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#### Reason for Report:

Change in Price Target

| Changes         | Previous | Current    |
|-----------------|----------|------------|
| Rating          | --       | Overweight |
| Price Tgt       | \$12.00  | \$14.00    |
| FY11E Rev (mil) | --       | \$123.1    |
| FY12E Rev (mil) | --       | \$161.7    |
| FY11E EPS       | --       | (\$0.12)   |
| FY12E EPS       | --       | \$0.16     |

|                        |         |
|------------------------|---------|
| Price:                 | \$10.64 |
| 52 Week High:          | \$14.98 |
| 52 Week Low:           | \$6.88  |
| 12-Month Price Target: | \$14.00 |

Based on 3x EV/2012 sales

|                              |            |
|------------------------------|------------|
| Shares Out (mil):            | 39.0       |
| Market Cap. (mil):           | \$415.0    |
| Avg Daily Vol (000):         | 143        |
| Book Value/Share:            | \$3.00     |
| Net Cash Per Share:          | \$2.90     |
| Debt to Total Capital:       | 0%         |
| Div (ann):                   | \$0.00     |
| Est LT EPS Growth:           | 25%        |
| P/E to LT EPS Growth (FY11): | NA         |
| Est Next Rep Date:           | 03/10/2011 |
| Fiscal Year End:             | Dec        |

| Rev (mil) | 2010E    | 2011E    | 2012E    |
|-----------|----------|----------|----------|
| Mar       | \$25.7A  | \$28.2E  | \$38.4E  |
| Jun       | \$24.5A  | \$30.9E  | \$40.3E  |
| Sep       | \$27.1A  | \$32.3E  | \$43.1E  |
| Dec       | \$25.0E  | \$31.7E  | \$39.8E  |
| FY        | \$102.3E | \$123.1E | \$161.7E |
| CY        | \$102.3E | \$123.1E | \$161.7E |

|       |      |      |      |
|-------|------|------|------|
| FY RM | 4.1x | 3.4x | 2.6x |
| CY RM | 4.1x | 3.4x | 2.6x |

| EPS | 2010E     | 2011E     | 2012E   |
|-----|-----------|-----------|---------|
| Mar | (\$0.04)A | (\$0.04)E | \$0.03E |
| Jun | (\$0.15)A | (\$0.04)E | \$0.02E |
| Sep | (\$0.08)A | (\$0.03)E | \$0.07E |
| Dec | (\$0.07)E | (\$0.01)E | \$0.04E |
| FY  | (\$0.32)E | (\$0.12)E | \$0.16E |
| CY  | (\$0.32)E | (\$0.12)E | \$0.16E |

|        |    |    |       |
|--------|----|----|-------|
| FY P/E | NM | NM | 66.5x |
| CY P/E | NM | NM | 66.5x |

EPS assumes post-IPO share count of 34.2mil basic / 39.0mil diluted.

## Codexis, Inc. Overweight

(CDXS - \$10.64)

### Diversification of Exciting Technology Continues into Water; Maintain OW

#### CONCLUSION:

We reiterate our Overweight rating on shares of CDXS following an upbeat management presentation and investor meetings at the Piper Jaffray Clean Technology Conference. The company is confident in the progress they are making in their pharmaceutical end markets – consisting of a host of blockbuster drugs to add to their established presence in Lipitor manufacturing – as well as their renewable end markets. We continue to see Codexis as well-positioned to participate in cellulosic biofuels, renewable diesel, and detergent alcohols; management discussed new potential applications in wastewater treatment. We are taking our price target up to \$14 by rolling forward to our 2012 revenue estimates.

- **Management continues to be upbeat about prospects in their fuel, chemical, and carbon end markets, and are exploring new opportunities for their technology in wastewater.** Codexis discussed potential applications for their enhanced biocatalysts in wastewater treatment. Perhaps at first the biocatalyst will be sold as a viscosity enhancer and could eventually serve to break down more recalcitrant wastewater components in a bioprocess treatment facility. With an already diversified portfolio of opportunities, Management continues to be confident in their progress on fuels (with Shell), in carbon (with Alstom), and in chemicals (which Codexis has said they may break from their traditional asset-light model to take more direct ownership). While we are still awaiting the official endorsement from the Brazilian government of the joint venture between Shell and Cosan, all signs continue to be positive for Codexis.
- **The company's pharma platform has a bright future with three key products in the pipeline.** The value of Codexis in the pharma space is in delivering cost-saving and waste-reducing process technology to innovation partners such as Merck and others. The drug innovators then split the operational cost savings (which can be as high as 40% reduction in COGS and significantly reduce capital intensity) with Codexis. The products with the most promise are boceprevir and telaprevir (which treat hepatitis C), and Jenuvia (diabetes).
- **Maintain Overweight rating; price target goes to \$14 based on our 2012 estimates.** Though we believe the distribution of CDXS shares to Maxygen shareholders will create somewhat of an overhang in the near-term, Codexis is well-positioned to participate in a number of large and important end markets and we recommend that investors accumulate shares. Our \$14 price target is based on an enterprise value multiple of 3x on our 2012 revenue estimate.

#### INVESTMENT RECOMMENDATION:

The recent pullback in CDXS shares has improved the risk/reward profile and as commercialization catalysts approach, we believe valuations will expand.

#### RISKS TO ACHIEVEMENT OF TARGET PRICE:

Facility construction delays, reduced regulatory support for biofuels, competing bio-catalysis technologies, a sustained drop in oil prices

#### COMPANY DESCRIPTION:

Codexis custom-tailors enzymes that enhance the efficiency - and lower the cost - of producing pharmaceuticals, biofuels, and various other bio-based chemicals.

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## Codexis

### Income Statement

(\$ In Million Except Per Share Data)

Date: 01/13/11

Price: \$10.64

Current disclosure information for this company can be found at:

<http://www.piperjaffray.com/researchdisclosures>

|                                  | 2010E    |          |          |          | 2011E    |          |          |          | 2012E  |        |        |        |          |          |          |        |
|----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|--------|--------|--------|--------|----------|----------|----------|--------|
|                                  | 1QA      | 2QA      | 3QA      | 4Q       | 1Q       | 2Q       | 3Q       | 4Q       | 1Q     | 2Q     | 3Q     | 4Q     |          |          |          |        |
|                                  | Mar      | June     | Sept     | Dec      | Mar      | June     | Sept     | Dec      | Mar    | June   | Sept   | Dec    |          |          |          |        |
| Net Sales                        | 25.7     | 24.5     | 27.1     | 25.0     | 28.2     | 30.9     | 32.3     | 31.7     | 38.4   | 40.3   | 43.1   | 39.8   | 82.9     | 102.3    | 123.1    | 161.7  |
| Cost of Sales                    | 5.2      | 6.1      | 8.6      | 5.2      | 7.8      | 9.9      | 9.7      | 8.2      | 13.3   | 14.6   | 14.9   | 11.8   | 16.7     | 25.1     | 35.6     | 54.6   |
| Gross Profit                     | 20.5     | 18.4     | 18.5     | 19.8     | 20.4     | 21.1     | 22.5     | 23.5     | 25.1   | 25.7   | 28.3   | 28.0   | 66.2     | 77.2     | 87.5     | 107.1  |
| Research & development           | 13.0     | 13.0     | 13.1     | 13.5     | 13.5     | 14.0     | 14.5     | 14.5     | 14.5   | 15.5   | 15.5   | 16.0   | 45.9     | 52.6     | 56.5     | 61.5   |
| Operations                       | 2.0      | 2.0      | 1.5      | 1.8      | 1.5      | 1.5      | 2.0      | 2.0      | 2.0    | 2.0    | 2.5    | 2.5    | 8.9      | 7.3      | 7.0      | 9.0    |
| SG&A                             | 6.6      | 6.7      | 6.4      | 7.0      | 7.5      | 7.5      | 7.5      | 8.0      | 8.0    | 8.0    | 8.0    | 8.5    | 29.9     | 26.7     | 30.5     | 32.5   |
| Operating Income from operations | (1.100)  | (3.3)    | (2.5)    | (2.5)    | (2.1)    | (1.9)    | (1.5)    | (1.0)    | 0.6    | 0.2    | 2.3    | 1.0    | (18.4)   | (9.3)    | (6.5)    | 4.1    |
| Interest Expense, net            | (0.3)    | (0.6)    | 0.0      | -        | 0.4      | 0.4      | 0.4      | 0.4      | 0.5    | 0.5    | 0.5    | 0.5    | (1.2)    | (0.9)    | 1.6      | 2.0    |
| Other                            | -        | -        | -        | -        | -        | -        | -        | -        | -      | -      | -      | -      | (0.6)    | -        | -        | -      |
| Total Other Income (loss)        | (0.3)    | (0.6)    | 0.0      | -        | 0.4      | 0.4      | 0.4      | 0.4      | 0.5    | 0.5    | 0.5    | 0.5    | (1.9)    | (0.9)    | 1.6      | 2.0    |
| Pretax Income                    | (1.4)    | (3.9)    | (2.4)    | (2.5)    | (1.7)    | (1.5)    | (1.1)    | (0.6)    | 1.1    | 0.7    | 2.8    | 1.5    | (20.2)   | (10.2)   | (4.9)    | 6.1    |
| Tax Provision                    | 0.1      | (0.1)    | (0.3)    | 0.2      | 0.2      | 0.2      | 0.2      | 0.2      | -      | -      | -      | -      | (0.1)    | (0.2)    | 0.8      | -      |
| Net Income                       | (1.4)    | (3.9)    | (2.7)    | (2.3)    | (1.5)    | (1.3)    | (0.9)    | (0.4)    | 1.1    | 0.7    | 2.8    | 1.5    | (20.3)   | (10.4)   | (4.1)    | 6.1    |
| Shares Basic                     | 34.2     | 26.6     | 34.2     | 34.2     | 34.2     | 34.2     | 34.2     | 34.2     | 34.2   | 34.2   | 34.2   | 34.2   | 34.2     | 32.3     | 34.2     | 34.2   |
| Shares Diluted (Mils.)           | 39.0     | 39.0     | 39.0     | 39.0     | 39.0     | 39.0     | 39.0     | 39.0     | 39.0   | 39.0   | 39.0   | 39.0   | 39.0     | 39.0     | 39.0     | 39.0   |
| EPS-Reported Diluted             | (\$0.04) | (\$0.15) | (\$0.08) | (\$0.07) | (\$0.04) | (\$0.04) | (\$0.03) | (\$0.01) | \$0.03 | \$0.02 | \$0.07 | \$0.04 | (\$0.59) | (\$0.32) | (\$0.12) | \$0.16 |
| Depreciation and amortization    | 1.8      | 2.2      | 2.0      | 2.0      | 2.4      | 2.4      | 2.4      | 2.4      | 3.8    | 3.8    | 3.8    | 3.8    | 6.1      | 8.0      | 9.5      | 15.0   |
| Non-cash stock comp & other      | 2.0      | 2.5      | 2.5      | 1.5      | 2.1      | 2.1      | 2.1      | 2.1      | 2.0    | 2.0    | 2.0    | 2.0    | 4.9      | 8.5      | 8.5      | 8.0    |
| EBITDA                           | 2.8      | 1.4      | 2.0      | 1.0      | 2.4      | 2.6      | 3.0      | 3.5      | 6.4    | 5.9    | 8.0    | 6.7    | (7.3)    | 7.2      | 11.5     | 27.1   |
| <b>Margins:</b>                  |          |          |          |          |          |          |          |          |        |        |        |        |          |          |          |        |
| Gross Margin                     | 79.7%    | 75.2%    | 68.4%    | 79.1%    | 72.3%    | 68.1%    | 69.8%    | 74.2%    | 65.4%  | 63.8%  | 65.6%  | 70.3%  | 79.9%    | 75.5%    | 71.1%    | 66.2%  |
| R&D expense ratio                | 50.5%    | 53.1%    | 48.2%    | 53.9%    | 47.8%    | 45.2%    | 44.9%    | 45.8%    | 37.7%  | 38.5%  | 35.9%  | 40.2%  | 55.3%    | 51.4%    | 45.9%    | 38.0%  |
| Operations expense ratio         | 7.8%     | 8.2%     | 5.5%     | 7.2%     | 5.3%     | 4.8%     | 6.2%     | 6.3%     | 5.2%   | 5.0%   | 5.8%   | 6.3%   | 10.7%    | 7.1%     | 5.7%     | 5.6%   |
| SG&A expense ratio               | 25.7%    | 27.2%    | 23.8%    | 28.0%    | 26.6%    | 24.2%    | 23.2%    | 25.3%    | 20.8%  | 19.9%  | 18.5%  | 21.4%  | 36.0%    | 26.1%    | 24.8%    | 20.1%  |
| EBITDA Margin                    | 10.7%    | 5.6%     | 7.5%     | 4.0%     | 8.5%     | 8.3%     | 9.4%     | 11.1%    | 16.6%  | 14.7%  | 18.6%  | 16.9%  | -8.8%    | 7.0%     | 9.4%     | 16.8%  |
| Operating Margin                 | -4.3%    | -13.3%   | -9.1%    | -10.0%   | -7.4%    | -6.2%    | -4.5%    | -3.1%    | 1.6%   | 0.5%   | 5.3%   | 2.5%   | -22.2%   | -9.1%    | -5.3%    | 2.5%   |
| Pretax Margin                    | -5.6%    | -15.8%   | -9.0%    | -10.0%   | -6.0%    | -4.9%    | -3.3%    | -1.9%    | 2.9%   | 1.7%   | 6.5%   | 3.7%   | -24.4%   | -10.0%   | -4.0%    | 3.8%   |
| Net Income Margin                | -5.3%    | -16.1%   | -10.1%   | -9.4%    | -5.3%    | -4.3%    | -2.7%    | -1.2%    | 2.9%   | 1.7%   | 6.5%   | 3.7%   | -24.5%   | -10.2%   | -3.3%    | 3.8%   |

**Codexis**  
**Segment Sales & Profit Analysis**  
(\$ In Thousands Except Per Share Data)

|                         | 2010E             |                    |                   |                  | 2011E            |                   |                   |                  | 2012E            |                   |                   |                  |        |        |        |        |
|-------------------------|-------------------|--------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------|--------|--------|--------|--------|
|                         | 1QA<br><i>Mar</i> | 2QA<br><i>June</i> | 3Q<br><i>Sept</i> | 4Q<br><i>Dec</i> | 1Q<br><i>Mar</i> | 2Q<br><i>June</i> | 3Q<br><i>Sept</i> | 4Q<br><i>Dec</i> | 1Q<br><i>Mar</i> | 2Q<br><i>June</i> | 3Q<br><i>Sept</i> | 4Q<br><i>Dec</i> | FY09   | FY10E  | 2011E  | 2012E  |
| <b>Revenue</b>          |                   |                    |                   |                  |                  |                   |                   |                  |                  |                   |                   |                  |        |        |        |        |
| Pharma                  | 6.9               | 8.5                | 10.5              | 6.5              | 10.4             | 13.2              | 13.0              | 10.9             | 19.0             | 20.9              | 21.2              | 16.9             | 20.0   | 32.5   | 47.5   | 77.9   |
| Generic                 | 2.4               | 4.2                | 3.2               | 3.6              | 4.1              | 6.4               | 6.4               | 6.6              | 7.0              | 7.9               | 8.0               | 8.2              | 8.8    | 13.5   | 23.4   | 31.1   |
| Innovator               | 4.5               | 4.3                | 7.4               | 2.9              | 6.3              | 6.8               | 6.6               | 4.3              | 12.0             | 12.9              | 13.3              | 8.7              | 11.2   | 19.0   | 24.1   | 46.8   |
| Biofuels                | 16.0              | 15.5               | 16.2              | 18.5             | 17.0             | 17.0              | 18.5              | 19.5             | 17.7             | 17.7              | 19.2              | 20.2             | 62.8   | 66.2   | 72.2   | 74.9   |
| FTE                     | 14.5              | 14.7               | 14.7              | 14.5             | 15.5             | 15.5              | 15.5              | 15.5             | 16.2             | 16.2              | 16.2              | 16.2             | 53.5   | 58.4   | 62.2   | 64.9   |
| Other/Milestones        | 1.5               | 0.9                | 1.5               | 4.0              | 1.5              | 1.5               | 3.0               | 4.0              | 1.5              | 1.5               | 3.0               | 4.0              | 9.3    | 7.9    | 10.0   | 10.0   |
| Bio-industrials         | 0.0               | 0.0                | 0.0               | 0.0              | 0.5              | 0.5               | 0.5               | 1.0              | 1.0              | 1.0               | 2.0               | 2.0              | 0.1    | 0.0    | 2.5    | 6.0    |
| Carbon                  | 0.0               | 0.0                | 0.0               | 0.0              | 0.5              | 0.5               | 0.5               | 1.0              | 1.0              | 1.0               | 2.0               | 2.0              | 0.0    | 0.0    | 2.5    | 6.0    |
| Water, Other            | 0.0               | 0.0                | 0.0               | 0.0              | 0.0              | 0.0               | 0.0               | 0.0              | 0.0              | 0.0               | 0.0               | 0.0              | 0.1    | 0.0    | 0.0    | 0.0    |
| Grants                  | <u>2.7</u>        | <u>0.5</u>         | <u>0.4</u>        | <u>0.0</u>       | <u>0.3</u>       | <u>0.3</u>        | <u>0.3</u>        | <u>0.3</u>       | <u>0.7</u>       | <u>0.7</u>        | <u>0.7</u>        | <u>0.7</u>       | 0.0    | 3.6    | 1.0    | 2.8    |
| TOTAL                   | 25.7              | 24.5               | 27.1              | 25.0             | 28.2             | 30.9              | 32.3              | 31.7             | 38.4             | 40.3              | 43.1              | 39.8             | 82.9   | 102.3  | 123.1  | 161.7  |
| <b>Revenue % Change</b> |                   |                    |                   |                  |                  |                   |                   |                  |                  |                   |                   |                  |        |        |        |        |
| Pharma                  | 39.4%             | 82.2%              | 108.4%            | 23.4%            | 50.5%            | 55.0%             | 23.2%             | 66.7%            | 82.1%            | 58.6%             | 63.3%             | 54.9%            |        | 62.6%  | 46.1%  | 64.2%  |
| Generic                 | 30.0%             | 157.4%             | 50.0%             | 0.0%             | 70.0%            | 50.0%             | 100.0%            | 80.0%            | 70.0%            | 25.0%             | 25.0%             | 25.0%            |        | 53.8%  | 73.5%  | 33.0%  |
| Innovator               | 45.0%             | 41.1%              | 25.0%             | 75.0%            | 40.0%            | 60.0%             | -10.0%            | 50.0%            | 90.0%            | 90.0%             | 100.0%            | 100.0%           |        | 69.5%  | 26.6%  | 94.6%  |
| Biofuels                | 11.2%             | 6.6%               | 7.9%              | -1.8%            | 6.2%             | 9.9%              | 14.6%             | 5.6%             | 4.0%             | 4.0%              | 3.7%              | 3.5%             |        | 5.4%   | 9.0%   | 3.8%   |
| FTE                     | 12.2%             | 8.4%               | 8.9%              | 6.8%             | 6.9%             | 6.0%              | 5.9%              | 7.2%             | 4.4%             | 4.4%              | 4.4%              | 4.4%             |        | 9.0%   | 6.5%   | 4.4%   |
| Other/Milestones        | 2.9%              | -16.6%             | -1.4%             | -24.1%           | 0.0%             | 76.3%             | 100.0%            | 0.0%             | 0.0%             | 0.0%              | 0.0%              | 0.0%             |        | -15.3% | 27.4%  | 0.0%   |
| Bio-industrials         | n/a               | n/a                | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              |        | n/a    | n/a    | n/a    |
| Grants                  | n/a               | n/a                | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              |        | n/a    | n/a    | n/a    |
| Total                   | 32.4%             | 27.5%              | 35.1%             | 3.3%             | 9.8%             | 26.4%             | 19.1%             | 26.6%            | 36.2%            | 30.2%             | 33.6%             | 25.6%            |        | 23.4%  | 20.3%  | 31.3%  |
| <b>Gross Profit</b>     |                   |                    |                   |                  |                  |                   |                   |                  |                  |                   |                   |                  |        |        |        |        |
| Pharma                  | 1.719             | 2.409              | 1.985             | 1.306            | 2.611            | 3.288             | 3.249             | 2.722            | 5.704            | 6.258             | 6.364             | 5.059            | 3.310  | 7.419  | 11.869 | 23.38  |
| Biofuels                | 16.041            | 15.504             | 16.180            | 18.500           | 17.039           | 17.039            | 18.539            | 19.539           | 17.729           | 17.729            | 19.229            | 20.229           | 62.806 | 66.225 | 72.156 | 74.92  |
| Bio-industrials         | 0.000             | 0.000              | 0.000             | 0.000            | 0.500            | 0.500             | 0.500             | 1.000            | 1.000            | 1.000             | 2.000             | 2.000            | 0.069  | 0.000  | 2.500  | 6.00   |
| Grants                  | <u>2.722</u>      | <u>0.492</u>       | <u>0.379</u>      | <u>0.000</u>     | <u>0.250</u>     | <u>0.250</u>      | <u>0.250</u>      | <u>0.250</u>     | <u>0.700</u>     | <u>0.700</u>      | <u>0.700</u>      | <u>0.700</u>     | 0.046  | 3.593  | 1.000  | 2.80   |
| TOTAL                   | 20.482            | 18.405             | 18.544            | 19.806           | 20.400           | 21.077            | 22.538            | 23.511           | 25.133           | 25.687            | 28.293            | 27.988           | 66.230 | 77.237 | 87.525 | 107.10 |
| <b>Gross Margins</b>    |                   |                    |                   |                  |                  |                   |                   |                  |                  |                   |                   |                  |        |        |        |        |
| Pharma                  | 24.8%             | 28.4%              | 18.8%             | 20.0%            | 25.0%            | 25.0%             | 25.0%             | 25.0%            | 30.0%            | 30.0%             | 30.0%             | 30.0%            | 16.6%  | 22.8%  | 25.0%  | 30.0%  |
| Biofuels                | n/a               | n/a                | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              |        |        |        |        |
| Bio-industrials         | n/a               | n/a                | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              |        |        |        |        |
| Grants                  | n/a               | n/a                | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              | n/a              | n/a               | n/a               | n/a              |        |        |        |        |
| Total                   | 79.7%             | 75.2%              | 68.4%             | 79.1%            | 72.3%            | 68.1%             | 69.8%             | 74.2%            | 65.4%            | 63.8%             | 65.6%             | 70.3%            | 79.9%  | 75.5%  | 71.1%  | 66.2%  |

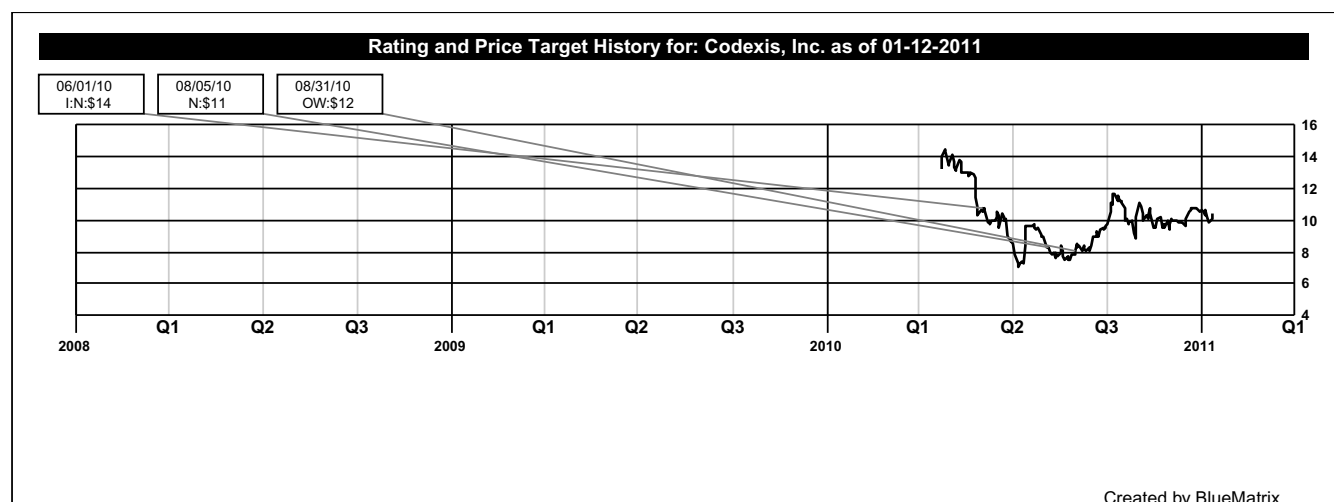
**Codexis**  
**Balance Sheet**

| (\$ Million)                   | FY10E |       |       |        | FY11E |       |       |       | FY12E |       |       |       | Fiscal<br>2008 | Fiscal<br>2009E | Fiscal<br>2010E | Fiscal<br>2011E | Fiscal<br>2012E |
|--------------------------------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|----------------|-----------------|-----------------|-----------------|-----------------|
|                                | Q1A   | Q2A   | Q3A   | Q4     | Q1    | Q2    | Q3    | Q4    | Q1    | Q2    | Q3    | Q4    |                |                 |                 |                 |                 |
| Cash                           | 29.2  | 100.3 | 99.3  | 73.5   | 70.9  | 68.2  | 66.6  | 62.9  | 59.6  | 57.0  | 56.6  | 55.0  | 37.1           | 55.6            | 73.5            | 62.9            | 55.0            |
| Other current assets           | 21.5  | 14.3  | 20.5  | 21.7   | 25.6  | 28.5  | 29.8  | 33.1  | 35.8  | 37.2  | 38.8  | 39.7  | 11.2           | 11.8            | 21.7            | 33.1            | 39.7            |
| Current Assets                 | 50.7  | 114.6 | 119.8 | 95.1   | 96.5  | 96.7  | 96.5  | 96.0  | 95.4  | 94.2  | 95.4  | 94.7  | 48.3           | 67.4            | 95.1            | 96.0            | 94.7            |
| Plant/Property/Equipment (Net) | 21.3  | 21.3  | 21.0  | 21.0   | 21.1  | 21.3  | 21.9  | 22.5  | 28.8  | 35.0  | 41.3  | 47.5  | 16.0           | 21.6            | 21.0            | 22.5            | 47.5            |
| Other long-term assets         | 11.9  | 7.8   | 7.3   | 7.3    | 7.3   | 7.3   | 7.3   | 7.3   | 7.3   | 7.3   | 7.3   | 7.3   | 6.5            | 10.1            | 7.3             | 7.3             | 7.3             |
| TOTAL ASSETS                   | 83.8  | 143.7 | 148.1 | 123.5  | 124.9 | 125.2 | 125.6 | 125.8 | 131.5 | 136.5 | 144.0 | 149.5 | 70.9           | 99.0            | 123.5           | 125.8           | 149.5           |
| Current liabilities:           |       |       |       |        |       |       |       |       |       |       |       |       |                |                 |                 |                 |                 |
| Notes Payable                  | -     | -     | 4.0   | -      | -     | -     | -     | -     | -     | -     | -     | -     | 5.2            | 7.9             | -               | -               | -               |
| Deferred revenue               | 9.4   | 4.6   | 9.3   | 9.4    | 9.6   | 10.2  | 10.7  | 10.2  | 11.0  | 11.8  | 12.7  | 13.4  | 10.6           | 24.7            | 9.4             | 10.2            | 13.4            |
| Other Current Liabilities      | 28.0  | 26.3  | 23.0  | 23.2   | 23.8  | 22.7  | 21.4  | 20.4  | 22.0  | 23.6  | 25.4  | 26.7  | 26.6           | 31.5            | 23.2            | 20.4            | 26.7            |
| Total Current Liabilities:     | 37.4  | 30.8  | 36.4  | 32.6   | 33.4  | 32.9  | 32.1  | 30.5  | 33.1  | 35.4  | 38.1  | 40.1  | 42.4           | 64.2            | 32.6            | 30.5            | 40.1            |
| Long-Term Debt                 | -     | -     | -     | -      | -     | -     | -     | -     | -     | -     | -     | -     | 8.5            | -               | -               | -               | -               |
| Other liabilities              | 10.9  | 8.5   | 7.6   | (10.9) | (8.8) | (6.7) | (4.6) | (2.4) | (0.4) | 1.6   | 3.6   | 5.6   | 16.4           | -               | (10.9)          | (2.4)           | 5.6             |
| Total Liabilities              | 48.3  | 39.4  | 43.9  | 21.7   | 24.6  | 26.3  | 27.5  | 28.1  | 32.6  | 36.9  | 41.6  | 45.7  | 67.3           | 64.2            | 21.7            | 28.1            | 45.7            |
| Preferred stock                | -     | -     | -     | -      | -     | -     | -     | -     | -     | -     | -     | -     | -              | -               | -               | -               | -               |
| Stockholders' equity           | 35.5  | 104.3 | 104.1 | 101.8  | 100.3 | 99.0  | 98.1  | 97.7  | 98.8  | 99.5  | 102.3 | 103.8 | 3.6            | 34.8            | 101.8           | 97.7            | 103.8           |
| TOTAL LIABILITIES & S.E.       | 83.8  | 143.7 | 148.1 | 123.5  | 124.9 | 125.2 | 125.6 | 125.8 | 131.5 | 136.5 | 144.0 | 149.5 | 70.9           | 99.0            | 123.5           | 125.8           | 149.5           |

**Codexis**  
**Statement of Cash Flow**

| (\$ Millions)                                | FY10E  |        |       |        | FY11E |       |       |       | FY12E  |        |        |        | Fiscal<br>2008 | Fiscal<br>2009 | Fiscal<br>2010E | Fiscal<br>2011E | Fiscal<br>2012E |
|--|--------|--------|-------|--------|-------|-------|-------|-------|--------|--------|--------|--------|----------------|----------------|-----------------|-----------------|-----------------|
|  | Q1     | Q2     | Q3    | Q4     | Q1    | Q2    | Q3    | Q4    | Q1     | Q2     | Q3     | Q4     |                |                |                 |                 |                 |
| <b>Operating:</b>                            |        |        |       |        |       |       |       |       |        |        |        |        |                |                |                 |                 |                 |
| Net Income                                   | (1.4)  | (3.9)  | (2.7) | (2.3)  | (1.5) | (1.3) | (0.9) | (0.4) | 1.1    | 0.7    | 2.8    | 1.5    | (45.1)         | (20.3)         | (10.4)          | (4.1)           | 6.1             |
| Depreciation/Amortization                    | 1.8    | 1.9    | 2.0   | 2.0    | 2.4   | 2.4   | 2.4   | 2.4   | 3.8    | 3.8    | 3.8    | 3.8    | 4.6            | 7.8            | 7.7             | 9.5             | 15.0            |
| Share-based compensation                     | 1.7    | 2.3    | 2.5   | 1.5    | 2.1   | 2.1   | 2.1   | 2.1   | 2.0    | 2.0    | 2.0    | 2.0    | 3.5            | 4.8            | 8.0             | 8.5             | 8.0             |
| Changes in operating assets and liabilities: | (14.1) | (6.9)  | 0.9   | (0.9)  | (3.1) | (3.4) | (2.2) | (4.8) | (0.2)  | 1.0    | 1.1    | 1.2    | 0.8            | (1.0)          | (21.1)          | (13.5)          | 3.0             |
| Net Cash Flow for Operating Activities       | (12.0) | (6.7)  | 2.7   | 0.2    | (0.1) | (0.2) | 1.5   | (0.7) | 6.7    | 7.4    | 9.6    | 8.4    | (36.3)         | (8.7)          | (15.8)          | 0.5             | 32.1            |
| <b>Investing:</b>                            |        |        |       |        |       |       |       |       |        |        |        |        |                |                |                 |                 |                 |
| Purchases of plant, property, equipment      | (1.3)  | (1.9)  | (1.5) | (2.0)  | (2.5) | (2.5) | (3.0) | (3.0) | (10.0) | (10.0) | (10.0) | (10.0) | (8.5)          | (10.8)         | (6.7)           | (11.0)          | (40.0)          |
| Other  | 13.6   | (39.0) | 48.7  | -      | -     | -     | -     | -     | -      | -      | -      | -      | 15.6           | (0.4)          | 23.3            | -               | -               |
| Acquisitions                                 | -      | -      | -     | (20.0) | -     | -     | -     | -     | -      | -      | -      | -      | -              | (1.3)          | (20.0)          | -               | -               |
| Net Investing Cash Flow                      | 12.3   | (40.9) | 47.2  | (22.0) | (2.5) | (2.5) | (3.0) | (3.0) | (10.0) | (10.0) | (10.0) | (10.0) | 7.1            | (12.5)         | (3.4)           | (11.0)          | (40.0)          |
| <b>Financing:</b>                            |        |        |       |        |       |       |       |       |        |        |        |        |                |                |                 |                 |                 |
| Net change in long-term debt                 | (1.3)  | (1.3)  | (1.3) | (4.0)  | -     | -     | -     | -     | -      | -      | -      | -      | (4.3)          | (6.1)          | (8.0)           | -               | -               |
| Issuance of equity/preferred                 | -      | 72.7   | 0.0   | -      | -     | -     | -     | -     | -      | -      | -      | -      | 0.4            | -              | -               | -               | -               |
| Other  | (1.5)  | (1.5)  | (0.8) | -      | -     | -     | -     | -     | -      | -      | -      | -      | -              | 0.1            | (3.7)           | -               | -               |
| Net cash provided by Financing Activities    | (2.8)  | 69.8   | (2.0) | (4.0)  | -     | -     | -     | -     | -      | -      | -      | -      | (3.9)          | (6.0)          | (11.7)          | -               | -               |

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Notes: The boxes on the Rating and Price Target History chart above indicate the date of the Research Note, the rating, and the price target. Each box represents a date on which an analyst made a change to a rating or price target, except for the first box, which may only represent the first Note written during the past three years.

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R: Resuming Coverage

T: Transferring Coverage

D: Discontinuing Coverage

S: Suspending Coverage

OW: Overweight

N: Neutral

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|  |       |         | Count                 | Percent |
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