

AMYRIS, INC.
Form 10-Q
November 09, 2011
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 September 30, 2011

OR

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

For the Transition Period from _____ to _____

Commission File Number: 001-34885

AMYRIS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

Amyris, Inc.

5885 Hollis Street, Suite 100

Emeryville, CA 94608

(510) 450-0761

(Address and telephone number of principal executive offices)

55-0856151

(I.R.S. Employer

Identification No.)

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

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

Indicate by check mark 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 October 28, 2011

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Common Stock, \$0.0001 par value per share	45,554,640 shares
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AMYRIS, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2011

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PART I: FINANCIAL INFORMATION

Amyris, Inc.

Condensed Consolidated Balance Sheets

(In Thousands, Except Share and Per Share Amounts)

(Unaudited)

	September 30, 2011	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	\$106,142	\$143,060
Short-term investments	17,652	114,873
Accounts receivable	4,982	5,215
Inventories	8,492	4,006
Prepaid expenses and other current assets	9,432	2,905
Total current assets	146,700	270,059
Property and equipment, net	115,850	54,847
Other assets	38,752	32,547
Total assets	\$301,302	\$357,453
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$25,246	\$7,116
Deferred revenue	2,044	565
Accrued and other current liabilities	30,333	14,795
Capital lease obligation, current portion	2,931	2,854
Debt, current portion	2,336	1,911
Total current liabilities	62,890	27,241
Capital lease obligation, net of current portion	905	3,091
Long-term debt, net of current portion	9,970	4,734
Deferred rent, net of current portion	10,290	11,186
Deferred revenue, net of current portion	4,238	1,130
Other liabilities	9,434	2,523
Total liabilities	97,727	49,905
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Preferred stock - \$0.0001 par value, 5,000,000 shares authorized, none issued and outstanding.	—	—
Common stock - \$0.0001 par value, 100,000,000 shares authorized as of September 30, 2011 and December 31, 2010; 45,160,247 shares and 43,847,425 shares issued and outstanding as of September 30, 2011 and December 31, 2010, respectively.	5	4
Additional paid-in capital	530,847	506,988
Accumulated other comprehensive income (loss)	(5,451) 2,872
Accumulated deficit	(321,760) (202,318
Total Amyris, Inc. stockholders' equity	203,641	307,546
Noncontrolling interest	(66) 2
Total equity	203,575	307,548
Total liabilities and equity	\$301,302	\$357,453

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 September		Nine Months Ended September	
	30,		30,	
	2011	2010	2011	2010
Revenues				
Product sales	\$31,162	\$22,055	\$92,998	\$42,037
Grants and collaborations revenue	5,114	2,170	12,454	8,545
Total revenues	36,276	24,225	105,452	50,582
Cost and operating expenses				
Cost of product sales	35,729	22,900	99,247	43,032
Research and development	23,441	14,701	66,622	38,293
Sales, general and administrative	21,174	10,484	59,401	29,385
Restructuring income	—	(2,061)	—	(2,061)
Total cost and operating expenses	80,344	46,024	225,270	108,649
Loss from operations	(44,068)	(21,799)	(119,818)	(58,067)
Other income (expense):				
Interest income	609	702	1,250	1,264
Interest expense	(291)	(524)	(1,172)	(1,284)
Other income, net	310	1,013	160	953
Total other income	628	1,191	238	933
Loss before income taxes	\$(43,440)	\$(20,608)	\$(119,580)	\$(57,134)
Provision for income taxes	(474)	—	(299)	—
Net loss	\$(43,914)	\$(20,608)	\$(119,879)	\$(57,134)
Net loss attributable to noncontrolling interest	224	477	437	907
Net loss attributable to Amyris, Inc.	\$(43,690)	\$(20,131)	\$(119,442)	\$(56,227)
Deemed dividend related to the beneficial conversion feature of Series D convertible preferred stock and conversion of Amyris Brasil S.A. shares held by third parties	—	(42,009)	—	(42,009)
Net loss attributable to Amyris, Inc. common stockholders	\$(43,690)	\$(62,140)	\$(119,442)	\$(98,236)
Net loss per share attributable to common stockholders, basic and diluted	\$(0.97)	\$(11.89)	\$(2.68)	\$(19.26)
Weighted-average shares of common stock outstanding used in computing net loss per share of common stock, basic and diluted	45,031,613	5,227,689	44,507,686	5,099,635

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

Amyris, Inc.
Condensed Consolidated Statement of Stockholders' Equity
(Unaudited)

(In Thousands, Except Share Amounts)	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity
	Shares	Amount					
December 31, 2010	43,847,425	\$4	\$506,988	\$ (202,318)	\$ 2,872	\$ 2	\$307,548
Issuance of common stock upon exercise of stock options, net of restricted stock	1,230,867	1	5,023	—	—	—	5,024
Issuance of common stock upon net exercise of warrants	77,087	—	—	—	—	—	—
Shares issued from restricted stock unit settlement	6,005	—	—	—	—	—	—
Repurchase of common stock	(1,137)	—	—	—	—	—	—
Stock-based compensation	—	—	18,836	—	—	—	18,836
Fair value of assets and liabilities assigned to noncontrolling interest	—	—	—	—	—	369	369
Components of comprehensive income (loss)							
Change in unrealized loss on investments	—	—	—	—	(5)	—	(5)
Foreign currency translation adjustment, net of tax	—	—	—	—	(8,318)	—	(8,318)
Net loss	—	—	—	(119,442)	—	(437)	(119,879)
Total comprehensive loss							(128,202)
September 30, 2011	45,160,247	\$5	\$530,847	\$ (321,760)	\$ (5,451)	\$ (66)	\$203,575

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

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

	Nine Months Ended September 30,	
	2011	2010
Operating activities		
Net loss	\$(119,879) \$(57,134
Adjustments to reconcile net loss to net cash used in operating activities:		
Convertible preferred stock warrants	—	33
Depreciation and amortization	7,728	5,300
Inventory write-down to net realizable value	2,468	—
Loss on the sale of investments	—	(4
Stock-based compensation	18,836	6,908
Amortization of premium on investments	630	895
Change in fair value of convertible preferred stock warrant liability	—	(929
Restructuring income	—	(2,061
Other noncash (income) expenses	(79) 67
Changes in assets and liabilities:		