



## Q4 2013 Financial Results and Business Update

March 27, 2014

[www.metabolix.com](http://www.metabolix.com)

@MetabolixInc



# Safe Harbor Statement\*

Our presentation includes, and our response to various questions may include, forward-looking statements about the Company's future plans and objectives. Any such statements are subject to risks and uncertainties that could cause the actual results and the implementation of the Company's plans and operations to vary materially. These risks are discussed in the Company's filings with the S.E.C., including, without limitation, our financial press release filed March 27, 2014 and our Form 10-K filed March 28, 2013.

\*Under the Private Securities Litigation Reform Act of 1995

# Foundation for Commercial Success

- ✱ Broad, innovative technology platform supported by an extensive intellectual property portfolio
- ✱ Experience scaling up fermentation and recovery technology and operating at world-class commercial scale
- ✱ Focus on unique properties of our PHA biopolymers and their role in enhancing performance or reducing end-product or processing cost of other materials
- ✱ Talented team dedicated to making Metabolix successful

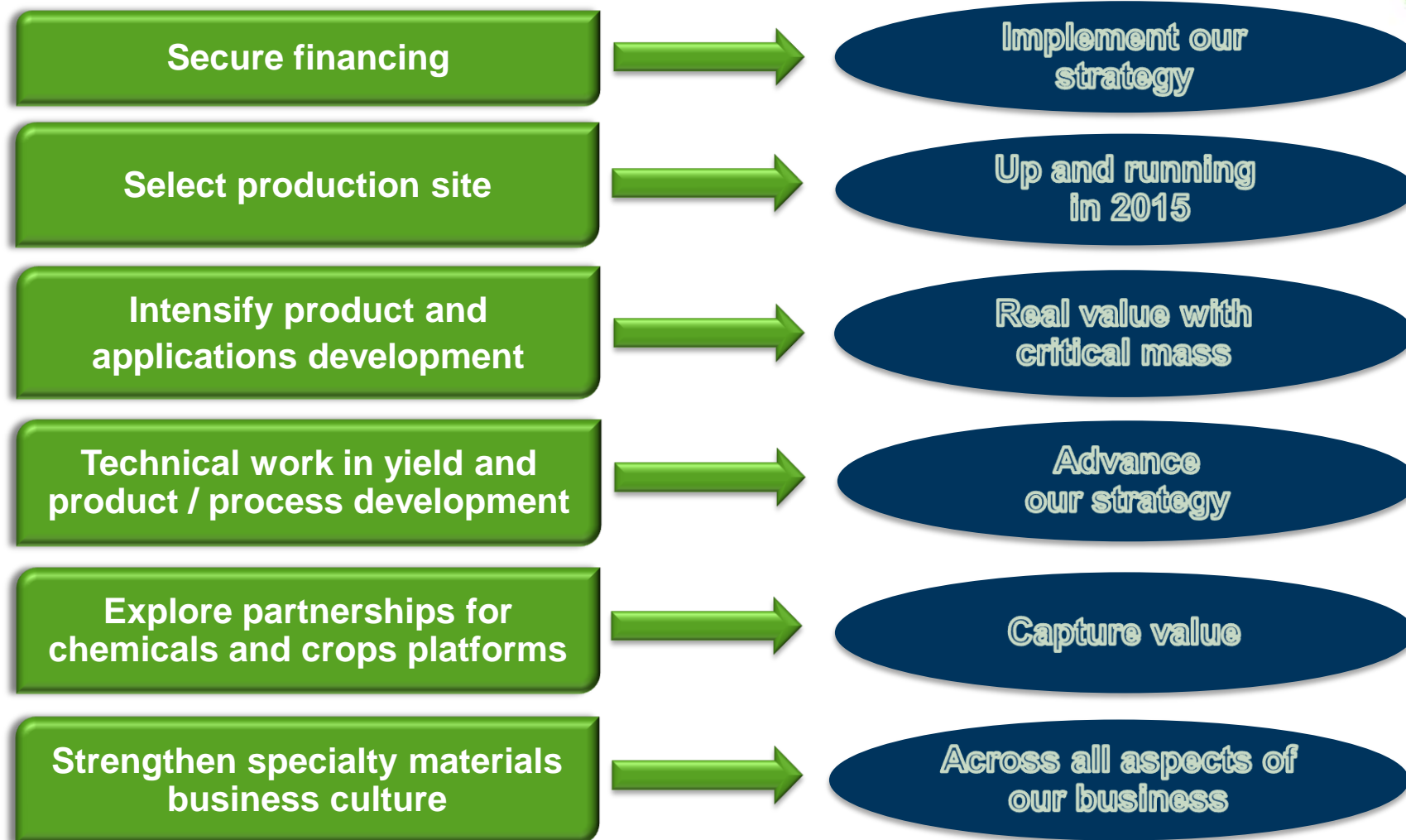
# Metabolix Strategy

- ✱ Building commercially successful specialty polymers business
- ✱ Intensifying product and application development
- ✱ Working closely with customers
- ✱ Additives based strategy – market opportunities driven by value-adding role PHA biopolymers play as component of other material systems

# Manufacturing

- ✱ Working to secure intermediate scale capacity
  - ✱ 2.5 to 5 KTPA
- ✱ Making excellent progress with site selection
- ✱ Commercial production to begin in 2015
- ✱ Position company to move forward with longer-range plans for larger-scale production supported by customer demand

# Metabolix Priorities



# Financing Plan

- ✱ Plan to raise \$50 to \$60 million over 12 to 15 months
- ✱ May be accomplished in stages
- ✱ Variety of options under review
- ✱ Use to execute our business plan and build intermediate-scale specialty polymers business
- ✱ Foundation for longer-range plans and future growth

# Additives Approach

- ✱ Sharpen emphasis on value and performance we can deliver to customers
- ✱ Strategically selective
  - ✱ Established application spaces
  - ✱ Critical mass
- ✱ Key areas of focus
  - ✱ PVC
  - ✱ PLA
  - ✱ PHA-based latex



# Product Development

## *Recent milestones*

- ✱ PHA additives to enhance PVC and PVC recyclate
- ✱ PHA rubber modifiers to improve PLA performance
- ✱ Compostable film products; Mvera B5010 and B5011
- ✱ PHA latex for coatings, binders, tie layers and adhesives
- ✱ Metabolix-designed microbes can convert second generation sugars to PHAs through fermentation
- ✱ Key technical milestone in bioacrylic
- ✱ Recent discoveries regarding increased yield and stress tolerance in crops platform

# Product Sales Revenue

*In millions*

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013		Full Year 2013	Full Year 2012
Orders Shipped and billed	\$0.0	\$0.4	\$0.7	\$0.9	\$0.7	\$0.4	\$0.2	\$0.5		\$1.8	\$2.0
Deferred at period end <sup>1</sup>	<u>0.0</u>	<u>0.0</u>	<u>(0.6)</u>	<u>(0.8)</u>	<u>(0.7)</u>	<u>(0.3)</u>	<u>(0.2)</u>	<u>(0.5)</u>		<u>(0.5)</u>	<u>(0.8)</u>
Current period shipments recognized	\$0.0	\$0.4	\$0.1	\$0.1	\$0.0	\$0.1	\$0.0	\$0.0		\$1.3	\$1.2
Deferred orders recognized	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.6</u>	<u>0.8</u>	<u>0.7</u>	<u>0.3</u>	<u>0.2</u>		<u>0.8</u>	<u>0.0</u>
<b>Total Product Revenue Recognized</b>	<b>\$0.0</b>	<b>\$0.4</b>	<b>\$0.1</b>	<b>\$0.7</b>	<b>\$0.8</b>	<b>\$0.8</b>	<b>\$0.3</b>	<b>\$0.2</b>		<b>\$2.1</b>	<b>\$1.2</b>
Inventory Write-offs	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	\$0.3	\$0.1	\$0.5		\$0.8	\$0.1
Cost of Product Revenue Recognized	0.0	0.1	0.1	0.3	0.2	0.7	0.2	0.1		1.2	0.5
Freight/Warehousing	0.1	0.3	0.2	0.2	0.3	0.2	0.2	0.2		1.0	0.8
<b>Total COGS recognized</b>	<b>\$0.1</b>	<b>\$0.4</b>	<b>\$0.3</b>	<b>\$0.6</b>	<b>\$0.5</b>	<b>\$1.2</b>	<b>\$0.5</b>	<b>\$0.8</b>		<b>\$3.0</b>	<b>\$1.4</b>

<sup>1</sup> Effective Q3 2012, the Company's product revenue recognition policy is to defer recognition of product revenue until the later of sixty days or receipt of customer payment.

\*Numbers subject to rounding.

# Financial Results

*In Millions (except per share amounts)*

	Q4 2013	Q4 2012		Full Year 2013	Full Year 2012
Revenue	\$0.9	\$1.4		\$5.4	\$42.3
Cost of Product Revenues	\$0.8	\$0.6		\$3.0	\$1.4
R&D Expense	\$4.7	\$7.2		\$19.1	\$23.2
SG&A Expense	\$4.0	\$3.1		\$13.7	\$14.1
Net Income (Loss)	(\$8.6)	(\$9.5)		(\$30.5)	\$3.6
Per share	(\$0.25)	(\$0.28)		(\$0.88)	\$0.11

\*Numbers subject to rounding.

# Cash Usage

*In Millions*

	Q4 2013	Q3 2013	Q4 2012		Full Year 2013	Full Year 2012
Cash Used in Operating Activities	\$6.4	\$5.9	\$7.3		\$26.6	\$31.7
One-Time Uses						
• Inventory Purchase	\$0.0	\$0.0	\$0.0		\$0.0	\$3.0
• Manufacturing demo	\$0.0	\$0.0	\$2.3		\$0.0	\$2.3
• Restructuring Expenses	\$0.0	\$0.0	\$0.0		\$0.0	\$0.9
Normalized Cash Usage (adjusted for one-time uses)	\$6.4	\$5.9	\$5.0		\$26.6	\$25.5
Other Cash Usage	\$0.1	\$0.1	\$0.0		\$0.5	\$0.4
Ending Cash & Investment Balance	\$19.2	\$25.7	\$46.3		\$19.2	\$46.3

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