, the Shareholders Agreement of Novvi S.A. dated June 3, 2011 will automatically terminate.

In September 2011, we and Cosan US, Inc. ("Cosan U.S.") formed Novvi LLC, a U.S. entity that is jointly owned by the Company and Cosan U.S. On March 26, 2013 we and Cosan U.S. entered into agreements to (i) expand their base oils joint venture to also include additives and lubricants and (ii) operate their joint venture exclusively through Novvi LLC ("Novvi"). Specifically, the parties entered into an Amended and Restated Operating Agreement for Novvi, which sets forth the governance procedures for Novvi and the joint venture and the parties' initial contribution. We also entered into an IP License Agreement with Novvi under which we granted Novvi (i) an exclusive (subject to certain limited exceptions for the Company), worldwide, royalty-free license to develop, produce and commercialize base oils, additives, and lubricants derived from Biofene for use in the automotive, commercial and industrial lubricants markets and (ii) a non-exclusive, royalty free license, subject to certain conditions, to manufacture Biofene solely for its own products. In addition, both we and Cosan U.S. granted Novvi certain rights of first refusal with respect to alternative base oil and additive technologies that may be acquired by us or Cosan U.S. during the term of the IP License Agreement. Under these agreements, we and Cosan U.S. will each own 50% of Novvi and each party will share equally in any costs and any profits ultimately realized by the joint venture. Novvi is governed by a six member Board of Managers, three from each investor who will appoint the Officers of Novvi who will be responsible for carrying out the daily operating activities of Novvi as directed by the Board of Managers. The IP License Agreement has an initial term of 20 years from the date of the agreement, subject to standard early termination provisions such as uncured material breach or a party's insolvency. Under the terms of the Amended and Restated Operating Agreement for initial contribution, Cosan U.S. is obligated to fund its 50% ownership share of Novvi in cash in the amount of $10.0 million and we are obligated to fund our 50% ownership share of Novvi through the granting of an IP License to develop, produce and commercialize base oils, additives, and lubricants derived from Biofene for

use in the automotive, commercial and industrial lubricants markets which has been agreed upon by Cosan U.S. and Amyris valued at $10.0 million. On March 26, 2013, we measured our initial contribution of IP to Novvi at our carrying value of the licenses granted under the IP License Agreement, which was zero. Additional funding requirements to finance the ongoing operations of Novvi are expected to happen through revolving credit or other loan facilities provided by unrelated parties (i.e. such as financial institutions); cash advances or other credit or loan facilities provided by us and Cosan U.S. or their affiliates; or additional capital contributions us and Cosan U.S.

We have identified Novvi as a VIE and determined that the power to direct activities, which most significantly impact the economic success of the joint venture (i.e. continuing research and development, marketing, sales, distribution and manufacturing of Novvi products), is equally shared between us and Cosan. Accordingly, we are not the primary beneficiary and therefore account for our investment in Novvi under the equity method of accounting. We will continue to reassess our primary beneficiary analysis of Novvi if there are changes in events and circumstances impacting the power to direct activities that most significantly affect Novvi's economic success. Under the equity method, our share of profits and losses are to be included in “Income (loss) from equity method investments, net” in our consolidated statements of operations. During the three and six months ended June 30, 2013, we recorded no amounts for our share of Novvi's net loss as the carrying amount of our investment in Novvi was zero and losses in excess of the carrying amount are offset by the accretion of our share in the basis difference resulted from the parties' initial contribution. For the three months ended June 30, 2013 and 2012, we recorded $0.1 million and $0.9 million, respectively, and $2.6 million and $0.9 million for the six months ended June 30, 2013 and 2012, respectively, of revenue from the research and development activities performed on behalf of Novvi.

Sales and Revenue

To commercialize our Biofene-derived product, squalane, in the cosmetics sector for use as an emollient, we have entered into a number of distribution agreements such as Laserson S.A. in Europe, Nikko Chemicals Co., Ltd. in Japan, and Centerchem, Inc. in the United States. As an initial step towards commercialization of Biofene-based diesel, we have entered into agreements with municipal fleet operators in São Paulo, Brazil. Our diesel fuel is supplied to BR Distribudora, a division of Petrobras, which in turn blends our product with petroleum diesel and sells to a number of bus operators including Santa Brigida, the largest bus fleet operator in São Paulo. For the industrial lubricants market, we established a joint venture with Cosan for the worldwide development, production and commercialization of renewable base oils in the lubricant sector.

We transitioned out of the ethanol and ethanol-blended business during the third quarter ended September 30, 2012. We do not expect to be able to replace prior year revenue levels in the near term as a result of this transition, particularly in 2013 while we focus our efforts to establish our renewable products business.

The following table sets forth our comparative revenue data for the periods or the periods shown (in thousands):

	Three Months Ended June 30,		Year-to Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Revenues				
Ethanol and ethanol-blended gasoline	$ —	$ 13,309	$ (13,309)	(100)%
Renewable products	4,185	2,271	1,914	84 %
Collaborations revenue	3,090	1,770	1,320	75 %
Grants	3,574	1,913	1,661	87 %
Total revenues	$ 10,849	$ 19,263	$ (8,414)	(44)%

	Six Months Ended June 30,		Year-to Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Revenues				
Ethanol and ethanol-blended gasoline	$ —	$ 37,178	$ (37,178)	(100)%
Renewable products	7,168	4,709	2,459	52 %
Collaborations revenue	6,144	2,661	3,483	131 %
Grants	5,406	4,184	1,222	29 %
Total revenues	$ 18,718	$ 48,732	$ (30,014)	(62)%

Financing

In 2012, we completed multiple financings involving loans and convertible debt and equity offerings. In February 2012, we completed a private placement of 10.2 million shares of common stock for aggregate proceeds of $58.7 million and raised $25.0 million from an offering of senior unsecured convertible promissory notes. In May 2012, we completed a private placement of 1.7 million shares of common stock for aggregate proceeds of $4.1 million. In July 2012, we completed a sale of a $38.3 million in a senior unsecured convertible promissory note for cash proceeds of $15.0 million and our repayment of $23.3 million in previously-provided research and development funds and, in September 2012, we completed a sale of an additional senior unsecured convertible promissory note for additional cash proceeds of $15.0 million. In December 2012, we completed a private placement of our common stock for the issuance of 14,177,849 shares at a price of $2.98 per share for aggregate proceeds of $37.2 million and the cancellation of $5.0 million worth of outstanding senior unsecured convertible promissory notes previously issued us. Shares totaling 1,677,852 were issued to Total in exchange for this cancellation. Net cash received for this private placement as of December 31, 2012 was $22.2 million and the remaining $15.0 million of proceeds was received in January 2013. In connection with this private placement, we entered into a Letter of Agreement, dated December 24, 2012 with Biolding under which we acknowledged that Biolding's initial investment of $10.0 million in December 2012 represented partial satisfaction of its preexisting contractual obligation to fund $15.0 million by March 31, 2013 upon satisfaction by us of criteria associated with the commissioning of our production plant in Brotas.

In March 2013, we completed a private placement of our common stock to Biolding and issued 1,533,742 of our common stock at a price of $3.26 per share resulting in aggregate proceeds of approximately $5.0 million. This private placement represented the final tranche of Biolding's preexisting contractual obligation to fund $15.0 million upon satisfaction by us of certain criteria associated with the commissioning of a production plant in Brazil.

Pursuant to the letter agreement discussed above under the caption "Total Relationship", we completed a sale of $10.0 million senior unsecured convertible note to Total with a conversion price of $3.08 per share in June 2013. Subsequently, in July 2013, we sold a $20.0 million in senior unsecured convertible note to Total with the same conversion price as the note in the June 2013 sale.This purchase and sale completed Total's commitment to purchase $30.0 million of such notes by July 2013.

In August 2013, we signed an agreement for an additional private placement of convertible promissory notes as described in more detail in more detail below.

Liquidity

We have incurred significant losses in each year since our inception and believe that we will continue to incur losses and negative cash flow from operations into at least 2014. As of June 30, 2013, we had an accumulated deficit of $657.8 million and had cash, cash equivalents and short term investments of $12.9 million. We have significant outstanding debt and contractual obligations related to purchase commitments, as well as capital and operating leases. As of June 30, 2013, our debt totaled $107.2 million, of which $5.0 million matures within the next twelve months. In addition, our debt agreements contain various covenants, including restrictions on business that could cause us to be at risk of defaults.

In March 2013, we signed a collaboration agreement with Firmenich that included a collaboration funding component, and obtained a commitment letter from Total with respect to additional convertible note funding (as described above) of which we received $10.0 million in proceeds in June 2013, and we expect to use amounts received under these arrangements to fund our operations. We also received $20.0 million in funding through the sale of a convertible note in private placement under an existing funding agreement with Total in July 2013. This purchase and sale completed Total's commitment to purchase $30.0 million of such notes by July 2013. Furthermore, we are expecting additional funding in 2013 from collaborations, a pending convertible debt offering, and potentially, other sources. In August 2013, we entered into an agreement with certain investors to sell up to $73.1 million in convertible promissory notes in private placements over a period of up to 24 months from the date of signing. This convertible note financing requires us to satisfy various conditions before the funding is available, and the offering is divided into two tranches (one for $42.6 million and one for $30.4 million), each with differing closing conditions. Of the total possible purchase price in the financing, $60.0 million would be paid in the form of cash ($35.0 million in the first tranche and up to $25.0 million in the second tranche) and $13.1 million would be paid by cancellation of outstanding promissory notes by an existing stockholder in connection with its exercise of pro rata rights ($7.6 million in the first tranche and $5.4 million in the second tranche). The financing is subject to timing and completion risks, including a requirement that we meet certain production milestones before the second tranche is available, and a requirement that we obtain stockholder approval prior to completing any closings in the transaction.

Though we expect to close our pending convertible note financing in September 2013, if there is any significant delay in such closing, we would likely need to secure additional short-term funding in September 2013. Such short-term funding may not be available on reasonable terms or at all. For example, in order to raise sufficient additional funds, we could be forced to issue further preferred and discounted equity, agree to onerous covenants, grant security interests in our assets, enter into collaboration and licensing arrangements that require us to relinquish commercial rights or grant licenses on terms that are not favorable to us, or any or all of these. If we are unable to secure sufficient short-term funding to bridge our operations to a delayed closing or fail to complete the pending convertible debt financing within the period covered by any such short-term funding, we would be forced to curtail our operations and cease most of our cash expenditures, which would have a material adverse effect on our ability to continue our business plans and our status as a going concern.

Comparison of Three Months Ended June 30, 2013 and 2012

Revenues

	Three Months Ended June 30,		Year-to-Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Revenues				
Ethanol and ethanol-blended gasoline	$ —	$ 13,309	$ (13,309)	(100)%
Renewable products	4,185	2,271	1,914	84 %
Product sales	4,185	15,580	(11,395)	(73)%
Grants and collaborations revenue	6,664	3,683	2,981	81 %
Total revenues	$ 10,849	$ 19,263	$ (8,414)	(44)%

Our total revenues decreased by $8.4 million to $10.8 million for the three months ended June 30, 2013 as compared to the same period in the prior year, as did the revenue from product sales which decreased by $11.4 million to $4.2 million with such reductions resulting primarily from the transitioning out of the ethanol and ethanol-blended gasoline business during the third quarter of 2012. We do not expect to be able to replace prior year revenue levels in the near term as a result of this transition, particularly in 2013 while we focus our efforts to establish our renewable products business.

Product sales of our farnesene-derived products increased $1.9 million in the second quarter of 2013 compared to the prior year. The increase in the second quarter of 2013 is primarily a result of sales to new distributors and diesel sales. Additionally, grants and collaborations revenue increased in the second quarter of 2013 by $3.0 million to $6.7 million compared to the same period in the prior year primarily due to the revenue recognized from collaboration research services with Firmenich, along with the achievement of program milestones under the DARPA Technology Investment Agreement. The increase in revenue from the DARPA milestone was partially offset by the absence of revenue from the "Integrated Bio-Refinery" grant from the U.S. Department of Energy as the project was completed in the first quarter of 2013.

Cost and Operating Expenses

	Three Months Ended June 30,		Year-to-Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Cost of products sold	$ 8,853	$ 23,636	$ (14,783)	(63)%
Loss on purchase commitments and write-off of production assets	8,423	—	8,423	nm
Research and development	13,992	18,500	(4,508)	(24)%
Sales, general and administrative	14,718	22,231	(7,513)	(34)%
Total cost and operating expenses	$ 45,986	$ 64,367	$ (18,381)	(29)%

nm= not meaningful

Cost of Products Sold

Our cost of products sold decreased by $14.8 million to $8.9 million for the three months ended June 30, 2013 compared to the same period in the prior year. Our cost of products sold includes production costs of farnesene-derived products, which includes cost of raw materials, labor and overhead, amounts paid to contract manufacturers and period costs including inventory write-downs resulting from applying lower-of-cost-or-market inventory valuations. Cost of farnesene-derived products sold also includes certain costs related to the scale-up in production of such products. As of December 2012, we began operating our own large-scale Biofene production plant in Brotas, in the state of São Paulo, Brazil.

We transitioned out of the ethanol and ethanol-blended business during the third quarter of 2012 to focus our efforts to establish our renewable products business, as a result, 2013 cost of products sold do not include any such costs. Cost of products sold declined by $13.7 million for the three months ended June 30, 2013 compared to the same period in the prior year. Production costs of farnesene-derived products sold decreased by $1.1 million compared to the prior year as the prior year costs included higher write-downs taken from applying lower-of-cost-or-market adjustments against higher production levels as we scaled up of our renewable operations. This decrease was partly offset by current period charges for excess capacity at various manufacturing facilities.

Cost of Products Sold Associated with Loss on Purchase Commitments and Write Off of Production Assets

Beginning in March 2012, we initiated a plan to shift a portion of our production capacity from contract manufacturing facilities to Amyris-owned plants that were then under construction. 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.

During the three months ended June 30, 2013, we recorded an additional loss related to a termination and settlement of our existing agreement with Tate & Lyle, one of our contract manufacturers, of $8.4 million which consisted of an impairment charge of $6.7 million relating to our equipment at Tate & Lyle, a $2.7 million write-off of an unamortized portion of equipment costs funded by us for Tate & Lyle, offset by a reversal of $1.0 million provision for loss on fixed purchase commitments.

Research and Development Expenses

Our research and development expenses decreased by $4.5 million for the three months ended June 30, 2013 compared to the same period in the prior year, primarily as a result of overall lower spending. The decrease was attributable to a $1.9 million reduction in personnel-related expenses associated with a lower headcount, a $1.6 million reduction in other overhead expenses, and a $1.0 million reduction in consulting and professional services expenses. Research and development expenses included stock-based compensation expense of $1.0 million and $1.6 million during the three months ended June 30, 2013 and 2012, respectively.

Sales, General and Administrative Expenses

Our sales, general and administrative expenses decreased by $7.5 million for the three months ended June 30, 2013 compared to the same period of the prior year, primarily as a result of overall lower spending. The decrease is attributed primarily to a $5.1 million reduction in personnel-related expenses associated with lower stock-based compensation expenses and lower headcount, $1.0 million reduction in consulting and professional service fees, and $1.0 million reduction in other overhead expenses. Sales, general and administrative expenses included stock-based compensation expense of $3.9 million and $7.4 million during the three months ended June 30, 2013 and 2012, respectively.

Other Income (Expense)

	Three Months Ended June 30,		Year-to-Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Other income (expense):				
Interest income	$ 57	$ 503	$ (446)	(89)%
Interest expense	(1,558)	(1,260)	(298)	24 %
Other expense, net	(2,030)	(1,025)	(1,005)	98 %
Total other expense	$ (3,531)	$ (1,782)	$ (1,749)	98 %

Total other expense increased by approximately $1.7 million to $3.5 million for the three months ended June 30, 2013 compared to the same period of the prior year. The increase in total other expense was attributable to an increase in other expense, net of $1.0 million, a $0.4 million decrease in interest income due to lower cash balance compared to the same period in the prior year and an increase in interest expense of $0.3 million associated with increased borrowings to fund our operations. The increase in other expense, net of $1.0 million is primarily due to $2.0 million foreign currency fluctuations related to intercompany balances and $0.4 million change in fair value of our interest swap liability partially offset by a $1.4 million gain from change in fair value of the compound derivative liability associated with our senior unsecured convertible promissory notes issued to Total.

Comparison of Six Months Ended June 30, 2013 and 2012

Revenues

	Six Months Ended June 30,		Year-to-Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Revenues				
Ethanol and ethanol-blended gasoline	$ —	$ 37,178	$ (37,178)	(100.0)%
Renewable products	7,168	4,709	2,459	52.2 %
Product sales	$ 7,168	$ 41,887	$ (34,719)	(83)%
Grants and collaborations revenue	11,550	6,845	4,705	69 %
Total revenues	$ 18,718	$ 48,732	$ (30,014)	(62)%

Our total revenues decreased by $30.0 million to $18.7 million for the six months ended June 30, 2013 as compared to the same period in the prior year, as did revenue from product sales by $34.7 million to $7.2 million with such reductions resulting primarily from the transitioning out of the ethanol and ethanol-blended gasoline business during the third quarter of 2012. We do not expect to be able to replace prior year revenue levels in the near term as a result of this transition, particularly in 2013 while we focus our efforts to establish our renewable products business.

Product sales of our renewable products increased by $2.5 million to $7.2 million for the six months ended June 30, 2013 compared to the same period in the prior year as a result of sales to new distributors and diesel sales. Additionally, grants and collaboration revenue increased in the six months ended June 30, 2013 by $4.7 million to $11.6 million compared to the same period in the prior year primarily due to the revenue recognized from collaboration research services with Firmenich, along with the achievement of program milestones under the DARPA Technology Investment Agreement. The increase in revenue from the DARPA milestone was partially offset by the lower of revenue from the "Integrated Bio-Refinery" grant from the U.S. Department of Energy as the project was completed in the first quarter of 2013.

Costs and Operating Expenses

	Six Months Ended June 30,		Year-to-Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Cost of products sold	$ 17,813	$ 67,447	$ (49,634)	(74)%
Loss on purchase commitments and write off of production assets	8,423	36,652	(28,229)	(77)%
Research and development	29,746	39,844	(10,098)	(25)%
Sales, general and administrative	29,545	43,946	(14,401)	(33)%
Total costs and operating expenses	$ 85,527	$ 187,889	$ (102,362)	(54)%

Cost of Products Sold

Our cost of products sold decreased by $49.6 million to $17.8 million for the six months ended June 30, 2013 compared to the same period in the prior year. Our cost of products sold includes production costs of farnesene-derived products, which includes cost of raw materials, labor and overhead, amounts paid to contract manufacturers and period costs including inventory write-downs resulting from applying lower-of-cost-or-market inventory valuations. Cost of farnesene-derived products sold also includes

certain costs related to the scale-up in production of such products. As of December 2012, we began operating our own large-scale Biofene production plant in Brotas, in the state of São Paulo, Brazil.

We transitioned out of our ethanol and ethanol-blended gasoline business in the quarter ended September 30, 2012, which resulted in a reduction of $37.3 million in cost of products sold for the six months ended June 30, 2013 compared to the same period in the prior year. Production costs of farnesene-derived products sold decreased by $12.3 million compared to the prior year as prior year costs included higher write-downs taken from applying lower-of-cost-or-market adjustments against higher production levels as we scaled up of our renewable operations. This decrease was partly offset by current period charges for excess capacity at various manufacturing facilities.

Cost of Products Sold Associated with Loss on Purchase Commitments and Write Off of Production Assets

Beginning in March 2012, we initiated a plan to shift a portion of our production capacity from contract manufacturing facilities to Amyris-owned plants that were then 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 also recorded an impairment charge of $5.5 million in the three months ended March 31, 2012 related to Amyris-owned equipment at contract manufacturing facilities, based on the excess of the carrying value of the assets over their fair value. 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.

During the six months ended June 30, 2013, we recorded an additional loss related to a termination and settlement of our existing agreement with Tate & Lyle, one of our contract manufacturers of $8.4 million which consisted of an impairment charge of $6.7 million relating to our equipment at Tate & Lyle, a $2.7 million write-off of an unamortized portion of equipment costs funded by us for Tate & Lyle, offset by a reversal of $1.0 million provision for loss on fixed purchase commitments.

Research and Development Expenses

Our research and development expenses decreased by $10.1 million for the six months ended June 30, 2013 compared to the same period in the prior year, primarily as a result of overall lower spending. The decrease was attributable to a $4.1 million reduction in personnel-related expenses associated with a lower headcount, a $3.6 million reduction in other overhead expenses, $2.1 million reduction in consulting and professional services , and a $0.3 million decrease in travel-related expenses. Research and development expenses included stock-based compensation expense of $2.3 million and $3.1 million during the six months ended June 30, 2013 and 2012, respectively.

Sales, General and Administrative Expenses

Our sales, general and administrative expenses decreased by $14.4 million for the six months ended June 30, 2013 compared to the same period of the prior year, primarily a result of overall lower spending. The decrease is attributed primarily to a $10.3 million reduction in personnel-related expenses associated with lower stock compensation expenses and a lower headcount, $2.2 million reduction in consulting, and professional service fees, $1.6 million reduction in other overhead expenses, and $0.3 million reduction in travel-related expenses. Sales, general and administrative expenses included stock-based compensation expense of $6.9 million and $12.4 million during the six months ended June 30, 2013 and 2012, respectively.

Other Income (Expense)

	Six Months Ended June 30,		Year-to-Year Change	Percentage Change
	2013	2012		
	(Dollars in thousands)			
Other income (expense):				
Interest income	$ 93	$ 1,109	$ (1,016)	(92)%
Interest expense	(3,120)	(2,314)	(806)	35 %
Other expense, net	(911)	(1,176)	265	(23)%
Total other expense	$ (3,938)	$ (2,381)	$ (1,557)	65 %

Total other expense increased by $1.6 million to $3.9 million for the six months ended June 30, 2013 compared to the same period of the prior year. During the six months ended June 30, 2013, interest income decreased by $1.0 million due to lower cash balance compared to the same period in the prior year and interest expense increased $0.8 million due to increased borrowings to fund our operations including capital expenditures. These changes were partially offset by a decrease in other expense, net of $0.3 million, of which $2.4 million is due to a change in fair value of the compound embedded derivative liability associated with our senior unsecured convertible promissory notes issued to Total partially offset by a $1.8 million foreign currency fluctuations related to intercompany balances and $0.4 million of loss related to the change in fair value of our interest swap liability.

Liquidity and Capital Resources

	June 30, 2013	December 31, 2012
	(Dollars in thousands)	
Working capital (deficit)	$ (13,860)	$ 3,668
Cash and cash equivalents and short-term investments	$ 12,915	$ 30,689
Debt and capital lease obligations	$ 108,924	$ 106,774
Accumulated deficit	$ (657,817)	$ (586,327)

	Six Months Ended June 30,	
	2013	2012
	(Dollars in thousands)	
Net cash used in operating activities	$ (45,268)	$ (91,610)
Net cash used in investing activities	(5,141)	(38,108)
Net cash provided by financing activities	30,023	102,191

Working Capital. Working capital (deficit) was $(13.9) million at June 30, 2013, a decrease of $17.5 million from working capital as of December 31, 2012. This decrease was principally attributable to a reduction in net cash and investment balances of $17.8 million due primarily to fund our operating expenses and service our debt, a $6.3 million increase in short-term deferred revenue, a $2.0 million decrease in inventory, a $1.8 million decrease in prepaid and other currents assets, and an increase of $1.6 million in short term debt balances. This decrease was offset in part by a $3.4 million increase in accounts receivable and a reduction of $8.2 million in accounts payable and accrued and other current liabilities.

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

We expect to fund our operations for the foreseeable future with cash and investments currently on hand, with cash inflows from collaboration and grant funding, cash contributions from product sales, and with new debt and equity financing. Some of our existing anticipated financing sources, such as research and development collaborations and a pending convertible debt financing, are subject to risk that we cannot meet milestones or are not yet subject to definitive agreements or mandatory funding commitments and, if needed, we may not be able to secure additional types of financing in a timely manner or on reasonable terms, if at all. Our planned 2013 working capital needs and our planned operating and capital expenditures for 2013 are dependent on significant inflows of cash from existing collaboration partners, as well as additional funding from new collaborations, equity or debt offerings, credit facilities or loans, or combinations of these sources. 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. Our operating plan contemplates capital expenditures of approximately $10.0 million in 2013 and we expect to continue to incur costs in connection with our existing contract manufacturing arrangements.

Liquidity. We have incurred significant losses in each year since our inception and believe that we will continue to incur losses and negative cash flow from operations into at least 2014. As of June 30, 2013, we had an accumulated deficit of $657.8 million and had cash, cash equivalents and short term investments of $12.9 million. We have significant outstanding debt and contractual obligations related to purchase commitments, as well as capital and operating leases. As of June 30, 2013, our debt totaled $107.2 million, of which $5.0 million matures within the next twelve months. In addition, our debt agreements contain various covenants, including restrictions on business that could cause us to be at risk of defaults. In March 2013, we signed a collaboration agreement with Firmenich that included a collaboration funding component, and obtained a commitment letter from

Total with respect to additional convertible note funding (as described above under "Overview-Total Relationship") of which we received $10.0 million in proceeds in June 2013, and we expect to use amounts received under these arrangements to fund our operations. We also received $20.0 million in funding through the sale of a convertible note in private placement under an existing funding agreement with Total in July 2013. This purchase and sale completed Total's commitment to purchase $30.0 million of such notes by July 2013. Furthermore, we are expecting additional funding in 2013 from collaborations, a pending convertible debt offering, and potentially, other sources. In August 2013, we entered into an agreement with certain investors to sell up to $73.1 million in convertible promissory notes in private placements over a period of up to 24 months from the date of signing. This convertible note financing requires us to satisfy various conditions before the funding is available, and the offering is divided into two tranches (one for $42.6 million and one for $30.4 million), each with differing closing conditions. Of the total possible purchase price in the financing, $60.0 million would be paid in the form of cash ($35.0 million in the first tranche and up to $25.0 million in the second tranche) and $13.1 million would be paid by cancellation of outstanding promissory notes by an existing stockholder in connection with its exercise of pro rata rights ($7.6 million in the first tranche and $5.4 million in the second tranche). The financing is subject to timing and completion risks, including a requirement that we meet certain production milestones before the second tranche is available, and a requirement that we obtain stockholder approval prior to completing any closings in the transaction.

Though we expect to close our pending convertible note financing in September 2013, if there is any significant delay in such closing, we would likely need to secure additional short-term funding in September 2013. Such short-term funding may not be available on reasonable terms or at all. For example, in order to raise sufficient additional funds, we could be forced to issue further preferred and discounted equity, agree to onerous covenants, grant security interests in our assets, enter into collaboration and licensing arrangements that require us to relinquish commercial rights or grant licenses on terms that are not favorable to us, or any or all of these. If we are unable to secure sufficient short-term funding to bridge our operations to a delayed closing or fail to complete the pending convertible debt financing within the period covered by any such short-term funding, and fail to secure alternative funding to finance our operations, we would be forced to curtail our operations and cease most of our cash expenditures, which would have a material adverse effect on our ability to continue our business plans and our status as a going concern.

Convertible Note Offering. In February 2012, we sold $25.0 million in principal amount of senior unsecured convertible promissory notes due 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 per share, 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. Furthermore, the senior unsecured convertible notes include restrictions on the amount of debt we are permitted to incur. Our total outstanding debt at any time cannot exceed the greater of $200.0 million or 50% of our consolidated total assets and our secured debt cannot exceed the greater of $125 million or 30% of our consolidated total assets. As of June 30, 2013 and December 31, 2012, a principal amount of $25.0 million and $25.0 million, respectively, was outstanding under these notes payable.

In July and September of 2012, we issued a total of $53.3 million of senior unsecured convertible notes to Total for an aggregate of $30.0 million in cash proceeds and our repayment of $23.3 million in previously-provided research and development funds as described in more detail under "Overview - Total Relationship" above. As part of the December 2012 private placement, 1,677,852 shares of the Company's common stock were issued in exchange for the cancellation of $5.0 million worth of an outstanding senior unsecured convertible promissory note held by Total. On June 6, 2013, we issued an additional $10.0 million of senior unsecured convertible note to Total with a conversion price of $3.08 per share. Subsequently, on July 26, 2013, we issued a $20.0 million senior unsecured convertible note to Total with the same conversion price as the June 2013 sale.This purchase and sale completed Total's commitment to purchase $30.0 million of such notes by July 2013.

Common Stock Offerings. 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.

In May 2012, we completed a private placement of 1,736,100 shares of our common stock for aggregate cash proceeds of $4.1 million.

In December 2012, we completed a private placement of 14,177,849 shares common stock for aggregate proceeds of $37.2 million, of which $22.2 million in cash was received in December 2012 and $15.0 million in cash was received in January 2013.

As part of this private placement, 1,677,852 of the 14,177,849 shares were issued to Total in exchange for the cancellation of $5.0 million worth of an outstanding senior unsecured convertible promissory note we previously issued to Total.

In January 2013, we received $15.0 million in proceeds from a private placement offering that closed in December 2012. Consequently, we issued 5,033,557 of the 14,177,849 shares of our common stock.

In March 2013, we completed a private placement of 1,533,742 shares of its common stock at a price of $3.26 per share for aggregate proceeds of $5.0 million. This private placement represented the final tranche of Biolding's preexisting contractual obligation to fund $15.0 million upon satisfaction by us of certain criteria associated with the commissioning of a production plant in Brazil.

Export Financing with ABC Brasil. On March 18, 2013, we entered into an export financing agreement with Banco ABC Brasil S.A. for approximately US$2.5 million (approximately R$5.0 million based on exchange rate as of March 18, 2013) for a 1 year-term to fund exports through March 2014. As of June 30, 2013, the principal amount outstanding was US$2.5 million. This loan is collateralized by future exports from our subsidiary in Brazil.

Banco Pine/Nossa Caixa Financing. In July 2012, we entered into a Note of Bank Credit and a Fiduciary Conveyance of Movable Goods agreement with each of Nossa Caixa and Banco Pine. Under such instruments, we borrowed an aggregate of R$52.0 million (approximately US$23.5 million based on the exchange rate as of June 30, 2013) as financing for capital expenditures relating to our manufacturing facility in Brotas. Under the loan agreements, Banco Pine agreed to lend R$22.0 million and Nossa Caixa agreed to lend R$30.0 million. The funds for these loans are provided by Banco Nacional de Desenvolvimento Econômico e Social, or BNDES, a government owned bank headquartered in Brazil, but are guaranteed by the lenders. The loans have a final maturity date of July 15, 2022 and bear a fixed interest rate of 5.5% per year. The loans are also subject to early maturity and delinquency charges upon occurrence of certain events including interruption of manufacturing activities at Brotas for more than 30 days, except during sugarcane off-season. The loans are secured by certain of our farnesene production assets at the manufacturing facility in Brotas, and we were required to provide parent guarantees to each of the lenders.

BNDES Credit Facility. In December 2011, we entered into a credit facility in the amount of R$22.4 million (approximately US$10.1 million based on the exchange rate as of June 30, 2013) with BNDES. 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 (approximately US$8.6 million based on the exchange rate at June 30, 2013) and an additional tranche of approximately R$3.3 million (approximately US$1.5 million based on the exchange rate at June 30, 2013) 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 was initially due on a quarterly basis with the first installment due in March 2012. From and after January 2013, interest payments are 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, is due when such credit installment is repaid.

The BNDES Credit Facility is collateralized by a first priority security interest in certain of our equipment and other tangible assets totaling R$24.9 million (approximately US$11.2 million on the exchange rate as of June 30, 2013). 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 10.0% of the total approved amount (R$22.4 million in total debt) available under the BNDES Credit Facility. For advances in the second tranche (above R$19.1 million), we are required to provide additional bank guarantees equal to 90.0% of each such advance, plus additional Amyris guarantees equal to at least 130.0% of such advance. The BNDES Credit Facility contains customary events of default, including payment failures, failure to satisfy other obligations under the 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, BNDES may terminate its commitments and declare immediately due all borrowings under the facility. As of June 30, 2013 and December 31, 2012 the Company had R$17.2 million (approximately US$7.8 million based on the exchange rate as of June 30, 2013 and R$19.1 million (approximately US$9.3 million based on the exchange rate as of December 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 (“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 (“FINEP Project”) and provides for loans of up to an aggregate principal amount of R$6.4 million (approximately US$2.9 million based

on the exchange rate as of June 30, 2013) which is secured by a chattel mortgage on certain equipment of the Company as well as by bank letters of guarantee. As of December 31, 2012, all available credit under this facility was fully drawn.

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 commenced in July 2012 and extend through March 2019. Interest on loans drawn and other charges are paid on a monthly basis and commenced in March 2011. As of June 30, 2013, total outstanding loan balance under this credit facility was R$5.8 million (approximately US$2.6 million based on the exchange rate as of June 30, 2013).

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

- We are required to share with FINEP the costs associated with the FINEP Project. At a minimum, we are required to contribute approximately R$14.5 million (approximately US$7.1 million based on the exchange rate as of December 31, 2012) of which R$11.1 million was contributed prior to the release of the second disbursement. As of December 31, 2012, we have fulfilled all of our cost sharing obligations;
- After the release of the first disbursement, prior to any subsequent drawdown from the FINEP Credit Facility, we were required to provide bank letters of guarantee of up to R$3.3 million in aggregate (approximately US$1.5 million based on the exchange rate as of June 30, 2013) before receiving the second installment in December 2012. We obtained the bank letters of guarantee from Banco ABC Brasil, S.A.;
- Amounts released from the FINEP Credit Facility must be completely used by us towards the FINEP Project within 30 months after the contract execution.

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.

Joint Venture Agreement. In 2010, we established SMA, a joint venture with Usina São Martinho. Under the terms of the agreement, if SMA fails to commence operations by the end of 2013, Usina São Martinho has the right to terminate the joint venture and to require us to buy Usina São Martinho's equity in SMA at its acquisition cost and transfer SMA's assets at the Usina São Martinho site to another location. In that event, we would incur significant costs beginning in mid-2014 and be required to find alternative locations for the facility. In March 2013, we met with Usina São Martinho and the parties agreed in principle to a revised business plan for the joint venture with the plant becoming operational in 2016. While we are in the process of documenting that revised business plan as an amendment to the agreement, we may not be able to reach final agreement on the revised terms.We delayed further construction of and commissioning of the SMA plant and we expect to continue to defer the project in the near term based on economic considerations and to allow us to focus on the successful implementation of our plant in Brotas.

Government Contracts. 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 were 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. As of June 30, 2013, the cash requirement is zero. 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. the “Integrated Bio-Refinery” project from DOE was completed in the first quarter of 2013.

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 $3.6 million, and are required to fund an additional $1.4 million, in cost sharing expenses. Through June 30, 2013, we had recognized $3.0 million in revenue under this grant, of which $0.8 million was received in cash during the six months ended June 30, 2013.

In June 2012, we entered into a Technology Investment Agreement with the Defense Advanced Research Projects Agency (DARPA), under which we will perform certain research and development activities funded in part by DARPA. The work is to be performed on a cost-share basis, where DARPA funds 90% of the work and we fund the remaining 10% (primarily by providing specified labor). Under the agreement, we could receive funding of up to approximately $8.0 million over two years based on achievement of program milestones, and, accordingly, would be responsible for contributions equivalent to approximately

$900,000. The agreement has an initial term of one year and, at DARPA's option, may be renewed for an additional year. Through June 30, 2013, we had recognized $3.2 million in revenue under this agreement, of which $2.8 million was recognized during the six months ended June 30, 2013. Cash has not yet been received associated to the $2.8 million in revenue as of June 30, 2013.

Cash Flows during the Six Months Ended June 30, 2013 and 2012

Cash Flows from Operating Activities

Our primary uses of cash from operating activities are cost of products sold and personnel-related expenditures offset by cash received from product sales, grants and collaborative research. Cash used in operating activities was $45.3 million and $91.6 million for the six months ended June 30, 2013 and 2012, respectively.

The largest component of the $45.3 million of cash used in our operations during the six months ended June 30, 2013 related to our net loss of $71.2 million, offset by non-cash charges of $9.2 million of stock-based compensation, $8.5 million of depreciation and amortization expenses, an $8.4 million of loss on purchase commitments and write off of production assets related to a termination and settlement of our existing agreement with one of our contract manufacturers, and a $1.1 million amortization of debt discount.

Significant operating cash inflows during the six months ended June 30, 2013 were derived primarily from sales of renewable products and from collaborative research services. Operating cash inflows also included an $8.5 million increase in deferred revenue primarily from the up-front collaboration payment from Firmenich.

Net cash used in operating activities of $91.6 million for the six months ended June 30, 2012 reflected a net loss of $142.0 million and a $11.0 million net change in our operating assets and liabilities partially offset by non-cash charges of $61.4 million. Net change in operating assets and liabilities of $11.0 million primarily consisted of a $9.1 million decrease in accounts payable, a $3.2 million increase in prepaid expenses and other assets, a $1.2 million decrease in accrued and other long term liabilities, partially offset by a $3.2 million decrease in accounts receivable. Non-cash charges of $61.4 million were primarily related to $36.7 million of losses from firm purchase commitments and write off of production assets at contract manufacturers resulting from our plan to shift a portion of our production capacity from contract manufacturing facilities to Amyris-owned plants that were then under construction, $15.4 million of stock-based compensation, and $7.5 million of depreciation and amortization expenses.

Cash Flows from Investing Activities

Our investing activities consist primarily of capital expenditures and investment activities.

For the six months ended June 30, 2013, cash used in investing activities was $5.1 million as a result of $3.7 million in capital expenditures on plant, property and equipment due principally to the construction of our first owned production facility in Brotas and $1.4 million in net purchases of short-term investments.

For the six months ended June 30, 2012, cash used in investing activities was $38.1 million as a result of $45.4 million of capital expenditures and deposits on property and equipment, offset by net sales of short term investments of $8.2 million.

Cash Flows from Financing Activities

For the six months ended June 30, 2013, cash provided by financing activities was $30.0 million, primarily the result of the receipt of $20.0 million in proceeds from sales of common stock in private placements, net of issuance cost, and the net receipt of $12.6 million from debt financing. These cash inflows were offset, in part, by principal payments on debt and capital leases of $2.8 million.

For the six months ended June 30, 2012, cash provided by financing activities was $102.2 million, primarily the result of $50.7 million in debt financing and the receipt of $62.6 million in proceeds from sales of common stock in private placements, net of issuance costs. These cash inflows were offset, in part, by principal payments on debt of $9.5 million and principal payments on capital leases of $2.1 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 June 30, 2013 (in thousands):

	Total	2013 (Six Months)	2014	2015	2016	2017	Thereafter
Principal payments on long-term debt	$ 119,910	$ 1,307	$ 5,962	$ 5,110	$ 5,110	$ 88,410	$ 14,011
Interest payments on long-term debt, fixed rate[1]	15,101	1,400	2,783	2,283	1,982	4,931	1,722
Operating leases	68,060	3,009	6,108	6,663	6,685	6,586	39,009
Principal payments on capital leases	1,742	499	956	287	—	—	—
Interest payments on capital leases	103	50	51	2	—	—	—
Terminal storage costs	210	100	76	34	—	—	—
Purchase obligations[2]	11,591	2,262	8,020	502	502	261	44
Total	$ 216,717	$ 8,627	$ 23,956	$ 14,881	$ 14,279	$ 100,188	$ 54,786

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(1) *The fixed interest rates are more fully described in Note 6 of our consolidated financial statements.*

(2) *Purchase obligations include non-cancelable contractual obligations and construction commitments of $10.9 million, of which $4.0 million have been accrued as loss on purchase commitments.*

This table does not reflect non-reimbursable expenses that we expect to incur in 2013 in connection with research activities under the NREL subcontract discussed above under the caption "Liquidity and Capital Resources - Government Contracts." We have the right to be reimbursed for up to $3.6 million of a total of $5.0 million of expenses for research activities that we undertake under the NREL grant.

Additionally, this table does not reflect the expenses that we expect to incur in 2013 and 2014 in connection with research activities under DARPA under which we will perform certain research and development activities funded in part by DARPA. The work is to be performed on a cost-share basis, where DARPA funds 90% of the work and we fund the remaining 10% (primarily by providing specified labor). Under the agreement, we could receive funding of up to approximately $8.0 million over two years based on achievement of program milestones, and, accordingly, we would be responsible for contributions equivalent to approximately $900,000.

Critical Accounting Policies

There were no material changes in the Company's critical accounting policies during the six months ended June 30, 2013.

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

The market risk inherent in our market risk sensitive instruments and positions is the potential loss arising from adverse changes in: commodity market prices, foreign currency exchange rates, and interest rates as described below.

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 June 30, 2013, 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 June 30, 2013, 100% of our outstanding debt is in fixed rate instruments.

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. The functional currency of our wholly-owned consolidated subsidiary in Brazil is the local currency (Brazilian real) in which recurring business transactions occur. We do not use currency exchange contracts as hedges against amounts permanently invested in our foreign subsidiary. The amount we consider permanently invested in our foreign subsidiary and translated into U.S. dollars using the June 30, 2013 exchange rate is $85.4 million at June 30, 2013 and $76.7 million at December 31, 2012. The increase in the permanent investments in our foreign subsidiary in the six months ended June 30, 2013 is due to additional capital contributions partially offset by the depreciation of the Brazilian real versus the U.S. dollar and an increase in accumulated deficit of our wholly-owned consolidated subsidiary in Brazil. The potential loss in fair value, which would principally be recognized in Other Comprehensive Income (Loss), resulting from a hypothetical 10% adverse change in quoted Brazilian real exchange rates is $8.6 million and $7.7 million as of June 30, 2013 and December 31, 2012, respectively. Actual results may differ.

We make limited use of derivative instruments, which includes currency interest swap agreements, to manage the Company's exposure to the foreign currency exchange rate and the interest rate related to the Company's Banco Pine S.A. loan. In June 2012, we entered into a currency interest rate swap arrangement with Banco Pine for R$22.0 million (approximately US$9.9 million based on the exchange rate as of June 30, 2013). The swap arrangement exchanges the principal and interest payments under the Banco Pine loan entered into in July 2012 for alternative principal and interest payments that are subject to adjustment based on fluctuations in the foreign exchange rate between the U.S. dollar and Brazilian real. The swap has a fixed interest rate of 3.94%. This arrangement hedges the fluctuations in the foreign exchange rate between the U.S. dollar and Brazilian real.

Commodity Price Risk

Our primary exposure to market risk for changes in commodity prices currently relates to our purchases of sugar feedstocks. When possible, we manage our exposure to this risk primarily through the use of supplier pricing agreements.

Through the third quarter of 2012, we also had commodity market risk related to our purchases of ethanol and reformulated ethanol-blended gasoline in which we used standard derivative commodity instruments to hedge the price volatility of ethanol and reformulated ethanol-blended gasoline, principally through futures contracts. As of September 30, 2012, we transitioned out of that business and no longer purchase any ethanol and reformulated ethanol-blended gasoline or use standard derivative commodity instruments. The changes in fair value of these contracts are recorded on the balance sheet and recognized immediately in cost of products sold. We recognized a loss of zero and $0.3 million as the change in fair value for the six months ended June 30, 2013 and 2012, respectively (see Note 3 Fair Value of Financial Instruments to our Condensed 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 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 June 30, 2013, 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 second quarter ended June 30, 2013 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

In May 2013, a securities class action complaint was filed against Amyris and our CEO, John G. Melo, in the U.S. District Court for the Northern District of California. The complaint seeks unspecified damages on behalf of a purported class that would comprise all individuals who acquired our common stock between April 29, 2011 and February 8, 2012. The complaint alleges securities law violations based on the company's commercial projections during that period. We believe the complaint lacks merit, and intend to defend ourselves vigorously.

We may 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 Annual Report on Form 10-K, which could materially affect our business, financial condition or future results. If any of the following risks actually occurs, our business, financial condition, results of operations and future prospects could be materially and adversely harmed. The trading price of our common stock could decline due to any of these risks, and, as a result, you may lose all or part of your investment.

Risks Related to Our Business

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

We have incurred significant losses in each year since our inception and believe that we will continue to incur losses and negative cash flow from operations into at least 2014. As of June 30, 2013, we had an accumulated deficit of $657.8 million and had cash, cash equivalents and short term investments of $12.9 million. We have significant outstanding debt and contractual obligations related to purchase commitments, as well as capital and operating leases. As of June 30, 2013, our debt totaled $107.2 million, of which $5.0 million matures within the next twelve months. In addition, our debt agreements contain various covenants, including restrictions on business that could cause us to be at risk of defaults. 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 limited experience producing our products at commercial scale and may not be able to commercialize our products to the extent necessary to sustain and grow our current business.

To commercialize our products, we must be successful in using our yeast strains to produce target molecules at commercial scale and at a commercially viable cost. If we cannot achieve commercially-viable production economics, we will be unable to achieve a sustainable integrated renewable products business. Most of our commercial manufacturing experience to date has been at contract manufacturing facilities. We are now focused on developing most of our production capacity through purpose-built, large-scale production plants in Brazil, which is a time-consuming, costly, uncertain and expensive process. Given our limited experience commissioning and operating our own manufacturing facilities and our limited financial resources, we cannot be sure that we will be successful in commissioning and scaling up production at these larger-scale plants, either in a timely manner or with production economics that allow us to meet our plans for commercialization. Even to the extent we successfully complete product development in our laboratories and pilot and demonstration facilities, and at contract manufacturing facilities, we may be unable to translate such success to large-scale, purpose-built plants. If this occurs, our ability to commercialize our technology will be adversely affected and we may be unable to produce and sell any significant volumes of our products. Also, with respect to 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 such products profitably.

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.

Our planned 2013 working capital needs and our planned operating and capital expenditures for 2013 are dependent on significant inflows of cash from existing collaboration partners, as well as additional funding from new collaborations, equity or

debt offerings, credit facilities or loans, or combinations of these sources. 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. Some of our existing anticipated financing sources, such as research and development collaborations, are subject to risk that we cannot meet milestones or are not yet subject to definitive agreements or mandatory funding commitments and, if needed, we may not be able to secure additional types of financing in a timely manner or on reasonable terms, if at all. We are expecting additional funding in 2013 from collaborations, a pending convertible debt offering, and potentially, other sources. In August 2013, we entered into an agreement with certain investors to sell up to $73.1 million in convertible promissory notes in private placements over a period of up to 24 months from the date of signing. This convertible note financing requires us to satisfy various conditions before the funding is available, and the offering is divided into two tranches (one for $42.6 million and one for $30.4 million), each with differing closing conditions. Of the total possible purchase price in the financing, $60.0 million would be paid in the form of cash ($35.0 million in the first tranche and up to $25.0 million in the second tranche) and $13.1 million would be paid by cancellation of outstanding promissory notes by an existing stockholder in connection with its exercise of pro rata rights ($7.6 million in the first tranche and $5.4 million in the second tranche). The financing is subject to timing and completion risks, including a requirement that we meet certain production milestones before the second tranche is available, and a requirement that we obtain stockholder approval prior to completing any closings in the transaction. There is no assurance that we will be able to close this transaction in a timely manner, if at all. In addition, some of our existing anticipated financing sources, such as research and development collaborations, are subject to risk that we cannot meet milestones or are not yet subject to definitive agreements or mandatory funding commitments and, if needed, we may not be able to secure additional types of financing in a timely manner or on reasonable terms, if at all.

To the extent we obtain funding through the issuance of equity securities, our existing stockholders will suffer dilution. For example, in 2012 and through the second quarter of 2013, we completed private placements of our common stock that resulted in the issuance of approximately 27.6 million shares of our common stock. Also, in 2012 and through July 2013, we issued approximately $108.3 million in unsecured senior convertible promissory notes that were convertible into common stock at an initial conversion price of $7.0682 per share ($78.3 million of which were issued in 2012 with a conversion price of $7.0682 per share and $30.0 million of which were issued in 2013 with a conversion price of $3.08 per share). Through 2015, we expect to issue up to an aggregate of $21.7 million in additional unsecured senior convertible promissory notes, with a conversion price of $7.0682 per share, under the agreements with Total described below under the caption, “Our relationship with our strategic partner, Total, may have a substantial impact on our company.” Furthermore, under the pending convertible note financing described above, we expect to issue at least $35.0 million (and up to $42.6 million) in convertible promissory notes at an initial conversion price of $2.44 in the third quarter of 2013, and we may issue up to an additional $30.4 million in convertible promissory notes at a conversion price of $2.87 under the same agreement thereafter. In addition, the pending financing includes a closing condition that we issue a warrant to one of the purchasers to purchase 1,000,000 shares of our common stock at an exercise price of $0.01 per share, exercisable only if another of the purchasers in the financing converts preexisting promissory notes with a certain per share conversion price.

In addition to dilution, to the extent we issue convertible promissory notes and similar instruments, we would become subject to various covenants, including restrictions on our business, that could cause us to be at risk of defaults. For example, the convertible notes we issued in 2012 and in 2013 contained various covenants, including restrictions on the amount of debt we are permitted to incur, and the convertible notes we expect to issue in connection with our pending convertible debt financing would contain similar covenants.

Though we expect to close our pending convertible note financing in September 2013, if there is any significant delay in such closing, we would likely need to secure additional short-term funding in September 2013. Such short-term funding may not be available on reasonable terms or at all. For example, in order to raise sufficient additional funds, we could be forced to issue further preferred and discounted equity, agree to onerous covenants, grant security interests in our assets, enter into collaboration and licensing arrangements that require us to relinquish commercial rights or grant licenses on terms that are not favorable to us, or any or all of these. If we are unable to secure sufficient short-term funding to bridge our operations to a delayed closing or fail to complete the pending convertible debt financing within the period covered by any such short-term funding, we would be forced to curtail our operations and cease most of our cash expenditures, which would have a material adverse effect on our ability to continue with our business plans and our status as a going concern.

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

A substantial component of our planned production capacity in the near and long term depends on successful operations at our initial and planned large-scale production plants in Brazil. We are in the early stages of operating our first purpose-built, large-scale production plant in Brotas and may complete construction of certain other facilities in the coming years. Delays or problems in the construction, start-up or operation of these facilities will cause delays in our ramp-up of production and hamper our ability

to reduce our production costs. Delays in construction can occur due to a variety of factors, including regulatory requirements and our ability to fund construction and commissioning costs. Once our large-scale production facilities are built, we must successfully commission them and they must perform as we have designed them. If we encounter significant delays, cost overruns, engineering issues, contamination problems, equipment supply constraints or other serious challenges in bringing these facilities online and operating them at commercial scale, we may be unable to produce our initial renewable products in the time frame we have planned. We may also need to continue to use contract manufacturing sources more than we expect, which would reduce our anticipated gross margins and may prevent us from accessing certain markets for our products. 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 reliance on the large-scale production plant in Brotas subjects us to execution and economic risks.

Our decision to focus our efforts for production capacity on the manufacturing facility in Brotas means that we will have limited manufacturing sources for our products in 2013 and beyond. Accordingly, any failure to establish operations at that plant could have a significant negative impact on our business, including our ability to achieve commercial viability for our products. Construction and commissioning of the plant in Brotas was recently completed, and we cannot be sure that we will be able to successfully scale up and operate the plant at levels sufficient to supply farnesene previously produced at contract manufacturing facilities. Furthermore, while we are moving our production focus to our plant in Brotas 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 the facility in Brotas, we will, for the first time, be the operator of 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 in the past, at certain contract manufacturing 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. Such challenges could arise in our plant in Brotas, 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 in Brotas, we have an agreement with Paraíso Bioenergia to purchase from Paraíso Bioenergia sugarcane juice corresponding 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 Paraíso Bioenergia the applicable premium, 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 prices 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 in Brotas, 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.

We have various agreements with Usina São Martinho that contemplate construction of another large-scale manufacturing facility as a joint venture in Brazil. Under these agreements, we are responsible for designing and managing the construction project, and are responsible for the initial construction costs. We projected the construction costs of the project to be approximately US$100 million. While we completed a significant portion of the construction of the plant before 2012, we delayed further construction and commissioning of the plant while we constructed and commissioned our production plant in Brotas, and we expect to continue to defer the project for the near term based on economic considerations and to allow us to focus on successful implementation at our production plant in Brotas. While Usina São Martinho was obligated to contribute up to approximately R$61.8 million (approximately US$27.9 million based on the exchange rate as of June 30, 2013) to the construction of the plant, such contributions depended on, among other things, successful commencement of 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 delayed and may never occur. Under our existing agreement with Usina São Martinho, if the joint venture fails to commence operations by the end of 2013, Usina São Martinho has the right to terminate the joint venture and to require us to buy Usina São Martinho's equity in the joint venture at its acquisition cost, and transfer the joint venture's assets at the Usina São Martinho site to another location. In that event, we would incur significant costs and be required to find alternative locations for the facility. In March 2013, we met with Usina São Martinho and the parties agreed in principle to a revised business plan for the joint venture with the plant becoming operational in 2016. While we are in the process of documenting that revised business plan as an amendment to the agreement, we may not be able to reach final agreement on the revised terms. 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.

If we are ultimately successful in establishing the plant at Usina São Martinho, the agreements governing the joint venture subject us to terms that may not be favorable to us under certain conditions. For example, 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. Additionally, we are required to purchase the output of the joint venture 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.

Loss or termination of contract manufacturing relationships could harm our ability to meet our production goals.

As we have focused on building and commissioning our own plant and improving our production economics, we have limited our use of contract manufacturing and have terminated relationships with some of our contract manufacturing partners. The failure to have multiple available supply options for farnesene could create a risk for us if a single source or a limited number of sources of manufacturing runs into operational issues. In addition, if we are unable to secure the services of contract manufacturers when and as needed, we may lose customer opportunities and the growth of our business may be impaired. 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. Also, in order for production to commence under our contract manufacturing arrangements, we will generally have to provide equipment, and we cannot be assured that such equipment can be ordered, or installed, on a timely basis, at acceptable costs, or at all. Further, in order 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.

Our use of contract manufacturers exposes us to risks relating to costs, contractual terms and logistics.

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 and, to mitigate cost and volume risks at our large-scale production facilities, for production of Biofene. Establishing and operating contract manufacturing facilities requires us to make significant capital expenditures, which reduces our cash and places this capital at risk. For example, 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 in the year ended December 31, 2012. Also, contract manufacturing agreements can contain terms that commit us to pay for capital expenditures and other costs incurred or expected to be earned by the plant operators and owners, which can result in contractual liability and losses for us even if we terminate a particular contract manufacturing arrangement or decide to reduce or stop production under such an arrangement. For example, in June 2013, we entered into a termination agreement with a contract manufacturer that required us to make payments totaling $8.8 million in 2013, of which $3.6 million was to satisfy outstanding obligations and $5.2 million was in lieu of additional payments otherwise owed. In the year ended December 31, 2012, we incurred a $40.4 million loss related to $10.0 million in facility modification costs and $30.4 million of fixed purchase commitment losses associated with a scale-back of production at certain facilities.

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.

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. Our production costs depend on many factors that could have a negative effect on our ability to offer our planned products at competitive prices. We face financial risk associated with scaling up production to reduce our production cost. To reduce per-unit production costs, we must increase production to achieve economies of scale and to be able to sell our products with positive margins. However, if we do not sell production output in a timely manner or in sufficient volumes, our investment in production will harm our cash position and generate losses. Since achieving competitive product prices generally requires increased production volumes and our manufacturing operations and cash flows from sales are in their early stages, we have had to produce and sell products at a loss in the past, and expect to continue to do so as we build our business. If we are unable to achieve adequate revenues from a combination of product sales and other sources, we may not be able to invest in production and we may not be able to pursue our business plans.

Key factors beyond production scale and feedstock cost that impact our production costs 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 costs, 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. 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.

In order for our diesel fuel 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 fuel as an acceptable fuel. In addition, we must successfully demonstrate to these manufacturers that our fuel does not degrade the performance or reduce the life cycle of their engines or cause them to fail to meet emissions standards. Meeting these suitability standards can be a time consuming and expensive process, and we may invest substantial time and resources into such qualification efforts without ultimately securing approval. To date, our diesel fuel has 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. To distribute our diesel fuel, we must also meet requirements imposed by pipeline operators and fuel distributors. 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 is subject to similar types of qualification requirements as diesel, although we believe the qualification process will ultimately take longer and will be more expensive than the process for diesel.

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 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. 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 we 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.

Our relationship with our strategic partner, Total, has a substantial impact on our company.

We have a license, development, research and collaboration agreement with Total, under which we may develop, produce and commercialize products with Total, that originally contemplated Total paying up to the first $50 million in research costs for selected research and development projects (which arrangement has been modified as described below). Under the agreement, 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. 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 with Total with respect to development and commercialization of Biofene for diesel. This represented an expansion of the initial collaboration that the parties established in 2010, and established a global, exclusive collaboration for the development of Biofene for diesel and a framework for the creation of a joint venture to manufacture and commercialize Biofene for diesel. In addition, a limited number of other potential products were subject to development for the joint venture on a non-exclusive basis. In July 2012, we entered into a further amendment of the collaboration agreement with Total that expanded Total's investment in the Biofene collaboration, incorporated the development of certain joint venture products for use in diesel and jet fuel into the scope of the collaboration, and changed the structure of the funding from Total to include a convertible debt mechanism. Under the new agreements, Total funded $30 million in new cash investment during 2012 and an additional $30 million in 2013. Total may decide to provide further funding in 2014. Upon completion of the research and development program, we and Total would form a joint venture company that would have exclusive rights to produce and market renewable diesel and/or jet fuel. Should Total decide not to pursue commercialization, under certain conditions, it is eligible to recover up to $100 million, payable in March 2017, in the form of cash or in the form of common stock at a conversion price of $7.0682 per share (or, for notes issued in 2013, a lower price as determined under the March 2013 letter agreement as described above in Management's Discussion and Analysis of Financial Condition and Results of Operations-Overview-Total).

Under the agreements related to the July 2012 amendment, the $50 million in funding by Total originally contemplated under the collaboration agreement is deemed to be exhausted, so the funding under the most recent amendment is all the funding still contemplated by our agreements with Total. We cannot be certain that Total will choose to continue funding the research and development program or ultimately opt in to participate in the anticipated joint venture. Under the new agreements, Total may, at certain decision points through a final decision date following the earlier of completion of the research and development program or December 31, 2016, decide not to continue funding or participating in the program and, if it does, any notes issued to Total to date will remain outstanding and become payable or convertible into our common stock. If Total chooses to demand repayment of amounts advanced under the notes, we may not be able to repay them by the maturity date in March 2017, which could lead to defaults and our insolvency, and Total and other creditors could pursue collection claims against us. If the notes become convertible and Total chooses to convert them, the resulting issuance of common stock would be dilutive to other stockholders. Under the July 2012 agreements, Total also has a right to participate in our future equity or convertible debt financings through December 31, 2013 to preserve its pro rata ownership of us (and thereafter in limited circumstances). The agreements provided that the purchase price for the first $30 million of purchases under this pro rata right would be paid by cancellation of outstanding notes held by Total; Total canceled $5 million of an outstanding convertible promissory note in connection with a private placement in December 2012, which reduced the amount of notes it could cancel to exercise its pro rata rights by $5 million. We expect that Total will cancel an additional portion of its outstanding convertible promissory notes in connection with its exercise of pro rata rights in a pending convertible debt financing (with the final amount of such cancellation to be determined based on the final size of the closings in such offering). Exercise by Total of this right by cancellation of notes reduces the cash proceeds we receive from any covered offering.

The new agreements provide that we will provide an exclusive license to our intellectual property related to the manufacture and commercialization of Biofene-based diesel and jet fuel to the above-mentioned fuels joint venture, and also contemplate providing an option to Total to buy out our interest in the joint venture under certain circumstances such as our insolvency. Furthermore, the new agreements contemplate that Total can, if there is a deadlock in finalizing various matters related to the formation of the joint venture, initiate a bidding process where the fair value of the proposed joint venture would be determined and we would be required to choose whether to (i) sell our joint venture assets to Total for 50% of the joint venture value, (ii) proceed with formation of the joint venture with Total as a 50% owner and accept Total's position regarding the funding requirements

of the joint venture, or (iii) proceed with the formation of the joint venture with Total as a 50% owner, accepting Total's position regarding the funding requirements of the joint venture, and then sell all or a portion of our 50% interest in the joint venture to Total for a price equal to the fair value multiplied by the percentage ownership of the joint venture sold to Total. If we are forced to relinquish our rights with respect to diesel and jet fuel under these scenarios (or under an early exclusive license as described above), our ability to continue pursuing our fuels business will be impaired.

If we do not meet technical, development and commercial milestones in our collaboration agreements, 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 of certain products 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 most contain important conditions that must be satisfied before additional research and development funding or product purchases would occur. These conditions include research and development milestones and technical specifications that must be achieved to the satisfaction of our collaborators, which we cannot be certain we will achieve. If we do not achieve these contractual milestones, our revenues and financial results would be adversely affected.

We are subject to risks related to our reliance on collaboration arrangements to fund development and commercialization of our products.

For most product markets we are trying to address, we either have or are seeking collaboration partners to fund the research and development, commercialization and production efforts required for the target products. Typically we provide limited exclusive rights and revenue sharing with respect to the production and sale of particular types of products in specific markets in exchange for such up-front funding. These exclusivity, revenue-sharing and other similar terms limit our ability to commercialize our products and technology, and may impact the size of our business or our profitability in ways that we do not currently envision. In addition, revenues from these types of relationships are a key part of our cash plan for 2013 and beyond. If we fail to collect expected collaboration revenues, or to identify and add sufficient additional collaborations to fund our planned operations, we may be unable to fund our operations or pursue development and commercialization of our planned products. To achieve our collaboration revenue targets from year to year, we may be forced to enter into agreements that contain less favorable terms, including broader exclusivity provisions for commercial partners and a smaller financial stake in any successful ventures resulting from collaborations.

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

We anticipate that the production of our products will require large volumes of feedstock. We have relied 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 are relying 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. 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.

The price of sugarcane and other feedstocks 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. If Consecana makes changes to such terms and prices, this could result in higher sugarcane prices and/or a significant decrease in the volume of sugarcane available for the production of our products. Furthermore,

if Consecana were to cease to be involved in this process, such prices and terms could become more volatile. Similar principles apply to pricing of other feedstocks as well. Any of these events could adversely affect our business and results of operations.

Our large-scale commercial production capacity is centered in 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. 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. 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.

We cannot predict whether the current or future Brazilian government will implement changes to existing policies on taxation, exchange controls, monetary strategy, social security and the like, nor can we estimate the impact of any such changes on the Brazilian economy or our operations.

Our international operations 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 significant costs and expenses in Brazilian real 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 Brazilian real will not significantly appreciate

or depreciate against the U.S. dollar in the future. We also 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.

Our use of genetically-modified feedstocks and yeast strains to produce our products subjects us to risks of regulatory limitations and rejection of our products.

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 produced from the GMMs. Various states within the U.S. could choose to regulate products made with GMMs as well. 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 a 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 been party to contract manufacturing agreements with parties in other production locations around the world, including Europe. 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 90 days to review the filing. Some of the products we produce or plan to produce, such as farnesene (i.e., Biofene) and squalane, are already in the TSCA inventory. Others, such as our farnesane (in diesel and new jet fuel applications), 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). Under this program, we need to register our products, including Biofene, 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 recognition or 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, or CARB, in the U.S. and Agência Nacional do Petróleo, Gas Natural e Biocombustíveis, or ANP, in Brazil. To date, we have obtained registration with the EPA for the use of our diesel fuel in the U.S. at a 35% blend rate with petroleum diesel. In addition, ANP has authorized the use our diesel fuel at blend rates of 10% and 30% for specific transportation fleets. We are also currently in the process of registering our fuel with the CARB 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 CARB (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.

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. The 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 attention 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, 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 feedstocks, restrict our ability to use sugarcane or other feedstocks 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 such materials 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 related waste products in an effort to comply with these laws and regulations, we cannot be sure that our safety measures will prevent 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.

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 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 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, with respect to 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 manufacturing facility;
- losses associated with producing our products as we ramp to commercial production levels;
- 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 reasonable cost;
- exit costs associated with terminating contract manufacturing relationships;
- fluctuations in foreign currency exchange rates;
- gains or losses associated with our hedging activities;
- fluctuations in the price of and demand for sugar, ethanol, and petroleum-based and other products for which our products are alternatives;
- seasonal variability in production and sales of our products;
- 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 resulting in transition and severance costs;
- our ability to use our net operating loss carryforwards 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 through the third quarter of 2012 came from the sale of ethanol and reformulated ethanol-blended gasoline, with the remainder coming from collaborations and government grants and, more recently, sales of our renewable products. In the third quarter of 2012, we transitioned out of the ethanol and reformulated ethanol-blended gasoline business. We do not expect to be able to replace much of the revenue lost as a result of this transition, particularly in 2013 while we continue our efforts to establish a renewable products business.

As part of our operating plan for 2013, we are reducing our cost structure by improving efficiency in our operations and reducing non-critical expenditures. These efforts have included, and may include in the future, reductions to our workforce and adjustments to the timing and scope of planned capital expenditures.

Due to the factors described above, among 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.

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 also 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, reductions to our workforce as part of cost-saving measures may make it more difficult for us to attract and retain key employees. If we do not maintain 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 and operations. 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.

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

We have experienced, and expect to 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 384 at August 2, 2013. 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.

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 August 2, 2013, we had 225 issued U.S. and foreign patents and 295 pending U.S. and foreign patent applications that were 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 international 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 third party'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, such third party may require us 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. Significant 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.

Our products subject us to product-safety risks, and 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. Our potential products could be used by a wide variety of consumers with varying levels of sophistication. Although safety is a priority for us, we are not always in control of the final uses and formulations of the products we supply or their use as ingredients. Our products could have detrimental impacts or adverse impacts we cannot anticipate. Despite our efforts, negative publicity about Amyris, including product safety or similar concerns, whether real or perceived, could occur, and our products could face withdrawal, recall or other quality issues. In addition, 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 with whom we partner to 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 be certain that our contract manufacturers or the sugar and ethanol producers who partner with us to produce our products will have adequate insurance coverage to cover against potential claims. Any insurance we do maintain may not provide adequate coverage against potential losses, and if claims or losses exceed our liability insurance coverage, our business would be adversely impacted. 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 in-process research and development 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 June 30, 2013, we had a net carrying value of approximately $9.1 million of in-process research and development and goodwill associated with our acquisition of Draths Corporation.

Our ability to use our net operating loss carryforwards 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 carryforwards, 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 our NOLs carryforward, even if we attain profitability.

Loss of government contract revenues could impair our research and development efforts.

In 2010, we were awarded an "Integrated Bio-Refinery" grant from the U.S. Department of Energy, or DOE. The terms of this grant make 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. In 2012, we entered into a Technology Investment Agreement with the Defense Advanced Research Projects Agency (DARPA), under which we are performing certain research and development activities funded in part by DARPA. Generally, these agreements have fixed terms and may be terminated, modified or be subject to recovery of payments by the government agency under certain conditions (such as failure to comply with detailed reporting and governance processes or failure to achieve milestones). Under these agreements, we are also subject to audits, which can result in corrective action plans and penalties up to and including termination. If the DOE or DARPA terminate their agreements with us, in addition to reducing our revenues, our U.S.-based research and development activities could be impaired, which would harm our business.

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

We conduct our primary research and development operations in the San Francisco Bay Area in an active earthquake zone, and certain of our suppliers conduct their operations in the same region or in other locations that are susceptible to natural disasters. In addition, California and some of the locations where certain of our suppliers are located have experienced shortages of water, electric power and natural gas from time to time. The occurrence of a natural disaster, such as an earthquake, drought or flood, or localized extended outages of critical utilities or transportation systems, or any critical resource shortages, affecting us or our suppliers could cause a significant interruption in our business, damage or destroy our facilities, production equipment or inventory or those of our suppliers and cause us to incur significant costs or result in limitations on the availability of our raw materials, any of which could harm our business, financial condition and results of operations. The insurance we maintain against fires, earthquakes and other natural disasters may not be adequate to cover our losses in any particular case.

Risks Related to Ownership of Our Common Stock

Our stock price may be volatile.

The market price of our common stock has been, and we expect it to continue to be, subject to significant volatility, and it has declined significantly from our initial public offering price. As of August 2, 2013, the reported closing price for our common stock on the NASDAQ Global Select Market was $2.76 per share. 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 report, 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, 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.

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

As of August 2, 2013:

- our executive officers and directors and their affiliates (including Total) together held approximately 37.4% of our outstanding common stock;
- Total held approximately 17.9% of our outstanding common stock; and
- our next two largest holders of outstanding common stock after Total (Maxwell Mauritius Pte. Ltd. and Biolding Investment SA, each of whom has a designee on our Board of Directors) together held approximately 23.4% of our outstanding common stock.

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 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 certificate of incorporation and bylaws 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;
- 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 fifteen 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 ten 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

Not applicable.

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.

SIGNATURES

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

AMYRIS, INC.

Dated: August 9, 2013

By: /S/ JOHN G. MELO

JOHN G. MELO
President and Chief Executive Officer
(Principal Executive Officer)

Dated: August 9, 2013

By: /S/ STEVEN R. MILLS

STEVEN R. MILLS
Chief Financial Officer
(Principal Financial 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	Certificate of Amendment to Restated Certificate of Incorporation	S-8	333-188711	May 20, 2013	4.02	
3.03	Restated Bylaws	10-Q	001-34885	November 10, 2010	3.02	
4.01	1.5% Senior Unsecured Convertible Note, dated June 6, 2013, issued by registrant to Total Energies Nouvelles Activités USA (f.k.a. Total Gas & Power USA, SAS)					X
10.01	Form of Indemnity Agreement between registrant and its directors and officers		333-166135	June 23, 2010	10.01	
10.02	Sixth Amendment, dated April 30, 2013, to Lease between registrant and ES East, LLC (as successor-in-interest to ES East Associates, LLC)					X
10.03	Third Amendment, dated May 1, 2013, to Lease between registrant and Emery Station Triangle, LLC					X
10.04[a]	Settlement Agreement, Termination Agreement and Mutual Release, dated June 25, 2013, between registrant and Tate & Lyle Ingredients Americas LLC					X
10.05[b]	Compensation arrangements between registrant and its executive officers					e
10.06[b]	Compensation arrangements between registrant and its non-employee directors					f
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[b]	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[c]	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[d]	The following materials from registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2013, 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. Indicates management contract or compensatory plan or arrangement.

c. 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.

d. Pursuant to applicable securities laws and regulations, registrant 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 registrant 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.

e. Descriptions contained under the heading "Executive Compensation" in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 16, 2013 is incorporated herein by reference.

f. Description contained under the heading "Director Compensation" in registrant's definitive proxy materials filed with the Securities and Exchange Commission on April 16, 2013 is incorporated herein by reference.

1.5% SENIOR UNSECURED CONVERTIBLE NOTE

R-4 June 6, 2013

U.S.$10,000,000

THE SECURITIES REPRESENTED BY THIS NOTE AND THE SECURITIES ISSUABLE UPON ITS CONVERSION HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE OFFERED, SOLD, ASSIGNED, PLEDGED TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE ACT OR SUCH LAWS AND, IF REASONABLY REQUESTED BY THE COMPANY, UPON DELIVERY OF AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT THE PROPOSED TRANSFER IS EXEMPT FROM THE ACT OR SUCH LAWS. THIS NOTE IS ALSO SUBJECT TO THE TRANSFER RESTRICTIONS CONTAINED IN THE SECURITIES PURCHASE AGREEMENT, DATED AS OF JULY 30, 2012, AMONG THE COMPANY AND TOTAL ENERGIES NOUVELLES ACTIVITÉS USA (F.K.A. TOTAL GAS & POWER USA, SAS).

FOR VALUE RECEIVED, the undersigned, Amyris, Inc., a Delaware corporation (the "***Company***"), promises to pay to Total Energies Nouvelles Activités USA (f.k.a. Total Gas & Power USA, SAS), a *société par actions simplifiée* organized under the laws of the Republic of France, or its Permitted Transferees pursuant to Section 13 of this Note (the "***Investor***"), in lawful money of the United States and in immediately available funds (or in shares of Common Stock as provided herein), U.S. $10,000,000 (the "***Face Amount***"), all in accordance with the provisions of this Note. The "***Issue Date***" of this Note is June 6, 2013.

This Note was issued pursuant to the Securities Purchase Agreement, dated as of July 30, 2012 (as amended from time to time, the "***Agreement***"), among the Company and the Investor. Unless the context otherwise requires, as used herein, "***Note***" means any of the Convertible Notes issued to the Investor pursuant to the Agreement and any other similar convertible notes issued by the Company in exchange for, or to effect a transfer of, any Note and "***Notes***" means all such Notes in the aggregate.

1. Definitions. For purposes of this Note, the following definitions shall be applicable:

"***Affiliate***" of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person; for purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and 'under common control with"), as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise.

"***Bankruptcy Law***" means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

"***Board of Directors***" means the board of directors of the Company.

"***Business Day***" means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

"***Capital Lease Obligation***" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"***Certificate of Incorporation***" means the Company's Restated Certificate of Incorporation, as amended and as in effect on the date hereof.

"***Change of Control***" shall mean the occurrence of any of the following: (i) the consolidation of the Company with, or the merger of the Company with or into, another "person" (as such term is used in Rule 13d-3 and Rule 13d-5 of the Exchange Act), or the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole, or the consolidation of another "person" with, or the merger of another "person" into, the Company, other than in each case pursuant to a transaction in which the "persons" that "beneficially owned" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act), directly or indirectly, the Voting Shares of the Company immediately prior to the transaction "beneficially own", directly or indirectly, Voting Shares representing at least a majority of the total voting power of all outstanding classes of voting stock of the surviving or transferee person; (ii) the adoption by the Company of a plan relating to the liquidation or dissolution of the Company; (iii) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" becomes the "beneficial owner" directly or indirectly, of more than 50% of the Voting Shares of the Company (measured by voting power rather than number of shares); or (iv) the first day on which a majority of the members of the Board of Directors does not consist of Continuing Directors.

"***Closing Price***" of the shares of Common Stock on any day means the last reported sale price regular way on such day or, in the case no such sale takes place on such day, the average of the reported closing bid and asked prices regular way of the shares of Common Stock, in each case as quoted on The NASDAQ Stock Market or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

"***Common Stock***" means the Company's common stock, $0.0001 par value per share (or such other security into which such Common Stock is exchanged for (or becomes) pursuant to the consummation of a Capital Reorganization (as defined in Section 3(g))).

"***Company License Agreement***" means that certain license to be entered into by the Company pursuant to Section 11 of the Second Amendment.

"***Continuing Director***" shall mean, as of any date of determination, any member of the Board of Directors who (i) was a member of the Board of Directors on July 31, 2012 or (ii) was nominated for election or elected to the Board of Directors with the approval of a majority of the Continuing Directors who were members of the Board of Directors at the time of such nomination or election and who voted with respect to such nomination or election; provided that a majority of the members of the Board of Directors voting with respect thereto shall at the time have been Continuing Directors.

"***Debt***" shall mean, with respect to any person, any indebtedness of such person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or banker's acceptances or representing Capital Lease Obligations or the balance deferred and unpaid of the purchase price of any property or representing any Hedging Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, as well as all Debt of others secured by a Lien on any asset of such Person (whether or not such Debt is assumed by such Person) and Lease Debt and, to the extent not otherwise included, the Guarantee by such Person of any Debt of any other Person. The indebtedness of the Company represented by this Note shall constitute Debt. The amount of any Debt outstanding as of any date shall be (i) the accreted value thereof, in the case of any Debt that does not require current payments of interest or (ii) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Debt.

"***Default***" means any event that is or with the passage of time or the giving of notice or both would be an Event of Default.

"Disqualified Stock" means any capital stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the capital stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the capital stock, in whole or in part, on or prior to the date that is 91 days after the date on which this Note matures. The amount of Disqualified Stock deemed to be outstanding at any time will be the maximum amount that the Company and its Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"***Final Go Decision Date***" has the meaning ascribed thereto in the Master Framework Agreement.

"***GAAP***" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board

or in such other statements by such other entity as have been approved by a significant segment of the accounting profession in the United States, which are in effect from time to time.

"***Guarantee***" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, by way of a pledge of assets, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Debt.

"***Hedging Obligations***" means, with respect to any person, the obligations of such person under (i) currency exchange or interest rate swap agreements, interest rate cap agreements and interest rate collar agreements and (ii) other agreements or arrangements designed to protect such person against fluctuations in interest rates or currency exchange rates.

"***Intellectual Property***" has the meaning ascribed thereto in the Agreement.

"***Jet Go Decision***" has the meaning ascribed thereto in the Master Framework Agreement.

"***Joint Venture***" shall mean the joint venture to be established between the Company and the Investor pursuant to Article 3 of the Master Framework Agreement.

"***Larger Shareholder***" shall mean any "person" or "group" (as each such term is used in Rule 13d-3 and Rule 13d-5 of the Exchange Act) who shall "beneficially own" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act), directly or indirectly, Voting Shares of the Company (measured by voting power rather than number of shares) representing a larger number of Voting Shares than the number of Voting Shares of the Company (measured by voting power rather than number of shares) "beneficially owned", directly or indirectly, by the Investor and its Affiliates, in each case as reported on (or required to have been reported on to the extent any "executive officer" (as such term is defined in Rule 3b-7 under the Exchange Act) of the Company has actual knowledge of the number of such "person" or "group's" Voting Shares) the most recent Schedule 13D or Schedule 13G or an amendment to any such Schedule filed with the Securities and Exchange Commission by any such "person" or "group" or by the Investor or any of its Affiliates or as otherwise publicly announced by any such "person" or "group" or by the Investor or any of its Affiliates.

"***Lease Debt***" means, with respect to any Person, (i) the amount of any accrued and unpaid obligations of such Person arising under any lease or related document (including a purchase agreement, conditional sale or other title retention agreement) in connection with the lease of real property or improvement thereon (or any personal property included as part of any such lease) which provides that such Person is contractually obligated to purchase or cause a third party to purchase the leased property or pay an agreed upon residual value of the leased property to the lessor (whether or not such lease transaction is characterized as an operating lease or a capitalized lease in accordance with GAAP) and (ii) the guarantee, direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of any of the amounts set forth in (i) above.

"***License Terms***" has the meaning ascribed thereto in the Second Amendment.

"***Lien***" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction). Notwithstanding the foregoing, (x) prior to either the No-Go Decision Date or the Final Go Decision Date, a license to any Intellectual Property for uses other than those set forth in the scope of the License Terms shall not constitute a Lien hereunder, (y) following the No-Go Decision Date with respect to a particular JV Product or JV Products, a license to any Intellectual Property with respect to such JV Product or JV Products shall not constitute a Lien hereunder, and (z) following the Final Go Decision Date with respect to a particular JV Product or JV Products, a license to any Intellectual Property with respect to such JV Product or JV Products for uses other than those set forth in the scope of the Company License Agreement, shall not constitute a Lien hereunder.

"***Master Framework Agreement***" shall have the meaning specified in the Agreement.

"***No-Go Decision Date***" has the meaning ascribed thereto in the Master Framework Agreement.

"***Permitted Transferees***" shall mean any Affiliate of Total Energies Nouvelles Activités USA.

"***Person***" means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"***Registration Rights Agreement***" means that certain Registration Rights Agreement, dated July 30, 2012, by and among the Company and the Investor.

"***Second Amendment***" means the Second Amendment to the Technology License, Development, Research and Collaboration Agreement entered into by the Company and the Investor, as of July 30, 2012, as such amendment may be further amended from time to time after the date hereof.

"***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"***Significant Subsidiary***" shall have the meaning specified in the Agreement.

"***Subsidiary***" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time

owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"***Trading Day***" means, with respect to the Common Stock, each Monday, Tuesday, Wednesday, Thursday and Friday, other than any day on which securities are not generally traded on The NASDAQ Stock Market (or its successor) or such other principal securities exchange or inter-dealer quotation system on which the shares of Common Stock are then traded.

"***Transfer***" means, directly or indirectly, to offer, sell (including any short sale), transfer, assign, pledge, encumber, hypothecate or similarly dispose of (by merger, testamentary disposition, operation of law or otherwise), either voluntarily or involuntarily, or enter into any contract, option or other arrangement or understanding with respect to the offer, sale (including any short sale), transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of (by merger, testamentary disposition, operation of law or otherwise), any Conversion Shares "beneficially owned" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) by a Person or any interest (including any right to (x) all or any portion of the pecuniary interest in the security, including, without limitation, the right to receive dividends and distributions, proceeds upon liquidation and receive the proceeds of disposition or conversion (if applicable) of the security, or (y) direct the voting of the security with respect to any matter for which the security is entitled to vote) in any Conversion Shares beneficially owned by a Person. Whether or not treated as an offer or sale of the Conversion Shares under the Securities Act, "***Transfer***" shall also include any hedging or other transaction entered into after the date hereof, such as any purchase, sale (including any short sale) or grant of any right (including without limitation any put or call option) with respect to any of the Conversion Shares or with respect to any security that includes or derives any significant part of its value from such Conversion Shares.

"***Voting Shares***" of any person means capital shares or capital stock of such Person which ordinarily has voting power for the election of directors (or persons performing similar functions) of such person, whether at all times or only so long as no senior class of securities has such voting power by reason of any contingency.

2. Interest; Payment of Principal of Note; Cancellation of Note.

(a) **Interest**. This Note shall bear interest from the Issue Date on the Face Amount at a rate per annum equal to 1.50% (subject to Section 5(c)). Interest on this Note shall accrue daily and be due and payable in arrears on the Final Maturity Date and at such other times as may be specified herein. All computations of interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more interest being paid than if computed on the basis of a 365-day year). Notwithstanding the foregoing, if an Event of Default shall have occurred and be continuing this Note shall bear interest on the Face Amount at a rate per annum equal to 2.50% (as may be further adjusted pursuant to Section 5(c)).

(b) **Scheduled Payment of Principal**. Unless paid, converted or cancelled and extinguished earlier in accordance with the terms hereof, the Company shall deliver to the Investor cash in the amount of the Face Amount, together with all accrued and unpaid interest on this Note, on March 1, 2017 (the "***Final Maturity Date***").

(c) **Contribution of Note**. On the Final Go Decision Date, if any, or as otherwise provided in the Master Framework Agreement, (i) other than upon the occurrence of a Jet Go Decision, this Note and all of the Debt represented by the Face Amount, and all accrued and unpaid interest thereon, shall be exchanged for equity interests in the Joint Venture in accordance with the provisions of the Master Framework Agreement, and after such exchange this Note shall be extinguished and of no further force and effect and the Company shall have no further obligations with respect hereto, and (ii) in the event of the occurrence of a Jet Go Decision, (x) 30% of the Debt represented by the Face Amount, and all accrued and unpaid interest on such portion of such Debt, shall be exchanged for equity interests in the Joint Venture in accordance with the provisions of the Master Framework Agreement, and after such exchange the portion of this Note representing such Debt shall be extinguished and of no further force and effect and the Company shall have no further obligations with respect hereto, and (y) upon receipt of this Note from the Investor, the Company shall promptly issue and deliver to the Investor a new Note in an aggregate principal amount equal to 70% of the Debt represented by the Face Amount.

3. Conversion Rights; Adjustments. The Investor shall have conversion rights as follows (the "***Conversion Rights***"):

(a) **Investor's Right to Convert**. At any time (i) after the tenth Trading Day prior to the Final Maturity Date and prior to the fifth Trading Day prior to the Final Maturity Date, (ii) after the earlier to occur of (x) the occurrence of a Change of Control and (y) the date of the Company's delivery of the Change of Control Notice pursuant to Section 4(b), and in each case and prior to the fifth Trading Day prior to the Final Maturity Date, (iii) when there shall then exist a Larger Shareholder after the No-Go Decision Date, or (iv) after the occurrence of an Event of Default, the Investor shall have the right to convert the Face Amount of this Note, in whole or in part, at the option of the Investor, at any time within the period specified above into a number of fully paid and nonassessable authorized but unissued Common Stock determined by dividing (x) the Face Amount proposed to be converted at such date by (y) the then effective Conversion Price on the Conversion Date (as defined in Section 3(c)(i)) (the "***Investor Optional Conversion***").

(b) The "Conversion Price" at which Common Stock shall be deliverable upon conversion of the Notes (the "***Conversion Price***") shall initially be $3.08. Such initial Conversion Price shall be subject to adjustment as provided below.

(c) **Mechanics of Conversion**.

(i) In order to exercise its rights pursuant to the Investor Optional Conversion, the Investor shall deliver written notice in the form of Exhibit 1 to the Company stating that the Investor elects to convert all or part of the Face Amount represented by this Note. Such notice shall state the Face Amount of Notes which the Investor seeks to convert and shall

be accompanied within one (1) Trading Day by the Note or Notes subject to conversion. The date contained in the notice (which date shall be no earlier than the Trading Day immediately following the date of the notice) shall be the date of conversion of the Note (such date of conversion, the "***Conversion Date***") and the Investor shall be deemed to be the beneficial owner of the underlying Common Stock as of such date.

(ii) The Investor shall be deemed to beneficially own the Common Stock underlying this Note as of the applicable Conversion Date. Not later than three (3) Trading Days following the Conversion Date, the Company shall promptly issue and deliver to the Investor a certificate or certificates for the number of shares of Common Stock to which the Investor is entitled and, in the case where only part of a Note is converted, the Company shall execute and deliver (at its own expense) a new Note of any authorized denomination as requested by the Investor in an aggregate principal amount equal to and in exchange for the unconverted portion of the principal amount of the Note so surrendered.

(iii) Upon conversion of this Note in whole or in part in accordance with the provision of Section 3(c) of this Note, the Company shall pay to the Investor, substantially concurrently with delivery of the shares of Common Stock issuable on such conversion (the "***Conversion Shares***"), any accrued and unpaid interest, through the day preceding the Conversion Date, on the portion of the Face Amount represented by this Note that has been so converted. In addition, upon conversion of this Note in whole or in part following a Change of Control the Company shall pay to the Investor, substantially concurrently with delivery of the Conversion Shares, an amount in cash equal to the interest that would have accrued at a rate per annum equal to 1.50% from such Conversion Date through the Final Maturity Date on the portion of the Face Amount represented by this Note that has been so converted if such Note (or portion of the Note) had not been converted ("***Make-Whole Interest***"). Notwithstanding the foregoing, in no event will the total amount of Make-Whole Interest exceed $974,025.97.

(iv) The Company shall at all times during which the Notes shall be outstanding, have and keep available out of its authorized but unissued shares, for the purpose of effecting the conversion of the outstanding Notes, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Notes. In no event shall the Conversion Price be reduced to an amount less than the then par value of the Common Stock.

(v) No fractional shares of Common Stock shall be issued upon any conversion of the Notes pursuant to this Section 3. In lieu of fractional shares, the Company shall pay cash equal to such fraction multiplied by the Closing Price of the Common Stock on the Conversion Date.

(vi) All Notes (or the portions thereof) which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such Notes, except only the right of the Investor to receive shares of Common Stock in exchange therefor, accrued and unpaid interest and Make-Whole Interest, if applicable, each as described in Section 3(b)(iii) and, if applicable, cash for any fractional shares of Common Stock. Any Notes, to the extent so converted, shall be retired and canceled.

(vii) If any conversion pursuant to this Section 3 is in connection with an underwritten offering of securities registered pursuant to the Securities Act, the conversion may, at the option of the Investor, be conditioned upon the closing with the underwriter of the sale of the Conversion Shares issuable to the Investor pursuant to such offering, in which event the Investor shall not be deemed to have converted such Notes until immediately prior to the closing of such sale of securities.

(d) **Adjustment for Share Splits and Combinations**. If the Company shall at any time or from time to time after July 31, 2012 effect a subdivision of the outstanding shares of Common Stock, the Conversion Price and Conversion Price Floor (as defined in Section 3(e)) then in effect immediately before that subdivision shall be proportionately decreased. If the Company shall at any time or from time to time after July 31, 2012 combine the outstanding shares of Common Stock, the Conversion Price and Conversion Price Floor then in effect immediately before the combination shall be proportionately increased. Any adjustment under this paragraph shall become effective at the close of business on the date the subdivision or combination becomes effective.

(e) **Adjustment for Certain Dividends and Distributions**. In the event the Company at any time or from time to time after July 31, 2012, shall make or issue a dividend or other distribution payable in (x) additional shares of Common Stock, then and in each such event the Conversion Price shall be decreased as of the time of such issuance, by multiplying such Conversion Price by a fraction, the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such issuance and the denominator of which shall be the total number of shares of Common Stock outstanding immediately prior to such issuance plus the number of such additional shares of Common Stock issuable in payment of such dividend or distribution; (y) in cash, then and in each such event, the Conversion Price shall be decreased as of the time of such issuance, by multiplying such Conversion Price by a fraction, the numerator of which shall be the Closing Price of the Common Stock on the Trading Day immediately preceding the ex-dividend date for such dividend and distribution minus the amount in cash per share of Common Stock that the Company dividends or distributes, and the denominator of which shall be the Closing Price of the Common Stock on the Trading Day immediately preceding the ex-dividend date for such dividend and distribution; (z) shares of capital stock of the Company, evidences of indebtedness, or any other asset (collectively, the "***Distributed Property***"), then and in each such event, the Conversion Price shall be decreased as of the time of such issuance, by multiplying such Conversion Price by a fraction, the numerator of which shall be the Closing Price of the Common Stock on the Trading Day immediately preceding the ex-dividend date for such dividend and distribution minus the fair market value (as determined in good faith by the Company's board of directors) of the Distributed Property distributed with respect to each share of Common Stock, and the denominator of which shall be the Closing Price of the Common Stock on the Trading Day immediately preceding the ex-dividend date for such dividend and distribution. Notwithstanding the foregoing, in no event shall the Conversion Price be reduced below $2.78 (as may be adjusted pursuant to Section 3(d), the "***Conversion Price Floor***") pursuant to this clause (e). If a distribution or dividend would cause the Conversion Price to be below the Conversion Price Floor if not for the immediately preceding sentence, the Company shall allow the Investor to participate in the dividend or distribution as if it held the number of shares of Common Stock that this Note would be convertible into at the close of business on the day immediately preceding the ex-dividend date

or effective date, as the case may be, for such distribution or dividend, and no adjustment shall be made to the Conversion Price as a result of such distribution or dividend.

(f) **Adjustment for Reclassification, Exchange or Substitution**. If at any time after July 31, 2012, shares of Common Stock of the Company shall be changed into the same or a different number of shares of any class or classes of shares, whether by reclassification, or otherwise (other than a subdivision or combination of shares, share dividend or reorganization, reclassification, merger, consolidation or asset sale provided for elsewhere in this Section 3), then and in each such event the Company shall enter into an amendment to supplement to this Note to provide that the Note will become convertible (subject to Section 3(a)) into the kind and amount of shares and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of shares of Common Stock into which this Note might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof.

(g) **Reorganizations, Mergers, Consolidations or Asset Sales**. If at any time after July 31, 2012 there is a tender offer, exchange offer, merger, consolidation, recapitalization, sale of all or substantially all of the Company's assets or reorganization involving the shares of Common Stock (collectively, a "***Capital Reorganization***") (other than a merger, consolidation, sale of assets, recapitalization, subdivision, combination, reclassification, exchange or substitution of shares provided for elsewhere in this Section 3), as part of such Capital Reorganization, the Company shall enter into an amendment or supplement to this Note to provide that the Note will become convertible (subject to Section 3(a)) into the number of shares or other securities or property of the Company to which a holder of the number of shares of Common Stock deliverable upon conversion immediately prior to such Capital Reorganization would have been entitled on such Capital Reorganization, subject to adjustment in respect to such shares or securities by the terms thereof. In any such case, appropriate adjustment will be made in the application of the provisions of this Section 3 with respect to the rights of the Investor after the Capital Reorganization to the end that the provisions of this Section 3 (including adjustment of the Conversion Price then in effect and the number of Conversion Shares) and the provisions of the Agreement and the Registration Rights Agreement will be applicable after that event and be as nearly equivalent as practicable. In the event that the Company is not the surviving entity of any such Capital Reorganization, each Note shall become Notes of such surviving entity, with the same powers, rights and preferences as provided herein.

(h) **No Impairment**. The Company will not, by amendment of its Certificate of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 3 and in the taking of all such action as may be necessary or appropriate in order to protect the conversion rights of the Investor against impairment to the extent required hereunder.

(i) **Certificate as to Adjustments or Distributions**. Upon the occurrence of each adjustment of the Conversion Price or distribution to holders pursuant to this Section 3, the Company at its expense shall promptly compute such adjustment or distribution in accordance

with the terms hereof and furnish to the Investor a certificate setting forth the terms of such adjustment or distribution and showing in detail the facts upon which such adjustment or distribution are based and shall file a copy of such certificate with its corporate records.

(j) **Notice of Record Date**. In the event:

(i) that the Company declares a dividend (or any other distribution) on its Common Stock payable in shares of Common Stock, securities, or other assets, rights or properties;

(ii) that the Company subdivides or combines its outstanding shares of Common Stock;

(iii) of any reclassification of the shares of Common Stock (other than a subdivision or combination of the Company's outstanding shares of Common Stock or a share dividend or share distribution thereon);

(iv) of any Capital Reorganization; or

(v) of the involuntary or voluntary dissolution, liquidation or winding up of the Company;

then the Company shall cause to be filed at its principal office, and shall cause to be mailed to the Investor, at least ten (10) days prior to the record date specified in (A) below or twenty (20) days prior to the date specified in (B) below, a notice stating:

(A) the record date of such dividend, distribution, subdivision or combination, or, if a record is not to be taken, the date as of which the holders of shares of Common Stock of record to be entitled to such dividend, distribution, subdivision or combination are to be determined, or

(B) the date on which such reclassification, Capital Reorganization, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of shares of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, Capital Reorganization, dissolution or winding up

(k) **Notice of Adjustment to Conversion Price**. The Company will provide notice to the Investor upon the occurrence of any adjustment to the Conversion Price.

(l) **Lockup Agreement**. In the event of an Investor Optional Conversion pursuant to clause (iii) of Section 3(a), the Investor shall not, without the prior written consent of the Company, Transfer any of the Conversion Shares other than as expressly permitted by, and in compliance with, the provisions of this Section 3(l):

(i) the Investor may Transfer any or all of its Conversion Shares to the Company or any of its Subsidiaries;

(ii) the Investor may Transfer all or any of its Conversion Shares in a transaction exempt from the registration requirements under the Securities Act to any of its Affiliates, so long as prior to or concurrent with any such Transfer such Affiliate agrees in writing to be bound by the terms hereunder as the "Investor" and such other terms hereunder applicable to the Investor, and agrees to transfer such Conversion Shares back to the Investor if it ceases to be an Affiliate of the Investor;

(iii) the Investor may Transfer all or any of its Conversion Shares pursuant to the terms of any tender offer, exchange offer, merger, reclassification, reorganization, recapitalization or other similar transaction in which stockholders of the Company are offered, permitted or required to participate as holders of Common Stock, provided that such tender offer, exchange offer, merger, reclassification, reorganization, recapitalization or other transaction has been approved or recommended by the Board of Directors (and which at the time of Transfer continues to be approved or recommended by the Board of Directors); or

(iv) following the date that is six (6) months after the date of such Investor Optional Conversion pursuant to clause (iii) of Section 3(a), the Investor may transfer all or any of its Conversion Shares pursuant to either an effective registration statement that is effective at the time of such transfer or pursuant to Rule 144 promulgated under the Securities Act, and any successor provision thereto.

Notwithstanding anything herein to the contrary, the restrictions set forth in this Article III shall terminate (i) upon the consummation of a Change of Control, or (ii) at such time as the Investor, together with its Affiliates, "beneficially owns" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act) in the aggregate Voting Shares of the Company (measured by voting power rather than number of shares) representing less than five percent (5%) of the total voting power of all outstanding classes of voting stock of the Company.

4. Repurchase Right Upon a Change of Control.

(a) Upon the occurrence of a Change of Control, the Investor will have the right to require the Company to repurchase all or any part of its Notes pursuant to an offer as provided in this Section 4 (the "***Change of Control Offer***") at an offer price in cash equal to 101% of the Face Amount of its Notes, plus any accrued and unpaid interest as of the Change of Control Payment Date (as defined in Section 4(b)(i)) (the "***Change of Control Payment***"), in addition to the Investor's right to convert the Notes pursuant to Section 3 above.

(b) On or before the 30th day after a Change of Control, the Company shall give to the Investor notice (the "***Change of Control Notice***") of the occurrence of the Change of Control and of the Investor's right to receive the Change of Control Payment arising as a result thereof. Each notice of the Investor's right to participate in the Change of Control Offer (the "***Change of Control Repurchase Right***") shall be mailed to the Investor pursuant to Section 15 and shall state:

(i) the date on which the Notes shall be repurchased (the "***Change of Control Payment Date***"), which date shall be no earlier than 30 days and no later than 60 days from the date of the Company's delivery of the Change of Control Notice;

(ii) the date by which the Change of Control Repurchase Right must be exercised, which date shall be no earlier than the close of business on the Trading Day immediately prior to the Change of Control Payment Date;

(iii) the amount of the Change of Control Payment;

(iv) a description of the procedure which the Investor must follow to exercise the Change of Control Repurchase Right, and the place or places where the Notes are to be surrendered for payment of the Change of Control Payment; and

(v) the Conversion Price then in effect and the place where such Notes may be surrendered for conversion.

No failure by the Company to give the Change of Control Notice and no defect in any Change of Control Notice shall limit the Investor's right to exercise its Change of Control Repurchase Right or affect the validity of the proceedings for the repurchase of Notes. If any of the foregoing provisions or other provisions of this Section 4 are inconsistent with applicable law, such law shall govern.

(c) To exercise the Change of Control Repurchase Right, the Investor shall deliver to the Company, on or before the Trading Day immediately prior to the Change of Control Payment Date, (i) written notice of the Investor's exercise of such right, which notice shall set forth the name of the Investor, the Face Amount of Notes held by the Investor to be repurchased, and a statement that an election to exercise the Change of Control Repurchase Right is being made thereby, and (ii) the Notes with respect to which the Change of Control Repurchase Right is being exercised. Such written notice shall be irrevocable, except that the right of the Investor to convert the Notes shall continue until midnight (Eastern Time) on the Trading Day immediately preceding the Change of Control Repurchase Date.

(d) On the Change of Control Payment Date, the Company will (i) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer and (ii) deliver cash in the amount of the Change of Control Payment to the Investor in respect of all Notes or portions thereof so tendered. All Notes repurchased by the Company shall be canceled immediately by the Company.

(e) The Company shall publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(f) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control.

(g) Any Note which is to be repurchased only in part shall be surrendered to the Company and the Company shall execute and make available for delivery to the Investor without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the

unrepurchased portion of the principal of the Note so surrendered. Any Notes surrendered to the Company pursuant to the provisions of this Section 4 shall be retired and cancelled.

(h) The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4 applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

5. Events of Default.

(a) **Definitions**. For purposes of this Note, the following events shall constitute an "***Event of Default***":

(i) default in payment when due (whether at the Final Maturity Date or upon an earlier repurchase) of the principal of, or premium, if any, on this Note;

(ii) default in the payment of an installment of interest on the Notes, which failure continues for thirty (30) days after the date when due;

(iii) failure by the Company for thirty (30) days after notice from the Investor to comply with the provisions of Section 4 or Section 6 of this Note;

(iv) failure by the Company for sixty (60) days after notice from the Investor to comply with any of its other agreements in this Note or the Agreement (other than Section 8.6(b) of the Agreement);

(v) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Debt for money borrowed by the Company (or the payment of which is guaranteed by the Company, whether such Debt or guarantee now exists, or is created after the date of the Issue Date, which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Debt prior to the expiration of the grace period provided in such Debt on the date of such default or (b) results in the acceleration of such Debt prior to its express maturity and, in each case in clause (a) or (b), the principal amount of any such Debt, together with the principal amount of any other such Debt that has not been paid when due, or the maturity of which has been so accelerated, aggregates $10,000,000 or more;

(vi) failure by the Company to pay final judgments aggregating in excess of $10,000,000, which judgments are not paid, discharged or stayed for a period of sixty (60) days;

(vii) the Company:

(A) commences a voluntary case under any Bankruptcy Law,

(B) consents to the entry of an order for relief against it in an involuntary case under any Bankruptcy Law,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) is unable to pay its debts as they become due; or

(viii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company;

(B) appoints a custodian of the Company or any of its Significant Subsidiaries or for all or substantially all of the property of the Company; or

(C) orders the liquidation of the Company and the order or decree remains unstayed and in effect for sixty (60) consecutive days; or

(ix) failure by the Company to deliver when due the consideration deliverable upon conversion of this Note, which failure shall continue for a period of five days.

(b) **Notice of Compliance**. The Company shall be required to deliver to the Investor annually a statement regarding compliance with this Note, and the Company shall be required within five (5) days of becoming aware of any Default or Event of Default (or such earlier date as any such statement is provided to the holders of the Debt incurred pursuant to the Securities Purchase Agreement dated as of February 24, 2012) to deliver to the Investor a statement specifying such Default or Event of Default.

(c) **Acceleration**. If any Event of Default occurs and is continuing, the Investor may declare all the Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default described in Section 5(vii) or (viii) with respect to the Company all outstanding Notes will become due and payable without further action or notice. The Investor may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree. Notwithstanding the foregoing (or anything to the contrary in the Agreement), the sole remedy of the Investor for a failure by the Company to comply with Section 8.6(b) of the Agreement shall, for the first 365 days after the occurrence of such failure, be the right, by notice to the Company by the Investor, to increase in the rate of interest on this Note to 6% for the first 180 days of such failure, and to 9% thereafter (which increased interest shall constitute liquidated damages for such failure).

(d) **Waiver of Past Defaults**. The Investor may waive any existing Default or Event of Default and its consequences under this Note. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Note, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

(e) **Rights of Investor to Receive Payment**. Notwithstanding any other provision of this Note, the right of the Investor to receive payment of the principal of, and premium on, this Note, on or after the respective due dates expressed in the Note (including in connection with a redemption or an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the Investor

6. Limitation on Debt and Liens. The Company will not, and will not permit its Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to any Debt, and the Company will not issue any Disqualified Stock and the Company will not permit its Subsidiaries to issue shares of preferred stock except for:

(a) Debt in an amount outstanding at any time not to exceed the greater of (i) $200 million in aggregate principal amount or (ii) 50% of the Company's total consolidated assets (as set forth on its most recent balance sheet prepared in accordance with GAAP and filed with the Securities and Exchange Commission after giving effect to any reductions or additions to assets in accordance with GAAP since the date of such balance sheet) (and provided that Debt incurred pursuant to this clause (a) that is secured by a Lien on assets of the Company shall not exceed the greater of (i) $125 million in aggregate principal amount or (ii) 30% of the Company's total consolidated assets (as set forth on its most recent balance sheet prepared in accordance with GAAP); provided that neither the Company nor any of its Subsidiaries shall incur any Debt pursuant to this clause 6(a) if the issuance of such Debt would prohibit the Company from issuing the maximum amount of Notes to be issued by the Company under the Agreement;

(b) Debt in existence on February 27, 2012;

(c) the incurrence by the Company or any of its Subsidiaries of Debt represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or equipment used in the business of the Company or any of its Subsidiaries.

(d) Debt of the Company that is (i) contractually subordinated in right of payment to the Notes, (ii) matures 91 days after the Notes and (iii) is less than $50 million in aggregate principal amount at any one time outstanding;

(e) Debt of the Company (A) in respect of performance, surety or appeal bonds or letters of credit in the ordinary course of business, or (B) under interest rate, currency, commodity or similar hedges, swaps and other derivatives entered into with one or more financial institutions that is designed to protect such the Company against fluctuations in interest rates or currency exchange rates, commodity prices or other market fluctuations and is not entered into for speculative purposes; and

(f) Debt which is exchanged for or the proceeds of which are used to refinance or refund, or any extension or renewal of (each a "refinancing"), (1) the Notes or (2)

debt in existence on the Issue Date, and (3) Debt incurred pursuant to clause (c) of this paragraph, in each case in an aggregate principal amount not to exceed the principal amount of the Debt so refinanced (together with any accrued interest and any premium and other payment required to be made with respect to the Debt being refinanced or refunded, and any fees, costs, expenses, underwriting discounts or commissions and other payments paid or payable with respect to the Debt incurred pursuant to this clause (f)); provided, however, that (A) Debt, the proceeds of which are used to refinance the Notes, or Debt which is pari passu with the Notes (including Debt incurred pursuant to the Securities Purchase Agreement, dated as of February 24, 2012, among the Company and the purchasers named therein) or subordinate in right of payment to the Notes, shall only be permitted if (x) in the case of any refinancing of the Notes or Debt which is pari passu to the Notes (including Debt incurred pursuant to the Securities Purchase Agreement, dated as of February 24, 2012, among the Company and the purchasers named therein), the refinancing Debt is Incurred by the Company and made pari passu to the Notes or subordinated to the Notes, and (y) in the case of any refinancing of Debt which is subordinated to the Notes, the refinancing Debt is incurred by the Company and is subordinated to the Notes in a manner that is at least as favorable to the Investor as that of the Debt refinanced; (B) refinancing Debt with respect to Debt incurred pursuant to clause (c) of this paragraph shall not be secured by a Lien on any assets other than the assets securing the Debt so refinanced, and any improvements or additions thereto, and (C) the refinancing Debt by its terms, or by the terms of any agreement or instrument pursuant to which such Debt is issued, does not have a final maturity prior to the final maturity of the Debt being refinanced.

For purposes of determining compliance with this Section 6, in the event that an item of Debt meets the criteria of more than one of the types of Debt described in the above clauses the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Debt.

(g) The Company will not create, incur, assume or suffer to exist any Lien of any kind on any asset now owned or hereafter acquired, except for (a) the Liens described in Section 6(a) and 6(c) (including the refinancing of Liens described in Section 6(c) pursuant to Section 6(f)), (b) Permitted Liens, and (c) any Liens in existence on the Issue Date (including the refinancing thereof pursuant to Section 6(f)). Notwithstanding the foregoing, without the prior written consent of the Investor, which consent shall not be unreasonably withheld, the Company will not create, incur, assume or suffer to exist any Lien of any kind on any of its Intellectual Property that is subject to or within the scope of the License Terms, unless the secured party acknowledges in writing that its Lien shall not restrict the Company from granting and performing its obligations under any license agreement entered into in accordance with the License Terms, and that the rights of the secured party under its Lien shall be subordinate and subject to the rights of the licensees under any such licenses, and (ii) there shall be no restriction on the ability of the Company to create, incur, assume or suffer to exist any Lien of any kind on any of its Intellectual Property that is not subject to or within the scope of the License Terms or, once executed, the Company License Agreement.

As used herein, "***Permitted Liens***" means the following: (a) Liens for taxes, assessments and governmental charges or levies that are not overdue for a period of more than thirty (30) days or which are being contested in good faith; (b) Liens imposed by law, such as materialmen's, mechanics', carriers', workmen's and repairmen's Liens and other similar Liens

securing obligations that are not overdue for a period of more than thirty (30) days or that are being contested in good faith; (c) pledges or deposits to secure obligations under workers' compensation laws or similar legislation or to secure public or statutory obligations; (d) easements, rights of way and other encumbrances on title to real property that do not render title to the property encumbered thereby unmarketable or materially adversely affect the use of such property for its present purposes; (e) Liens to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature; (f) landlords' Liens under leases; (g) Liens consisting of leases, subleases, licenses or sublicenses granted to others and not interfering in any material respect with the business of the Company and its Subsidiaries, taken as a whole, and any interest or title of a lessor or licensor under any lease or license, as applicable; (h) Liens arising solely by virtue of any statutory or common law provision relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; and (i) Liens securing judgments for the payment of money not constituting an Event of Default under Section 5(a)(vi) or securing appeal or other surety bonds related to such judgments.

7. Successors.

(a) **Merger, Consolidation or Sale of Assets**. The Company shall not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless:

(i) the entity or Person formed by or surviving any such consolidation or merger (if other than the Company), or the parent company thereof, or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Notes and the Agreement; and

(ii) immediately after such transaction no Default or Event of Default exists.

(b) **Successor Corporation Substituted**. Upon any consolidation or merger or any transfer of all or substantially all of the assets of the Company in accordance with Section 7(a) hereof, the successor Person formed by such consolidation or into which the Company is merged, or the parent company thereof, or to which such transfer is made shall succeed to and (except in the case of a lease) be substituted for (so that from and after the date of such consolidation, merger or transfer, the provisions of this Note, the Agreement and the Registration Rights Agreement referring to the "Company" shall refer instead to the successor Person and not to the Company), and may exercise every right and power of, the Company under this Note and the Agreement with the same effect as if such successor Person had been named herein as the Company, and (except in the case of a lease) the Company shall be released from the obligations under the Notes and the Agreement except with respect to any obligations that arise from, or are related to, such transaction.

8. Amendment and Waiver. Except as otherwise expressly provided herein, the provisions of this Note may be amended and the Company may take any action herein

prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Investor.

9. Place of Payment. Payments of principal, interest, and premium, if any, consideration deliverable upon conversion of this Note (unless otherwise specified in the conversion notice) and all notices and other communications to the Investor hereunder or with respect hereto are to be delivered to the Investor at the address identified in the Agreement or to such other address or to the attention of such other person as specified by prior written notice to the Company, including any Permitted Transferee of this Note in accordance with Section 3 of this Note.

10. Costs of Collection. In the event that the Company fails to (a) pay when due (including, without limitation upon acceleration in connection with an Event of Default) the full amount of principal, interest and/or premium hereunder or (b) deliver when due the consideration deliverable upon conversion of this Note, the Company shall indemnify and hold harmless the Investor of any portion of this Note from and against all reasonable costs and expenses incurred in connection with the enforcement of this provision or collection of such principal, interest, premium and/or consideration, including, without limitation, reasonable attorneys' fees and expenses.

11. Waivers. The Company hereby waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note.

12. Benefits of the Agreement. The Investor and all transferees of this Note (to the extent such transfer is permitted by the Agreement) shall be entitled to the rights and benefits granted to them in the Agreement.

13. Registration of Transfer and Exchange Generally.

(a) **Registration, Registration of Transfer and Exchange Generally**. The Company shall keep at its principal executive offices a register (the register maintained in such being herein sometimes collectively referred to as the "***Note Register***") in which the Company shall provide for the registration of Notes and of transfers and exchanges of Notes.

Subject to the provisions of the Agreement regarding restrictions on transfer and provided the Permitted Transferee agrees to be bound by the terms of this Note and the Agreement, upon surrender for registration of transfer of any Note at its principal executive office, the Company shall execute and deliver, in the name of the designated transferee or transferees, one or more new Notes in denominations requested by the transferee (which denominations shall not be less than $1,000,000 per Note (unless the transferor holds a lesser denomination, in which case no such restriction shall apply)), of a like aggregate principal amount and bearing such restrictive legends as may be required by law.

At the option of the Investor, Notes may be exchanged for other Notes of any authorized denominations, of a like aggregate principal amount and bearing such restrictive legends as may be required by law upon surrender of the Notes to be exchanged at the Company's principal executive offices. Whenever any Notes are so surrendered for exchange, the Company shall

execute and make available for delivery the Notes that the Investor making the exchange is entitled to receive.

All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits as the Notes surrendered upon such registration of transfer or exchange.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Company) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company, duly executed by the Investor.

No service charge shall be made for any registration of transfer or exchange of Notes.

(b) **Mutilated, Destroyed, Lost and Stolen Notes**. If any mutilated Note is surrendered to the Company, the Company shall execute and make available for delivery in exchange therefor a new Note of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company (i) evidence to its reasonable satisfaction of the destruction, loss or theft of any Note and (ii) such indemnity as may be reasonably requested by the Company to save itself harmless, then, in the absence of notice to the Company that such Note has been acquired by a protected purchaser, the Company shall execute and make available for delivery, in lieu of any such destroyed, lost or stolen Note, a new Note of like tenor and principal amount and bearing a number not contemporaneously outstanding.

Every new Note issued pursuant to this Section 13 in lieu of any mutilated, destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Note shall be at any time enforceable by anyone.

The provisions of this Section 13 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

14. Governing Law.

(a) THIS NOTE, 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 NEW YORK WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAW PROVISIONS.

(b) Any and all disputes arising out of, or in connection with, the interpretation, performance, or nonperformance of this Note or any and all disputes arising out of, or in connection with, transactions in any way related to this Note and/or the relationship between the parties shall be litigated solely and exclusively before the United States District Court for the Southern District of New York. The parties consent to the in personam jurisdiction of said court for the purposes of any such litigation, and waive, fully and completely, any right to

dismiss and/or transfer any action pursuant to 28 U.S.C. § 1404 or 1406 (or any successor statute). In the event the United States District Court for the Southern District of New York does not have subject matter jurisdiction of said matter, then such matter shall be litigated solely and exclusively before the appropriate state court of competent jurisdiction located in the state of New York.

15. 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 to the applicable address set forth below:

(i) if to the Company, to:

Amyris, Inc.
5885 Hollis Street, Suite 100
Emeryville, CA 94608
United States of America
Attn: General Counsel
Fax. No.: +1 (510) 842-1460

with a copy (which shall not constitute notice) to:

Shearman & Sterling LLP
Four Embarcadero Center, Suite 3800
San Francisco, CA 94111-5994
United States of America
Attn: Michael S. Dorf
Fax. No.: +1 (415) 616-1446

(ii) if to the Investor, to:

Total Energies Nouvelles Activités USA
24 Cours Michelet
92800 Puteaux, France
Attn: Bernard Clément
Fax. No.: +331 4744 8178

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati
Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304
United States of America
Attn: David J. Segre
Michael A. Occhiolini
Richard Cameron Blake
Fax No.: +1 (650) 493-6811

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. The Investor 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.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has executed and delivered this Note on June 6, 2013.

AMYRIS, INC.

By: /s/ John Melo
Name: John Melo
Title: President and Chief Executive Officer

EXHIBIT 1

(To be Executed by Investor in order to Convert Note)

CONVERSION NOTICE

FOR

1.5% SENIOR UNSECURED CONVERTIBLE NOTE DUE 2017

The undersigned, as holder of the 1.5% Senior Unsecured Convertible Note due 2017 of **AMYRIS, INC**., (the "***Company***"), in the outstanding principal amount of U.S. $10,000,000 (the "***Note***"), hereby elects to convert that portion of the outstanding principal amount of the Note shown on the next page into shares of the Company's common stock, $0.0001 par value per share (the "***Common Stock***"), of the Company, accrued and unpaid interest and Make-Whole Interest, if any, in accordance with and in compliance with the conditions of the Note, as of the date written below. The undersigned hereby requests that share certificates for the shares of Common Stock to be issued to the undersigned pursuant to this Conversion Notice be issued in the name of, and delivered to, the undersigned or its designee as indicated below. If shares are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. No fee will be charged to the Investor for any conversion, except for transfer taxes, if any.

Conversion Information **TOTAL ENERGIES NOUVELLES ACTIVITÉS USA:**

By: __
Print Name:
Print Title:

Address:
24 Cours Michelet
92800 Puteaux, France
Attn: Bernard Clément
Fax. No.: +331 4744 8178

Issue Common Stock: __
at: __

Date of Conversion

Applicable Conversion Price

THE COMPUTATION OF THE NUMBER OF SHARES OF COMMON STOCK TO
BE RECEIVED IS SET FORTH ON THE ATTACHED PAGE

Page 2 to Conversion Notice for: Total Energies Nouvelles Activités USA

COMPUTATION OF NUMBER OF COMMON SHARES TO BE RECEIVED

Face Amount converted: $ _____

Conversion Price $ _____

Number of shares of Common Stock = Total dollar amount converted = $ _____
Conversion Price

Number of shares of Common Stock =

Please issue and deliver ___ certificate(s) for shares of Common Stock in the following amount(s):

_____

_____

_____

Please issue and deliver ___ new Note(s) in the following amounts:

_____

_____

_____

Schedule A

Notes Issued by Registrant

Note Number	Date of Note	Amount	Conversion Price	Comments
R-1	July 30, 2012	$38,300,000	$7.0682	Note No. R-1 was cancelled pursuant to Securities Purchase Agreement dated December 24, 2012 (Exhibit 4.16 Annual Report on Form 10-K for fiscal 2012 as filed on March 2013). The new issued Note is No. R-3.
R-2	September 14, 2012	$15,000,000	$7.0682	
R-3	December 24, 2012	$33,300,001.04	$7.0682	
R-4	June 6, 2013	$10,000,000	$3.08	

SIXTH AMENDMENT TO LEASE
BETWEEN
ES EAST, LLC (LANDLORD)
AND
AMYRIS, INC. (TENANT)
AT
EMERYSTATION EAST
5885 HOLLIS STREET, EMERYVILLE, CA

THIS SIXTH AMENDMENT TO LEASE (this "**Sixth Amendment**"), dated as of April 30, 2013, (the "**Effective Date**") is entered into by and between ES EAST, LLC, a California limited liability company ("**Landlord**"), and AMYRIS, INC., a Delaware corporation ("**Tenant**"), with reference to the following facts:

A. Landlord (as successor-in-interest to ES East Associates, LLC) and Tenant (as successor-in-interest to Amyris Biotechnologies, Inc., a California corporation) are parties to that certain Lease dated as of August 22, 2007 (the "**Original Lease**"), as amended by that certain First Amendment to Lease dated as of March 10, 2008 (the "**First Amendment**"), that certain Second Amendment to Lease dated as of April 25, 2008 (the "**Second Amendment**"), that certain Third Amendment to Lease dated as of July 31, 2008 (the "**Third Amendment**"), that certain Commencement Date Agreement dated October 14, 2008 (the "**Commencement Date Agreement**"), that certain Fourth Amendment to Lease dated as of November 14, 2009 (the "**Fourth Amendment**"), and that certain Fifth Amendment to Lease dated as of October 15, 2010 ("**Fifth Amendment**"), and, collectively with the other amendments listed above, the "**Amendments**", (the Original Lease, as amended by the First Amendment, the Second Amendment, the Third Amendment, the Commencement Date Agreement, the Fourth Amendment and the Fifth Amendment, is referred to herein as the "**Lease**").

B. In addition, Landlord and Tenant's predecessors in interest entered into that certain Storage Space Rental Agreement dated as of June 1, 2008 (the "**Storage Agreement**"), which Storage Agreement relates to Sections 1.1(14) and 6.8 of the Original Lease and under which Tenant leases that 411 rentable square foot storage space commonly referred to as P2043 (the "**Storage Space**").

C. In addition to the Storage Space, Tenant also leases space on the P1 parking level of the Building and has improved that area to serve as a chemical waste storage area (the "**Waste Space**").

D. In addition, Landlord and Tenant have entered into that certain Loan Agreement dated as of August 27, 2009 ("**Loan Agreement**").

E. The Expiration Date of the Lease is May 31, 2018.

F. Landlord and Tenant desire to amend the Lease to provide for extension of the Term and for the modification of the Base Rent and certain other terms, all as more particularly set forth below.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt whereof and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Scope of Sixth Amendment and Defined Terms.

(a) Except as expressly provided Sixth Amendment, the term "Lease" shall mean the Lease as modified by this Sixth Amendment.

(b) Capitalized terms used in this Sixth Amendment and not otherwise defined herein shall have the respective meanings set forth in the Lease.

2. Extension of Term. Notwithstanding anything in the Lease to the contrary, the Term of the Lease is extended to May 31, 2023 and the Expiration Date of the Lease is hereby modified to be May 31, 2023.

(a) Monthly Base Rent. Notwithstanding anything in the Lease to the contrary, commencing from and after May 31, 2013, the Monthly Base Rent applicable to the 113,384 rentable square foot Premises, (but excluding from Monthly Base Rent, the Storage Space and the Waste Space), shall be:

PERIOD	MONTHLY BASE RENT
6/1/2013 - 5/31/2014	$438,979.07
6/1/2014 - 5/31/2015	$438,979.07
6/1/2015 - 5/31/2016	$454,669.84
6/1/2016 - 5/31/2017	$470,543.60
6/1/2017 - 5/31/2018	$486,417.36
6/1/2018 - 5/31/2019	$503,424.96
6/1/2019 - 5/31/2020	$521,566.40
6/1/2020 - 5/31/2021	$539,707.84
6/1/2021 - 5/31/2022	$557,849.28
6/1/2022 - 5/31/2023	$566,920.00

3. Rent Credit. Provided that no Default occurs during the period commencing as of the date hereof and ending on December 31, 2014 (the "**Rent Credit Period**") Landlord shall provide Tenant with a monthly rent credit ("**Rent Credit**") in the amount of (x) $71,428.57 per month for the seven months in the period from June 1, 2013 through December 31, 2013 and (y)

$41,666.66 per month for the twelve months in the period from January 1, 2014 through December 31, 2014, which shall be applied to reduce the Monthly Base Rent set forth in Section 2(a) above.

4. Additional Tenant Improvement Allowance. From and after May 1, 2013, the obligation of Tenant to repay the Additional Tenant Improvement Allowance (as defined in the Original Lease) shall be released and Tenant shall have no obligations to make any further payments on account of the Additional Tenant Improvement Allowance.

5. Additional Expansion Allowance. From and after May 1, 2013, the obligation of Tenant to repay the Additional Expansion Allowance (as defined in the First Amendment) shall be released and Tenant shall have no obligations to make any further payments on account of the Additional Expansion Allowance.

6. Third Amendment Allowance. Landlord and Tenant hereby agree and acknowledge that Tenant has fully repaid the Third Amendment Allowance (as defined in the Third Amendment) and that from and after May 1, 2013 Tenant has no obligations to make any further payments on account of the Third Amendment Allowance.

7. Air Availability Fee. Landlord and Tenant hereby agree and acknowledge that The Air Handler Amortization Period (as defined in the Fifth Amendment) will terminate on the earlier to occur of: i) April 1, 2026, and ii) expiry of the Lease, and the monthly Air Availability Payment during the Air Handler Amortization Period is $8,290.49.

8. Section 2.8 Renewal Option. Section 2.8 of the Lease is hereby terminated and of no further force and effect.

9. Security Deposit. Section 5(b) of the Original Lease is hereby deleted in its entirety and the following section substituted in its place:

"(b) If Tenant elects to substitute a cash Security Deposit for the Letter of Credit in the amount of $953,254.11, after giving effect to the Amendments, the following provisions shall apply to the Security Deposit:

(i) The Security Deposit may be applied by Landlord to cure, in whole or part, any default of Tenant under this Lease, and upon notice by Landlord of such application, Tenant shall replenish the Security Deposit in full by paying to Landlord within ten (10) days of demand the amount so applied. Landlord's application of the Security Deposit shall not constitute a waiver of Tenant's default to the extent that the Security Deposit does not fully compensate Landlord for all losses, damages, costs and expenses incurred by Landlord in connection with such default and shall not prejudice any other rights or remedies available to Landlord under this Lease or by Law.

(ii) Landlord shall keep the Security Deposit separate from its general accounts in a single or multiple accounts in the name and under the sole domain and control of Landlord. No less frequently than on an annual basis, Landlord shall credit Tenant with interest on the Security Deposit in the amount, if any, received by Landlord from the depository

institution. Landlord shall provide Tenant with a copy of all statements which Landlord receives from the depository institution promptly following receipt by Landlord.

(iii) The Security Deposit shall not be deemed an advance payment of Rent or a measure of damages for any default by Tenant under this Lease, nor shall it be a bar or defense of any action that Landlord may at any time commence against Tenant.

(iv) In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the Security Deposit or the remaining balance thereof, Landlord may return the Security Deposit to the original Tenant, regardless of one or more assignments of this Lease. Upon the transfer of Landlord's interest under this Lease, Landlord's obligation to Tenant with respect to the Security Deposit shall terminate upon transfer to the transferee of the Security Deposit, or any balance thereof.

(v) Except as otherwise expressly set forth herein, the Security Deposit, or any balance thereof, shall be returned to Tenant within thirty (30) days after Landlord recovers possession of the Premises or such longer time as may be permissible under Law. Tenant hereby waives any and all rights of Tenant under the provisions of Section 1950.7 of the California Civil Code or other Law regarding security deposits."

10. Storage Space.

(a) Pursuant to the Storage Agreement and to sections 1.1(14) and 6.8 of the Original Lease, Tenant presently pays $462.58 in Monthly Base Rent for the Storage Space. The term of the Storage Agreement is hereby extended to be co-terminus with the term of the Lease.

(b) The Garage Storage Fee (as defined in the Original Lease) for the Storage Space shall increase three percent (3%) on June 1, 2013 and three percent (3%) on every subsequent June 1st for the balance of the Term.

11. Waste Space.

(a) Tenant presently pays $371.00 monthly as a Garage Storage Fee for the use of the Waste Space. Tenant's lease of the Waste Space is hereby extended to be coterminous with the term of the Lease.

(b) The Garage Storage Fee for the Waste Space shall increase three percent (3%) on June 1, 2013 and three percent (3%) on every subsequent June 1st for the balance of the Term.

12. Nitrogen Generator Room. Landlord and Tenant hereby acknowledge that Tenant requested that Landlord not construct the Nitrogen Generator Room referenced in Section 4 of the Fifth Amendment, and that as a result Tenant has no obligation to pay any Garage Storage Fee, or any other fees, associated with the Nitrogen Generator Room.

13. Loan Agreement. Landlord and Tenant hereby agree and acknowledge that the Loan Agreement has previously been terminated and is of no further force and effect.

14. Brokers.

(a) Each of Landlord and Tenant respectively represents and warrants to the other that neither it nor anyone acting on its behalf has dealt with any real estate broker or finder who might be entitled to a commission based upon the subject matter of this Sixth Amendment and no discussions or negotiations were had with any broker or finder concerning the subject matter of this Sixth Amendment.

(b) Each of Landlord and Tenant respectively agrees to indemnify and defend the other against and hold the other harmless from any claims of brokerage commissions arising out of any discussions or negotiations allegedly had by the other with any other broker or brokers in connection with this Sixth Amendment.

15. Waiver. No failure or delay by a party to insist upon the strict performance of any term, condition or covenant of this Sixth Amendment, or to exercise any right, power or remedy hereunder shall constitute a waiver of the same or any other term of this Sixth Amendment or preclude such party from enforcing or exercising the same or any such other term, conditions, covenant, right, power or remedy at any later time.

16. California Law. This Sixth Amendment shall be construed and governed by the laws of the State of California.

17. Attorneys' Fees and Costs. In the event of any action at law or in equity between the parties to enforce any of the provisions hereof, any unsuccessful party to such litigation shall pay to the successful party all costs and expenses, including reasonable attorneys' fees (including costs and expenses incurred in connection with all appeals) incurred by the successful party, and these costs, expenses and attorneys' fees may be included in and as part of the judgment. A successful party shall be any party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment.

18. Authority. This Sixth Amendment shall be binding upon and inure to the benefit of the parties, their respective heirs, legal representatives, successors and assigns. Each party hereto and the persons signing below warrant that the person signing below on such party's behalf is authorized to do so and to bind such party to the terms of this Sixth Amendment.

19. Entire Agreement; No Amendment.

(a) This Sixth Amendment constitutes the entire agreement and understanding between the parties with respect to the subject of this amendment and shall supersede all prior written and oral agreements concerning this subject matter.

(b) Except as expressly provided in this Sixth Amendment, the Lease and the Storage Agreement shall remain in full force and effect.

(c) This Sixth Amendment may not be amended, modified or otherwise changed in any respect whatsoever except by a writing duly executed by authorized representatives of Landlord and Tenant.

(d) Each party acknowledges that it has read this Sixth Amendment, fully understands all of this Sixth Amendment's terms and conditions, and executes this Sixth Amendment freely, voluntarily and with full knowledge of its significance. This Sixth Amendment is entered into by the parties with and upon advice of counsel.

20. Patriot Act Representations.

(a) Tenant Representations. As an inducement to Landlord to enter into this Sixth Amendment, Tenant hereby represents and warrants that: (i) Tenant is not, nor is it owned or controlled directly or indirectly by, any person, group, entity, or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC") pursuant to Executive Order 13224 or any similar list or any law, order, rule, or regulation or any Executive Order of the President of the United States as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person (any such person, group, entity, or nation being hereinafter referred to as a "Prohibited Person"); (ii) Tenant is not (nor is it owned or controlled, directly or indirectly, by any person, group, entity, or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) neither Tenant (nor any person, group, entity, or nation which owns or controls Tenant, directly or indirectly) has conducted or will conduct business or has engaged or will engage in any transaction or dealing with any Prohibited Person, including without limitation any assignment of this Lease or any subletting of all or any portion of the Leased Land or the making or receiving of any contribution of funds, goods, or services to or for the benefit of a Prohibited Person.

(b) Landlord Representations. As an inducement to Tenant to enter into this Sixth Amendment, Landlord hereby represents and warrants that: (i) Landlord is not, nor is it owned or controlled directly or indirectly by, any person, group, entity, or nation named on any OFAC list or any similar list or by any law, order, rule, or regulation or any Executive Order of the President of the United States as a Prohibited Person; (ii) Landlord is not (nor is it owned or controlled, directly or indirectly, by any person, group, entity, or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) neither Landlord (nor any person, group, entity, or nation which owns or controls Landlord, directly or indirectly) has conducted or will conduct business or has engaged or will engage in any transaction or dealing with any Prohibited Person, including without limitation the making or receiving of any contribution of funds, goods, or services to or for the benefit of a Prohibited Person.

21. Equal Opportunity. Tenant is committed to the provisions outlined in the Equal Opportunity Clauses of Executive Order 11246, (41 CFR 60-1.4), section 503 of the Rehabilitation Act of 1973, (41 CFR 60-741.5(a)), section 402 of the Vietnam Era Veterans Readjustment Act of 1974, (41 CFR 60-250.5(a)), and, the Jobs for Veterans Act of 2003, (41 CFR 60-300.5(a)) as well as any other regulations pertaining to these orders.

22. Severability. If any provision of this Sixth Amendment or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Sixth Amendment and the application of such provision to other persons or circumstances, other than those to which it is held invalid, shall not be affected and shall be enforced to the furthest extent permitted by law.

23. Agreement to Perform Necessary Acts. Each party agrees that upon demand, it shall promptly perform all further acts and execute, acknowledge, and deliver all further instructions, instruments and documents which may be reasonably necessary or useful to carry out the provisions of this Sixth Amendment.

24. Captions and Headings. The titles or headings of the various paragraphs hereof are intended solely for convenience of reference and are not intended and shall not be deemed to modify, explain or place any construction upon any of the provisions of this Sixth Amendment.

25. Counterparts; PDF.

(a) This Sixth Amendment may be executed in separate counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. This Sixth Amendment shall be fully executed when each party whose signature is required has signed and delivered to each of the parties at least one counterpart, even though no single counterpart contains the signatures of all parties hereto.

(b) This Sixth Amendment may be executed on so-called "pdf" format and each party has the right to rely upon a pdf counterpart of this letter to the same extent as if such party had received an original counterpart.

IN WITNESS WHEREOF, the undersigned have duly executed this Sixth Amendment as of the Effective Date.

TENANT: LANDLORD:

AMYRIS, INC., ES EAST, LLC,
a Delaware corporation a California limited liability company

By: /s/ Steven R. Mills By: ES EAST ASSOCIATES, LLC,

Print Name: Steven R. Mills a California limited liability company

Its: Chief Financial Officer Its: Managing Member

By: /s/ Gary H. Loeb By: /s/ Richard K. Robbins
Richard K. Robbins

Print Name: Gary H. Loeb

Its: General Counsel Its: Managing Member

THIRD AMENDMENT TO LEASE
BETWEEN
EMERY STATION TRIANGLE, LLC (LANDLORD)
AND
AMYRIS, INC. (TENANT)
AT
5850 HOLLIS STREET, EMERYVILLE, CA

THIS THIRD AMENDMENT TO LEASE (this "**Third Amendment**"), dated as of May 1, 2013, (the "**Effective Date**") is entered into by and between EMERY STATION TRIANGLE, LLC a California limited liability company (" **Landlord**"), and AMYRIS, INC., a Delaware corporation as successor in interest to Amyris Biotechnologies, Inc. ("**Tenant**"), with reference to the following facts:

A. Landlord and Tenant (as successor-in-interest to Amyris Biotechnologies, Inc., a California corporation) are parties to that certain Lease dated as of April 25, 2008 (the "**Original Lease**"), as amended by that certain letter agreement dated as of April 25, 2008 (the "**Letter Agreement**") and by that certain Second Amendment to Lease dated as of February 5, 2010 (the "**Second Amendment**"). Landlord and Tenant acknowledge and agree that there never was a First Amendment to Lease. The Original Lease, as amended by the Letter Agreement, and the Second Amendment is referred to herein as the "**Lease**".

B. The Expiration Date of the Lease is April 30, 2018.

C. The Premises (consisting of both the Original Premises and the Expansion Premises) measures 22,565 rentable square feet.

D. Landlord and Tenant desire to amend the Lease to provide for extension of the Term and for the modification of the Base Rent and certain other terms, all as more particularly set forth below.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt whereof and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Scope of Third Amendment and Defined Terms.

(a) Except as expressly provided Third Amendment, the term "Lease" shall mean the Lease as modified by this Third Amendment.

(b) Capitalized terms used in this Third Amendment and not otherwise defined herein shall have the respective meanings set forth in the Lease.

2. Extension of Term. Notwithstanding anything in the Lease to the contrary, the Term of the Lease is extended to April 30, 2023 and the Expiration Date of the Lease is hereby modified to be April 30, 2023.

(a) Monthly Base Rent. Notwithstanding anything in the Lease to the contrary, commencing from and after April 30, 2013, the Monthly Base Rent shall be:

PERIOD	MONTHLY BASE RENT
5/1/2013 - 4/30/2014	$32,310.85
5/1/2014 - 4/30/2015	$33,797.62
5/1/2015 - 4/30/2016	$35,289.06
5/1/2016 - 4/30/2017	$36,785.31
5/1/2017 - 4/30/2018	$38,286.51
5/1/2018 - 4/30/2019	$39,792.83
5/1/2019 - 4/30/2020	$41,304.40
5/1/2020 - 4/30/2021	$42,821.38
5/1/2021 - 4/30/2022	$44,343.95
5/1/2022 - 4/30/2023	$45,872.26

3. Tenant Improvement Allowance Monthly Payments. From and after May 1, 2013, the obligation of Tenant to pay the Tenant Improvement Allowance Monthly Payments (as defined in Section 1.1(16) of the Original Lease) shall be released and Tenant shall have no obligations to make any further payments on account the Tenant Improvement Allowance (as defined in the Original Lease).

4. Section 2.6 Renewal Option. Section 2.6 of the Lease is hereby terminated and of no further force and effect.

5. Option Fee. The obligation of Tenant to pay the additional fixed amount of $2,000.20 per month as provided in Section 1.1(8) of the Original Lease will remain in full force and effect to and including April 30, 2018.

6. Brokers.

(a) Each of Landlord and Tenant respectively represents and warrants to the other that neither it nor anyone acting on its behalf has dealt with any real estate broker or finder who might be entitled to a commission based upon the subject matter of this Third Amendment and no discussions or negotiations were had with any broker or finder concerning the subject matter of this Third Amendment.

(b) Each of Landlord and Tenant respectively agrees to indemnify and defend

the other against and hold the other harmless from any claims of brokerage commissions arising out of any discussions or negotiations allegedly had by the other with any other broker or brokers in connection with this Third Amendment.

7. Waiver. No failure or delay by a party to insist upon the strict performance of any term, condition or covenant of this Third Amendment, or to exercise any right, power or remedy hereunder shall constitute a waiver of the same or any other term of this Third Amendment or preclude such party from enforcing or exercising the same or any such other term, conditions, covenant, right, power or remedy at any later time.

8. California Law. This Third Amendment shall be construed and governed by the laws of the State of California.

9. Attorneys' Fees and Costs. In the event of any action at law or in equity between the parties to enforce any of the provisions hereof, any unsuccessful party to such litigation shall pay to the successful party all costs and expenses, including reasonable attorneys' fees (including costs and expenses incurred in connection with all appeals) incurred by the successful party, and these costs, expenses and attorneys' fees may be included in and as part of the judgment. A successful party shall be any party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment.

10. Authority. This Third Amendment shall be binding upon and inure to the benefit of the parties, their respective heirs, legal representatives, successors and assigns. Each party hereto and the persons signing below warrant that the person signing below on such party's behalf is authorized to do so and to bind such party to the terms of this Third Amendment.

11. Entire Agreement; No Amendment.

(a) This Third Amendment constitutes the entire agreement and understanding between the parties with respect to the subject of this amendment and shall supersede all prior written and oral agreements concerning this subject matter.

(b) Except as expressly provided in this Third Amendment, the Lease and the Storage Agreement shall remain in full force and effect.

(c) This Third Amendment may not be amended, modified or otherwise changed in any respect whatsoever except by a writing duly executed by authorized representatives of Landlord and Tenant.

(d) Each party acknowledges that it has read this Third Amendment, fully understands all of this Third Amendment's terms and conditions, and executes this Third Amendment freely, voluntarily and with full knowledge of its significance. This Third Amendment is entered into by the parties with and upon advice of counsel.

12. Patriot Act Representations.

(a) Tenant Representations. As an inducement to Landlord to enter into this Third Amendment, Tenant hereby represents and warrants that: (i) Tenant is not, nor is it owned

or controlled directly or indirectly by, any person, group, entity, or nation named on any list issued by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC") pursuant to Executive Order 13224 or any similar list or any law, order, rule, or regulation or any Executive Order of the President of the United States as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person (any such person, group, entity, or nation being hereinafter referred to as a "Prohibited Person"); (ii) Tenant is not (nor is it owned or controlled, directly or indirectly, by any person, group, entity, or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) neither Tenant (nor any person, group, entity, or nation which owns or controls Tenant, directly or indirectly) has conducted or will conduct business or has engaged or will engage in any transaction or dealing with any Prohibited Person, including without limitation any assignment of this Lease or any subletting of all or any portion of the Leased Land or the making or receiving of any contribution of funds, goods, or services to or for the benefit of a Prohibited Person.

(b) Landlord Representations. As an inducement to Tenant to enter into this Third Amendment, Landlord hereby represents and warrants that: (i) Landlord is not, nor is it owned or controlled directly or indirectly by, any person, group, entity, or nation named on any OFAC list or any similar list or by any law, order, rule, or regulation or any Executive Order of the President of the United States as a Prohibited Person; (ii) Landlord is not (nor is it owned or controlled, directly or indirectly, by any person, group, entity, or nation which is) acting directly or indirectly for or on behalf of any Prohibited Person; and (iii) neither Landlord (nor any person, group, entity, or nation which owns or controls Landlord, directly or indirectly) has conducted or will conduct business or has engaged or will engage in any transaction or dealing with any Prohibited Person, including without limitation the making or receiving of any contribution of funds, goods, or services to or for the benefit of a Prohibited Person.

13. Equal Opportunity. Tenant is committed to the provisions outlined in the Equal Opportunity Clauses of Executive Order 11246, (41 CFR 60-1.4), section 503 of the Rehabilitation Act of 1973, (41 CFR 60-741.5(a)), section 402 of the Vietnam Era Veterans Readjustment Act of 1974, (41 CFR 60-250.5(a)), and, the Jobs for Veterans Act of 2003, (41 CFR 60-300.5(a)) as well as any other regulations pertaining to these orders.

14. Severability. If any provision of this Third Amendment or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Third Amendment and the application of such provision to other persons or circumstances, other than those to which it is held invalid, shall not be affected and shall be enforced to the furthest extent permitted by law.

15. Agreement to Perform Necessary Acts. Each party agrees that upon demand, it shall promptly perform all further acts and execute, acknowledge, and deliver all further instructions, instruments and documents which may be reasonably necessary or useful to carry out the provisions of this Third Amendment.

16. Captions and Headings. The titles or headings of the various paragraphs hereof are intended solely for convenience of reference and are not intended and shall not be deemed to modify, explain or place any construction upon any of the provisions of this Third Amendment.

17. Counterparts; PDF.

(a) This Third Amendment may be executed in separate counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. This Third Amendment shall be fully executed when each party whose signature is required has signed and delivered to each of the parties at least one counterpart, even though no single counterpart contains the signatures of all parties hereto.

(b) This Third Amendment may be executed on so-called "pdf" format and each party has the right to rely upon a pdf counterpart of this letter to the same extent as if such party had received an original counterpart.

IN WITNESS WHEREOF, the undersigned have duly executed this Third Amendment as of the Effective Date.

TENANT: **LANDLORD:**

AMYRIS, INC. EMERYSTATION TRIANGLE, LLC,
a Delaware corporation a California limited liability company

By: /s/ Steven R. Mills By: /s/ Richard K. Robbins

Print Name: Steven R. Mills Richard K. Robbins

Its: Chief Financial Officer Its: Managing Member

By: /s/ Gary H. Loeb

Name: Gary H. Loeb

Its: General Counsel

SETTLEMENT AGREEMENT, TERMINATION AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement, Termination Agreement, and Mutual Release (this "Settlement") is made as of this 25th day of June 2013, by and between Tate & Lyle Ingredients Americas LLC ("Tate & Lyle"), a Delaware limited liability company, formerly Tate & Lyle Ingredients Americas, Inc., and Amyris, Inc. ("Amyris"), a Delaware corporation.

WHEREAS, on or about November 1, 2010, Tate & Lyle and Amyris entered into a Toll Manufacturing Agreement (the "Agreement") under which Tate & Lyle agreed to manufacture one or more Amyris products, in exchange for monthly fees to be paid by Amyris.

WHEREAS, in March 2013, Amyris stopped paying invoices issued by Tate & Lyle under the Agreement by the stated due date, despite Tate & Lyle's demands for payment, and has not made payment on invoices subsequently tendered by Tate & Lyle. Moreover, Amyris sought early termination of the Agreement and asserted that Tate & Lyle failed to perform sufficiently under the Agreement. These circumstances are referred to collectively herein as the "Dispute."

WHEREAS, on June 10, 2013, Tate & Lyle advised Amyris that the Agreement was terminated based upon Amyris's uncured default under the Agreement by reason of non-payment of invoices.

WHEREAS, on June 10, 2013, Tate & Lyle notified Amyris that it was referring the Dispute to be resolved by arbitration administered by the American Arbitration Association (the "Arbitration"). In addition, on June 10, 2013, Tate & Lyle filed a complaint for preliminary injunctive relief in aid of arbitration in the Circuit Court of the Sixth Judicial Circuit, Decatur, Macon County, Illinois (No. 13 CH 146), which complaint was assigned to Hon. James R. Coryell (the "Litigation").

WHEREAS, the parties now desire to terminate the Agreement fully and finally settle and compromise the Dispute, the Arbitration, and the Litigation.

NOW THEREFORE, in consideration of the mutual covenants, conditions, and agreements contained herein, and for other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Amyris shall make the following payments to Tate & Lyle via wire transfer on or before the dates and times set forth below:

a. $623,032.74, on or before 1:00 p.m. Central on July 17, 2013

b. $3,000,000 on or before 1:00 p.m. Central on July 31, 2013

c. $2,600,000, on or before 1:00 p.m. Central Time on September 16, 2013

d. $2,600,000, on or before 1:00 p.m. Central Time on December 16, 2013

Such payments are to be made to the following bank account in cleared funds and not subject to deduction for any bank charges:

Account name: Tate and Lyle Ingredients Americas

Name of bank: Bank of America, NA

Swift code: [*]

Account No.: [*]

ABA No.: [*]

2. Effective as of the execution of this Settlement, Amyris hereby assigns, transfers, conveys and delivers to Tate & Lyle for no additional consideration all right, title and interest of Amyris in and to the equipment identified in Addendum A hereto (the "Transferred Equipment"). Within 14 days after the execution of this Settlement and from time to time thereafter as reasonably requested by Tate & Lyle, Amyris shall execute all instruments of transfer, conveyance, assignment and confirmation and take such other actions as Tate & Lyle may reasonably determine is necessary to transfer, convey and assign to Tate & Lyle full right, title and interest in the Transferred Equipment, to put Tate & Lyle in actual possession thereof and to assist Tate & Lyle in exercising all rights with respect thereto. The parties agree that the provisions of this paragraph 2 shall govern with respect to the Transferred Equipment notwithstanding anything to the contrary in Section 3.3 of the Agreement (which Section 3.3 shall terminate as of the execution of this Settlement). The parties agree that the installed value of the equipment identified in Addendum A is $2,729,397. For purposes of clarification, T&L retains all right, title and interest in the General Equipment as defined in the Agreement.

3. To secure the payment, performance and observance of Amyris's obligations under paragraph 1, effective as of the execution of this Settlement, Amyris hereby pledges, grants, assigns and transfers to Tate & Lyle a continuing security interest in any remaining Specialized Equipment (as defined in the Agreement) located at Tate & Lyle's Decatur, Illinois plant that is not identified in Addendum A (the "Secured Equipment"). Within 14 days after the execution of this Settlement and from time to time thereafter as reasonably requested by Tate & Lyle, Amyris shall execute and deliver to Tate & Lyle all financing statements and other documents reasonably requested by Tate & Lyle in order to perfect a security interest or maintain a perfected security interest in the Secured Equipment. The security interest created by this paragraph shall be released upon full and timely payment by Amyris of the amounts set forth in paragraph 1 above. Amyris has notified Tate & Lyle that it desires to remove the equipment set forth in Exhibit B attached hereto for removal as soon as practicable. Within fourteen (14) days after the execution of this Settlement, Amyris shall identify and provide notice to Tate & Lyle of any Secured Equipment that it desires to add to Exhibit B and remove from the plant. Subject to Tate & Lyle's continuing security interest in the Secured Equipment, Amyris, at its own expense, but pursuant to Tate & Lyle safety requirements and other similar site considerations, shall have the right to remove from Tate & Lyle's Decatur, Illinois plant such identified Secured Equipment, upon reasonable advance notice to Tate & Lyle and at a time mutually agreed by the parties. Tate & Lyle shall be free to operate and maintain the Secured Equipment, whether or not identified for removal, for any purpose until such time as Amyris has removed it from the plant, and Amyris hereby consigns to Tate & Lyle all rights to use the Secured Equipment until removal by Amyris. The right of Amyris to remove such identified Secured Equipment from the plant shall expire thirty (30) days after payment of all amounts stated in paragraph 1 herein, but such right, whether exercised or partially exercised, shall expire three hundred and sixty-five (365) days after execution of this Agreement, whether or not full payment has been made. After that date, Amyris shall execute all instruments of transfer, conveyance, assignment and confirmation and take such other actions as Tate & Lyle may reasonably determine is necessary to transfer, convey and assign to Tate & Lyle full right, title and interest in the Secured Equipment, to put Tate & Lyle in actual possession thereof and to assist Tate & Lyle in exercising all rights with respect

[*] 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.

thereto. At such time, regardless of whether Amyris has complied with its obligations to so transfer ownership of such Secured Equipment to Tate & Lyle, Amyris shall have no further right, title or interest therein. Amyris hereby represents and warrants to Tate & Lyle that (a) the Secured Equipment is free and clear of any pledge, lien, charge, claim, encumbrance, security interest, mortgage, option, restriction on transfer, license or other right of a third party to the Secured Equipment of any nature or description whatsoever (collectively, "Liens") other than Permitted Liens (as defined below), and (b) until such time as Amyris has fully paid Tate & Lyle all amounts payable to Tate & Lyle pursuant to paragraph 1, Amyris will not grant a security interest in the Secured Equipment to any third party other than Tate & Lyle, or cause or permit to exist any Liens (other than Permitted Liens) on any of the Secured Equipment. "Permitted Liens" means the security interest granted hereunder, Liens for taxes and other government charges not yet due or which are being contested in good faith, and carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested in good faith.

4. Tate & Lyle is currently in possession of certain raw materials owned by Amyris set forth in Exhibit C. Tate & Lyle shall use reasonable efforts to resell such raw materials to its suppliers or customers at reasonable prices. Any amounts gained from the sale of such raw materials shall be deducted from the final December 16, 2013 payment from Amyris to Tate & Lyle. In no event shall such deduction be more than $159,168. For avoidance of doubt, failure of Tate & Lyle to resell such raw materials shall not be considered a breach of this Settlement. Should Tate & Lyle not be able to sell such raw materials for its customers, then on the earlier of the thirtieth (30th) day of the final payment by Amyris under this Settlement or the three hundred and sixty-fifth (365th) day after execution of this Agreement, all right, title and interest of Amyris in and to the raw materials set forth in Exhibit C shall pass to Tate & Lyle.

5. Upon the execution of this Settlement, Tate & Lyle shall cause to be dismissed, without prejudice, its claims against Amyris in the Litigation. Additionally, and also upon the execution of this Settlement, Tate & Lyle will withdraw its notice and demand for Arbitration. Tate & Lyle reserves the right to reinstitute the Litigation and/or Arbitration immediately in the event of Amyris' non-compliance with this Settlement.

6. This Settlement is a compromise and settlement of a dispute and is not and shall not in any way be construed as an express or implied admission by any party of any act of liability, fault, or wrongdoing whatsoever or an admission of a violation of any agreement, law, statute, rule or regulation, but is, instead, a compromise settlement of disputed claims made in order to avoid the expense, burden, and inconvenience of protracted litigation or arbitration.

7. For purposes of this Settlement, the terms "Amyris Released Parties" or "Amyris Releasing Parties" shall mean Amyris, and each of its current and former affiliates, subsidiaries, parent corporations (in each case, whether direct or indirect), successors or assigns, divisions, predecessors, transferors, transferees, partners, trustees, members, officers, directors, employees, shareholders, representatives, insurers, agents, consultants, and attorneys, and all persons acting by, for, through, under or in concert with any of them. The terms "Tate & Lyle Released Parties" or "Tate & Lyle Releasing Parties" shall mean Tate & Lyle, and each of its current and former affiliates, subsidiaries, parent corporations (in each case, whether direct or indirect), successors or assigns, divisions, predecessors, transferors, transferees, partners, trustees, members, officers, directors, employees,

shareholders, representatives, insurers, agents, consultants, and attorneys, and all persons acting by, for, through, under or in concert with any of them.

8. Amyris represents and warrants that it is the sole owner of any and all Amyris Released Claims that were or could have been made against the Tate & Lyle Released Parties, and that it has not heretofore assigned or transferred to any person or entity any right, claim, or interest in any of the claims released pursuant to paragraph 9 hereof.

9. Tate & Lyle represents and warrants that it is the sole owner of any and all Tate & Lyle Released Claims that were or could have been made against the Amyris Released Parties, and that it has not heretofore assigned or transferred to any person or entity any right, claim, or interest in any of the claims released pursuant to paragraph 11 hereof.

10. Subject only to Tate & Lyle's performance of its obligations under this Agreement, Amyris hereby unconditionally releases, acquits and forever discharges the Tate & Lyle Released Parties from any and all known or unknown charges, complaints, claims, liabilities, obligations, controversies, damages, rights, suits, demands, actions, and causes of action (i) asserted, or that could have been asserted, in the Litigation or Arbitration, (ii) arising out of, relating in any way to, or in connection with, the Agreement, (iii) arising out of, relating in any way to, or in connection with the Dispute, and (iv) all claims for attorneys' fees and/or expenses, and all other common law or statutory causes of action related thereto (the “Amyris Released Claims”).

11. Subject only to Tate & Lyle's performance of its obligations under this Agreement, Amyris hereby covenants and agrees that it shall not now or hereafter institute, participate in, maintain or assert (either directly or indirectly, on its own behalf, derivatively or on behalf of any other person) any of the Amyris Released Claims, as set forth in paragraph 9, above, in any forum or in any manner against any of the Tate & Lyle Released Parties. Amyris hereby covenants and agrees that it shall indemnify and hold the Tate & Lyle Released Parties harmless from and against any claim, loss, damage, cost or expense, including, without limitation, attorneys' fees, by reason of a breach by Amyris of any of the representations, warranties, and covenants made under this Settlement.

12. Subject only to Amyris' performance of its obligations under this Agreement, including but not limited to Tate & Lyle's receipt of the full amount of all payments set forth in paragraph 1, above, Tate & Lyle unconditionally releases, acquits and forever discharges the Amyris Released Parties from any and all known or unknown charges complaints, claims, liabilities, obligations, controversies, damages, rights, suits, demands, actions, and causes of action (i) asserted, or that could have been asserted, in the Litigation or Arbitration, (ii) arising out of, relating in any way to, or in connection with, the Agreement, (iii) arising out of, relating in any way to, or in connection with, the Dispute; and (iv) all other common law or statutory causes of action related thereto (the “Tate & Lyle Released Claims”).

13. Subject only to Amyris' performance of its obligations under this Agreement, including but not limited to Tate & Lyle's, receipt of the full amount of all payments set forth in paragraph 1, above, Tate & Lyle hereby covenants and agrees that it shall not now or hereafter institute, participate in, maintain or assert (either directly or indirectly, on its own behalf, derivatively or on behalf of any other person) any of the Tate & Lyle Released Claims, as set forth in paragraph 11, above, in any forum or in any manner against any of the Amyris Released Parties. Tate & Lyle hereby covenants and agrees that it shall indemnify and hold the Amyris Released Parties harmless from and against any claim, loss, damage, cost or expense, including, without limitation, attorneys' fees, by reason of a breach by Tate & Lyle of any of the representations, warranties, and covenants made under this Settlement.

14. Nothing in this Settlement shall preclude any action to enforce any of the terms of this Settlement. This Settlement shall be deemed to have been mutually prepared by the parties and shall not be construed against any of them by reason of authorship. The Court presiding over the Litigation shall maintain exclusive jurisdiction to enforce the terms of this Settlement, notwithstanding the dismissal of the Litigation contemplated herein. Amyris hereby agrees unconditionally to submit to the personal and subject matter jurisdiction of the Circuit Court of the Sixth Judicial Circuit, Decatur, Macon County, Illinois, for purposes of any action to enforce the terms of this Settlement.

15. In the event of any default by Amyris in any of its payment obligations set forth in paragraph 1, above: (a) any and all remaining payments by Amyris shall be accelerated and become immediately due and payable; (b) Tate & Lyle shall be entitled to payment of the statutory rate of 9% interest per annum (815 ILCS 205/4) on the entire unpaid, accelerated amount due under this Settlement, but in no case shall Tate & Lyle be entitled to a rate of interest greater than any usury as applicable statute under Illinois law; (c) Tate & Lyle shall be entitled to recover against Amyris, and have included in any judgment entered by the Court to enforce this Settlement, all of its actual attorneys' fees, costs, and expenses of whatever kind associated with any effort or action to enforce the terms of this Settlement, whether by litigation, arbitration or other mechanism; and (d) Tate & Lyle shall be entitled to recover against Amyris, and have included in any judgment entered by the Court to enforce this settlement, all of its actual attorneys' fees, costs, and expenses of whatever kind incurred in connection with the commencement of the Litigation and Arbitration.

16. The parties expressly acknowledge that: they have read and voluntarily executed this Settlement; that none of the parties has been induced to sign this Settlement through any opinion or representation of fact made by the other party, except representations made under this Settlement; and that they are not relying on any such opinion or representation, except representations made expressly in this Settlement.

17. This Settlement is binding upon and shall inure to the benefit of, and with full right of enforcement by, the parties hereto, and their respective heirs, executors, administrators, personal representatives, predecessors, successors, assigns, subsidiaries, divisions, affiliates, ventures, parent companies, attorneys, agents, employees, officers, directors, trustees, associates, owners, partners, shareholders, members, and legal representatives.

18. This Settlement sets forth the sole and entire agreement between the parties hereto with respect to the subject matter hereof. This Settlement fully supersedes any and all prior agreements or understandings between the parties hereto pertaining to the subject matter hereof. The parties hereby acknowledge and agree that the Agreement (i.e., the Toll Manufacturing Agreement dated as of November 1, 2010) is now terminated according to its own terms effective June 10, 2013, except with respect to Sections 3.4 (second sentence only), 7.6, 9, 10, 11, 12, 14.3, 14.4, 15, 17, 18.2, 18.3, 18.5, 18.6, and 18.9 of the Agreement which shall expressly survive termination of the Agreement.

19. This Settlement may be waived or modified only by a written agreement signed by each of the parties hereto.

20. This Settlement shall be governed by, and construed in accordance with, Illinois law. The invalidity of any part of this Settlement shall not affect the validity of any other part of this Settlement.

21. THE PARTIES TO THIS SETTLEMENT HEREBY IRREVOCABLY WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY ACTION TO ENFORCE THIS SETTLEMENT, AND

HEREBY GIVE THEIR CONSENT THAT ANY SUCH ACTION WILL BE TRIED TO THE COURT WITHOUT A JURY.

22. This Settlement may be executed by facsimile and in identical counterparts, each of which shall constitute one and the same instrument.

23. Each party represents and warrants that it is duly authorized and has full power to execute this Settlement. Each signatory hereto represents and warrants that it is duly authorized and has full power to execute this Settlement on behalf of the party for which it is executing this Settlement.

24. Neither party hereto shall make, or cause to be made, any press release or public announcement concerning this Settlement that: (i) disparages the other party; (ii) contains any statement concerning the strengths or weaknesses of the parties' respective claims and defenses in the Litigation; (iii) claims victory or defeat; (iv) reveals the amount, nature, or timing of payments described in paragraph 1 hereof (except that either party may disclose the terms of the settlement, including the payments, to the extent required by applicable law, including but not limited to regulations promulgated under the Securities Exchange Act of 1934 and the UK Companies Act, as amended, in the judgment of such party's legal counsel and auditors); and/or (v) suggests that the existence or terms of the Settlement should be construed as an express or implied admission by any party of any act of liability, fault, or wrongdoing whatsoever or an admission of a violation of any agreement, law, statute, rule or regulation.

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement and Mutual Release on the day and year first written above.

TATE & LYLE INGREDIENTS AMERICAS LLC AMYRIS, INC.

By: /s/ Peter Castelle By: /s/ John Melo
Name: Peter Castelle Name:
Title: Group VP & General Counsel Title:

Exhibit A Transferred Equipment
F-2J10-SCRUBBER FAN
K-2J10-SCRUBBER 7'0" Ø
P-2J01-VENT KNOCKOUT TANK PUMP
P-2J10-SCRUBBER RECIRCULATION PUMP
T-2J01-KNOCKOUT POT (MODIFY EXISTING)
F-2J20-RTO FD FAN
F-2J21-RTO COMBUSTION AIR FAN
N-2J20-RTO
N-2J22-RTO EXHAUST STACK
H-2F14-CHILLER #4 1,000 TON
T-2A68-ANTI-FOAM TANK #2
T-2A50-KH2PO4 TANK
T-2A51-(NH4)2 SO4 TANK
T-2A52-MgSO4 TANK
T-2A60-SEED VITAMIN & TRACE METALS TK
T-2A62-MAIN VITAMIN TANK
T-2A65-ANTI-FOAM TANK

Exhibit B - Equipment to be removed by Amyris

- K-2G10-L/S CENTRIFUGE
- K-2G20-L/L CENTRIFUGE
- K-2G30-POLISHING CENTRIFUGE
- Gas Chromatograph and software
- the BlueSense off-gas analyzer

Exhibit C

Material	Material Description	From Date	To Date	Closing Stock	BUn	Closing Value
1000142	Iron sulfate Heptahydrate	5/1/2013	5/31/2013	90.71	KG	$ 64.00
1000147	Cobalt Chloride Hexahydrate	5/1/2013	5/31/2013	64.39	KG	$ 2,347.01
1000153	Ammonium Sulfate	5/1/2013	5/31/2013	27,327.07	KG	$ 14,967.04
1000154	Anhydrous Copper Sulfate	5/1/2013	5/31/2013	60.93	KG	$ 470.21
1000155	Biotin	5/1/2013	5/31/2013	13.06	KG	$ 19,591.50
1000156	Calcium chloride dihydrate	5/1/2013	5/31/2013	106.26	KG	$ 595.38
1000157	Calcium Pantothenate	5/1/2013	5/31/2013	36.26	KG	$ 555.79
1000158	EthyleneDiamineTetraacetic Acid (EDTA)	5/1/2013	5/31/2013	136.03	KG	$ 1,058.78
1000160	Manganese chloride Tetrahydrate	5/1/2013	5/31/2013	63.95	KG	$ 1,753.73
1000161	Myoinositol	5/1/2013	5/31/2013	64.98	KG	$ 1,429.82
1000162	Nicotinic acid	5/1/2013	5/31/2013	173.91	KG	$ 4,106.97
1000163	P-Aminobenzoic acid	5/1/2013	5/31/2013	51.72	KG	$ 1,683.24
1000164	Potassium Phosphate (monobasic)	5/1/2013	5/31/2013	11,083.17	KG	$ 6,362.84
1000165	Pyridoxol HCL	5/1/2013	5/31/2013	149.98	KG	$ 12,867.10
1000166	Sodium molybdate dihydrate	5/1/2013	5/31/2013	219.89	KG	$ 4,426.84
1000167	Tergitol L-81	5/1/2013	5/31/2013	8,590.55	KG	$ 32,201.68
1000168	Tert butyl catechol	5/1/2013	5/31/2013	760.17	KG	$ 8,498.19
1000169	Thiamine HCL	5/1/2013	5/31/2013	99.99	KG	$ 10,514.18
1000170	Triton X-114	5/1/2013	5/31/2013	1,065.94	KG	$ 6,346.07
1000171	Zinc sulfate Heptahydrate	5/1/2013	5/31/2013	174.97	KG	$ 1,620.35
1000180	Phosphoric Acid	5/1/2013	5/31/2013	7,152.23	KG	$ 10,882.12
1000182	Citric Acid	5/1/2013	5/31/2013	4,876.11	KG	$ 13,063.60
1000183	Sodium Hypochlorite	5/1/2013	5/31/2013	18,698.40	KG	$ 3,449.86
1000196	Liquid Nitrogen	5/1/2013	5/31/2013	0.004	KG	$ 312.63
				81,060.67	KG	$ 159,168.93

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: August 9, 2013

/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: August 9, 2013

/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 ended June 30, 2013, 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 June 30, 2013 (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: August 9, 2013

/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 June 30, 2013, 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 June 30, 2013 (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: August 9, 2013

/s/ STEVEN R. MILLS
Steven R. Mills
Chief Financial Officer
(Principal Financial Officer)