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<b>Stock Symbol</b>	<b>NYSE: XON</b>
<b>Current Price</b>	\$25.72
<b>12 mos. Target Price</b>	\$40.00
<b>Market Cap</b>	\$2,494.6 mln
<b>Shares O/S</b>	97.0 mln
<b>Avg Daily Vol. (3 mos.)</b>	647,448 shs.
<b>52- Week Price Low/High</b>	\$16.00 - \$38.50
<b>P/B</b>	6.6x
<b>Dividend Yield</b>	0.0%

	<b>EPS</b>		
	<b>FY 13E</b>	<b>FY 14E</b>	<b>FY 15E</b>
<b>Q1 (Mar)</b>	(0.47)A	(0.10)E	—
<b>Q2 (Jun)</b>	(0.07)A	(0.09)E	—
<b>Q3 (Sep)</b>	0.16A	(0.09)E	—
<b>Q4 (Dec)</b>	(0.05)E	(0.02)E	—
	(0.38)E	(0.30)E	(0.07)E



March 27, 2014

## Intrexon Corporation

**BUY**

Company Update : Biotechnology

### Intrexon Signs an Energy Collaboration

**Intrexon Energy Partners (IEP) is formed.** The joint venture was established with a group of strategic investors to optimize and scale-up Intrexon's platform for the bioconversion of natural gas-to-fuels/lubricants. In all, IEP raised \$75 million, of which \$25 million has been paid to Intrexon as a technology access fee. The remaining \$50 million will finance the program's development costs. In addition, the external investors purchased 972,004 shares of Intrexon stock at a price of \$25.72, thus providing the Company with \$25 million of additional capital.

**The energy/chemicals program should move into high gear,** now that there is a partner for this platform. Intrexon invested in the initial creation of microbes with the ability to convert methane into various organic compounds that have incremental commercial value. But in keeping with its business model, the Company's goal has always been to engage an outside collaborator(s) to advance the program toward commercialization. We believe IEP is central to that strategy. The lead project is the production of isobutanol for gasoline blending. At this juncture, it is our understanding that Intrexon has a microbe that produces isobutanol, but some optimization work is needed to increase the yield and to scale up the culture system to a 200 liter production chamber.

**Intrexon gained an overseas foothold recently...** The Industrial Products Division acquired a Budapest laboratory that should help in securing collaborations in Europe and Asia. Moreover, the 28 scientists have expertise in fermentation process optimization and scale-up that should facilitate work for IEP. They also should contribute to the Johnson & Johnson consumer products project and production of lantibiotics for Oragenics and an active pharmaceutical ingredient for a relatively new client, Amneal.

**... and strengthened its management teams.** In the past five months, the Company has added seasoned executives to head its Environment, Health, and Consumer sectors, and its European/Asian business development endeavors. Yet another was promoted to oversee scientific and public affairs.

**Recent market weakness has created a buying opportunity, in our opinion.** Intrexon shares have come under pressure lately along with most other equities, and that has rendered the stock all the more attractive. As the leader in the emerging field of synthetic biology, Intrexon offers investors an opportunity to participate in what we believe will be one of the most exciting new fields of the 21st century. Intrexon shares are on Griffin's BUY list.

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Rating	Count	Percent	IB Serv./Past 12 Mos.	
			Count	Percent
<b>BUY [BUY]</b>	34	80.95	4	11.76
<b>HOLD [HOLD]</b>	8	19.05	0	0
<b>SELL [SELL]</b>	0	0.00	0	0

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Ticker	Company Name	Rating
XON	Intrexon Corporation	Buy

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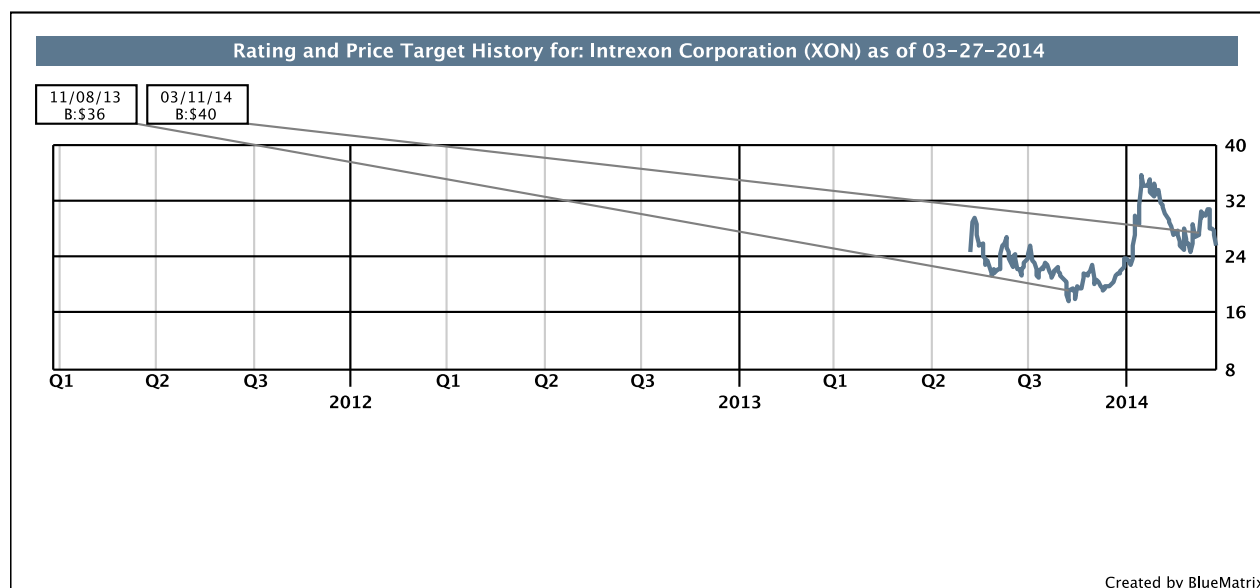
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