

Aemetis, Inc.

(NASDAQ: AMTX, Target Price: \$26.11)

We initiate coverage on Aemetis, Inc. (AMTX) with a target price of \$26.11 per share. Aemetis is an international renewable fuels and biochemicals company that focuses on the development and deployment of patented industrial biotechnology to convert first generation ethanol and biodiesel plants into advanced second generation bio refineries. Through two plants in North America and India, Aemetis has combined production capacity of 110 million gallons per year.

INVESTMENT HIGHLIGHTS

Advantageous Strategic Locations

Aemetis owns and operates plants that are strategically located to cost effectively serve three large target markets: renewable fuels, food & feed, and biochemical. In the U.S., the company owns an ethanol plant in Keyes, CA that is close to major transportation hubs, providing easy access to key domestic and international feedstock markets. California is a 1.3 billion gallon per year (BGY) ethanol market that provides favorable economics for biofuel producers, including higher selling prices and comparatively advantageous feedstock shipping costs. Wet distillers grains (WDG) represents another \$120 million market in the state, due to population growth and increasing demand for meat and milk. Given its favorable location, the Keyes plant sells all of its ethanol and distillers grains (an ethanol by-product) within 80 miles of its location. In India, Aemetis' Kakinada plant benefits from a large local supply of waste fats and oils, which are the lowest cost feedstock for producing renewable fuels. In addition, as government subsidies for diesel are phased out, biofuel producers such as Aemetis should benefit.

Favorable Industry Dynamics

The biofuels market is supported by several tailwinds. On the demand side, U.S. environmental regulations mandate the use of renewable fuels, with the Environmental Protection Agency (EPA) requiring gasoline to use a certain amount of ethanol and other biofuels. The renewable fuel standard (RFS) of the Energy Independence and Security Act of 2007 mandates increasing consumption of biofuels. Ethanol demand is also driven by higher oil prices, which allows refiners to increase the use of the biofuel to moderate gasoline price increases. Development of the biofuel industry would also aid in increasing energy independence of the U.S. as well as benefiting the economy, especially in rural areas where new sources of jobs are scarce. On the supply side, there are 211 ethanol plants in the U.S. with annual capacity of 15.2 BGY. However, new construction of additional facilities has been slow, with only four plants representing aggregate annual production capacity of 158 million gallons under construction or expansion.

Next Generation Technology

To develop and commercialize advanced biofuel technology, Aemetis operates an R&D lab and was awarded five patents related to enzyme and microbe technology. In addition, the company was the first to receive an advanced biofuel pathway from the EPA, indicating its interest in adopting advanced fuel and specialty chemical technology. We look forward to technological announcements that should improve Aemetis' profitability while planting the seeds for its long-term future.

Initiate coverage with a price target of \$26.11

Our analysis indicates a valuation of \$26.11 per share, implying upside potential of 175% from a recent price of \$9.50. We view Aemetis as a speculative investment in the specialty chemicals industry that is dependent on revenue growth at its India plant and adoption of advanced fuel technologies at its California plant to improve profitability.

Stock Details (07/10/2014)

NASDAQ:	AMTX
Sector / Industry	Materials / Specialty Chemicals
Price target	\$26.11
Recent share price	\$9.50
Shares o/s (mn)	20.2
Market cap (in \$mn)	191.6
52-week high/low	11.20 / 1.52

Source: SeeThruEquity Research

Key Financials (\$mn unless specified)

	FY13	FY14E	FY15E
Revenues	177.5	254.6	270.5
EBITDA	2.5	53.0	56.3
EBIT	2.5	53.0	56.3
Net income	(24.4)	41.2	48.0
EPS (\$)	(1.28)	2.02	2.22

Source: SeeThruEquity Research

Key Ratios

	FY13	FY14E	FY15E
Gross margin (%)	10.3	25.9	26.0
Operating margin (%)	1.4	20.8	20.8
EBITDA margin (%)	1.4	20.8	20.8
Net margin (%)	(13.8)	16.2	17.7
P/Revenue (x)	1.1	0.8	0.7
EV/EBITDA (x)	109.9	5.1	4.8
EV/Revenue (x)	1.5	1.1	1.0

Source: SeeThruEquity Research

Share Price Performance (\$, LTM)



Source: SeeThruEquity Research

SUMMARY TABLE

Figure 1. Summary Table (As of July 10, 2014)

Share data		B/S data (As of 1Q14)		Key personnel:	
Recent price:	\$9.50	Total assets:	99.4mn	Chairman / CEO:	Eric McAfee
Price target:	\$26.11	Total debt:	88.1mn	EVP / COO, U.S.:	Andrew Foster
52-week range:	11.20 / 1.52	Equity:	(4.2mn)	EVP / MD, India:	Sanjeev Gupta
Average volume:*	93,145	W/C:	(14.6mn)	CFO:	Todd Waltz
Market cap:	\$191.6mn	ROE '13:	191%		
Book value/share:	-\$0.21	ROA '13:	-25%		
Cash/share	\$0.37	Current ratio:	0.5		
Dividend yield:	0.00%	Asset turnover:	2.4		
Risk profile:	High / Speculative	Debt/Cap:	1.1		

* three month average volume (number of shares)

Estimates					Valuation	
FY December	Rev (\$mn)	EBITDA (\$mn)	EPS (\$)	P/Rev (x)	EV/Rev (x)	P/E (x)
2011A	141.9	(4.5)	(1.78)	1.4x	2.0x	NM
2012A	189.0	(21.2)	(0.28)	1.0x	1.5x	NM
2013A	177.5	2.5	(1.28)	0.3x	0.4x	NM
1Q14A	60.7	12.7	0.38	0.8x	1.1x	25.5x
2Q14A	64.6	13.4	0.55	0.8x	1.1x	17.8x
3Q14E	64.6	13.4	0.54	0.8x	1.1x	18.1x
4Q14E	64.6	13.4	0.54	3.1x	1.1x	18.3x
2014E	254.6	53.0	2.02	0.8x	1.1x	4.9x
2015E	270.5	56.3	2.22	0.7x	1.0x	4.4x

Source: SeeThruEquity Research

INVESTMENT THESIS

Aemetis, Inc. (AMTX) is an international renewable fuels and biochemicals company. Since its founding in 2006, the company has focused on the development and acquisition of plants that allow for the deployment of patented industrial biotechnology to convert first generation ethanol and biodiesel plants (which primarily use corn and edible oils as feedstock) into advanced second generation bio refineries (which use non-food substitutes to produce ethanol, biodiesel, renewable diesel and renewable jet fuel, and renewable chemicals and feed products). Through two integrated second generation plants in North America and India, Aemetis has combined production capacity of 110 million gallons per year.

In North America, Aemetis owns and operates a 55 million gallon per year ethanol production facility in Keyes, CA. The company's strategy includes utilizing all approved feedstock pathways, leveraging its strategic location near major transportation hubs to procure grain sorghum feedstock from both international and domestic sources, commercializing technology that produces renewable chemicals and advanced fuels from renewable feedstocks, diversifying revenue streams by developing value-added byproduct processing systems and processes, and pursuing technology acquisition opportunities.

In India, Aemetis owns and operates a 150,000 metric ton per year biodiesel production facility located in Kakinada. Its strategy includes capitalizing on government actions to reduce subsidies on diesel by developing marketing channels for traditional bulk and transportation biodiesel markets, expanding biodiesel sales to alternative markets, increasing sales in other international regions, and diversifying its feedstocks and products.

Aemetis also operates a biotechnology R&D lab in MD and holds five advanced biofuels technology patents.

Advantageous Strategic Locations

Aemetis owns and operates plants that are strategically located to cost effectively serve three large target markets: renewable fuels, food & feed, and biochemical. In the U.S., the company owns a dry mill ethanol production facility in Keyes, CA. The plant is located adjacent to the Union Pacific Railroad and Highway 99, providing easy access to key domestic feedstock markets. In addition, it is within 40 miles of the deep water port of Stockton, which provides access to less expensive international feedstock markets.

Due to its mandatory 10% blend gasoline requirement, California is a 1.3 billion gallon per year (BGY) ethanol market, or 10% of total U.S. production. In addition, Ethanol produced in the state has a much lower carbon content, which translates into higher selling prices relative to the rest of the country. Finally, corn is less expensive to ship to California than ethanol and distillers grains, making it more economical to produce the biofuels within the state. Wet distillers grains (WDG) represents another \$120 million market in the state, due to population growth and increasing demand for meat and milk. Due to its favorable location, the Keyes plant sells all of its ethanol and distillers grains (an ethanol by-product) within 80 miles of its location.

In India, Aemetis' Kakinada plant benefits from a large local supply of waste oils and fats, representing some of the lowest cost feedstock for producing renewable fuels. In addition, in January 2013, the Indian government, which had subsidized petroleum-based diesel (making biodiesel uncompetitive), announced it would gradually end these subsidies and allow local diesel prices to rise, narrowing their 35% discount to the world price. As these subsidies are phased out, Aemetis expects utilization at its Indian plant to grow.

The market for refined glycerin driven by increased use of biochemicals in pharmaceutical paints and adhesives. Aemetis' Indian plant serves the entire Asia-Pacific region, which represents the largest and fastest growing market for glycerin worldwide.

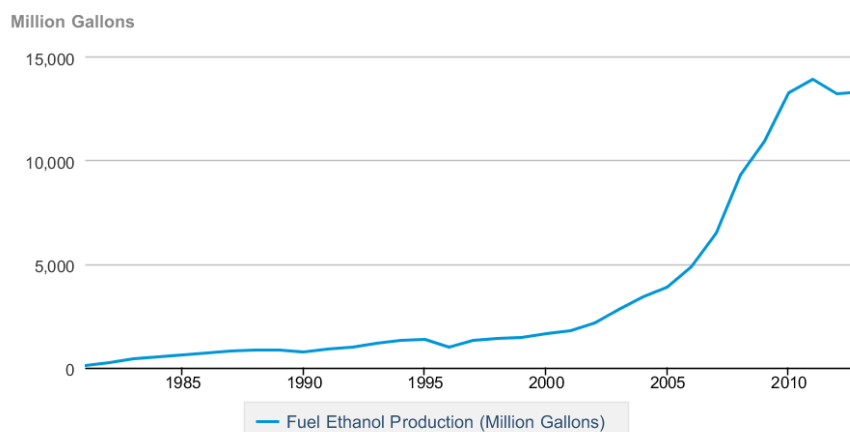
Positive Industry Dynamics

The biofuels market is supported by several tailwinds. On the demand side, U.S. environmental regulations mandate the use of renewable fuels, with the Environmental Protection Agency (EPA) requiring gasoline to use a certain amount of ethanol and other biofuels. The renewable fuel standard (RFS) of the Energy Independence and Security Act of 2007 mandates increasing consumption of biofuels. The minimum levels for corn-based ethanol is expected to increase from 13.8 BGY in 2013 to 15.0 BGY in 2015. At the same time, the mandate for advanced biofuels (which reduces greenhouse gas emissions by a higher amount relative to renewable fuels) is expected to increase from 2.8 BGY in 2013 to 9.0 BGY in 2017. For reference, Aemetis' Keyes plant was approved by the EPA to produce milo-based ethanol, which is classified as an advanced biofuel.

Ethanol demand is also driven by higher oil prices, which can cause refiners to increase the use of the biofuel to moderate gasoline price increases. Supporters of the biofuel industry also cite its role in increasing energy independence of the U.S. as well as benefiting the economy, especially in rural areas where new sources of jobs are scarce.

On the supply side, ethanol, with more than 13 BGY of production, accounts for roughly 10% of total U.S. gasoline supply and has increased at a CAGR of 18% from 2000 to 2013.

Table 10.3 Fuel Ethanol Overview



Source: U.S. Energy Information Administration

Figure 1. U.S. Ethanol Production. Source: U.S. Energy Information Administration

Currently, there are 211 ethanol plants in the U.S. with annual capacity of 15.2 BGY. However, new construction of additional facilities has been slow, with only four plants representing aggregate annual production capacity of 158 million gallons under construction or expansion, according to the EPA. In California, there are only three sizable ethanol plants with aggregate production capacity of 180 million gallons, requiring the state to import more than a 1 BGY of biofuels from other states, according to the California Energy Commission.

Next Generation Technology

One of Aemetis' strategic priorities is the development and commercialization of technology that produces renewable chemicals and advanced biofuels from renewable feedstocks. To that end, it operates a research and development lab in Maryland and was awarded five patents related to enzyme and microbe technology. Reflecting its interest in adopting advanced fuel and specialty chemical technology, Aemetis was the first company to receive an advanced biofuel pathway from the EPA. We believe this and other technological announcements will lead to an improvement in the company's profitability while sowing the seeds for its long-term future.

COMPETITIVE LANDSCAPE

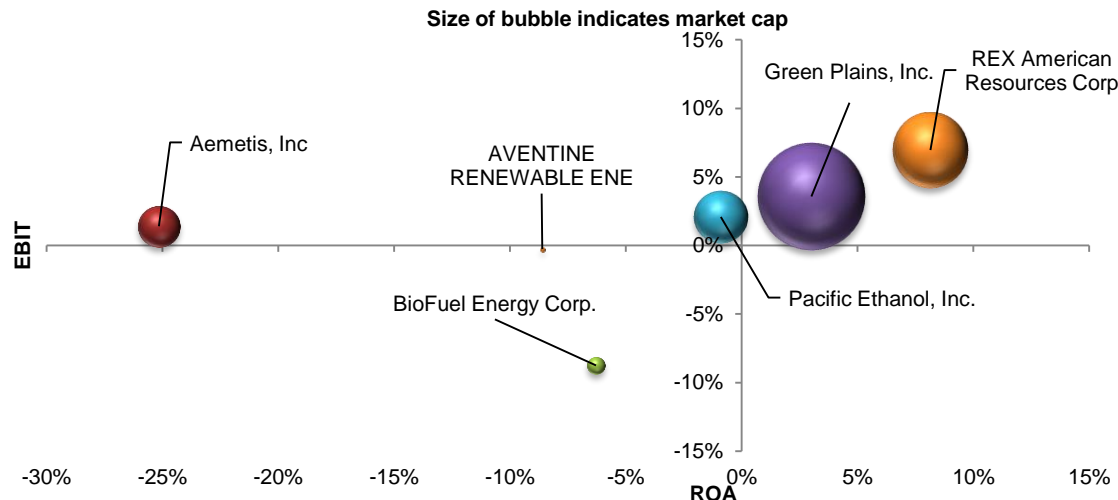
In the U.S., there are roughly 200 corn ethanol production facilities with a combined production of 13.3 BGY and operating capacity of 13.9 BGY, according to the Renewable Fuels Association (RFA). As a commodity-based business, producers compete primarily on price. Due to California's need to import ethanol from other states, Aemetis competes with both local producers and those outside the state. In addition, the company's co-products, including WDG and corn oil, compete with products imported from outside the state as well as alternative feed products such as corn.

In India, Aemetis' biodiesel fuel competes primarily with petroleum diesel produced from the three state-controlled oil companies (Indian Oil Corporation, Bharat Petroleum and Hindustan Petroleum) and two private ones (Reliance Petroleum and Essar Oil), based on price. The price of biodiesel is indexed to the price of petroleum diesel. As government subsidies gradually disappear and diesel prices reach market prices, Aemetis' products should become more competitive. In international markets, the company also competes with biodiesel from Europe, Argentina, Indonesia and Malaysia, some of whom provide subsidies. For its other products (such as biodiesel for manufacturing and refined glycerin), Aemetis competes with specialty chemical manufacturers and other producers.

For its peer group, we have selected the following companies that are of comparable size and operate in the same or similar industry: Amyris, Inc. (AMRS), Aventine Renewable Energy Holdings, Inc. (AVRW), BioFuel Energy Corp. (BIOF), Green Plains, Inc. (GPPE), KiOR, Inc. (KIOR), Pacific Ethanol, Inc. (PEIX), REX American Resources Corp. (REX) and Solazyme, Inc. (SZYM).

Unlike many of its peers that are generating operating losses, Aemetis' operating margins are modestly positive. However, on a return on assets basis, the company compares unfavorably to the group, reflecting its high interest-related expenses. As its operations scale and costs are spread over a larger revenue base, we expect Aemetis' profitability to approach the level of some of its larger competitors over time.

Figure 2. ROA vs. EBIT Comparison with Peers



Source: Company filings, SeeThruEquity Research

FINANCIALS AND FUTURE OUTLOOK

Revenue / Drivers

During the first quarter of 2014, Aemetis reported total revenue of \$60.7 million versus \$19.4 million a year ago. The increase was driven by a full quarter of operations in 2014, whereas in 2013, the Keyes plant was idle from the middle of January through April. This growth was partially offset by difficult comparisons in India, as the first quarter of 2013 experienced one-time sales of crude and refined palm oils as well as international biodiesel sales that did not recur this year.

As production at both its U.S. and Indian plants ramps up, we expect year-over-year top-line growth to be fairly robust in 2014 before normalizing to more sustainable levels in 2015 and beyond. Embedded in our estimates are commodity price inflation in the low to mid-single digits relative to first quarter 2014 levels.

Expenses / Margins

Aemetis' gross margins improved materially in the first quarter of 2014 due to its Keyes plant operating on a full schedule (without any idling), a lower cost of feedstock per ton and a sales mix shift towards higher gross profit products in India.

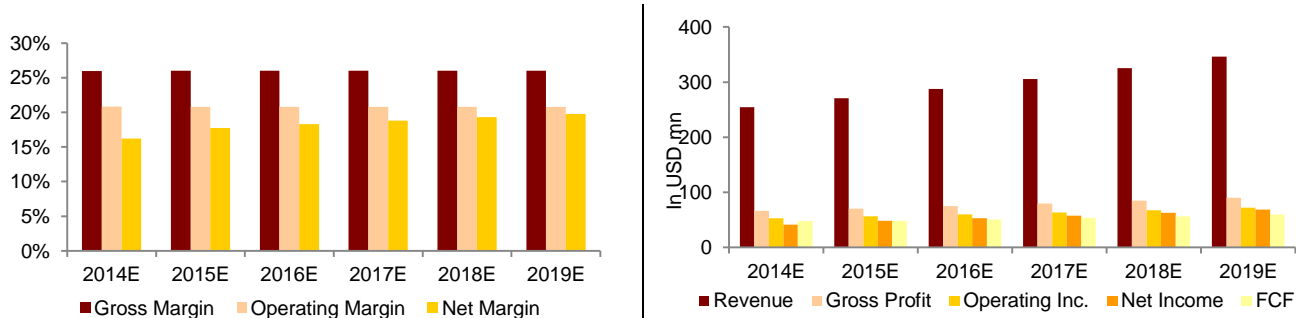
We expect margins to improve going forward, on both a gross and operating basis, as production ramps up, advanced biofuel technology is further deployed at the Keyes plant, and government subsidies for diesel are phased out in India.

Balance Sheet / Liquidity

As of March 31, 2014, Aemetis had \$7.3 million in cash and cash equivalents versus \$4.9 million as of 2013 year-end, driven by improved earnings. Due to a stockholders' deficit of \$4.2 million, despite debt repayment of \$9.6 million during the first quarter of 2014, the company's debt to capital ratio is a high 105%, including \$2.6 million of mandatorily redeemable Series B convertible preferred stock.

As margin expansion leads to improved earnings power, we expect Aemetis' cash flows to increase materially. Its balance sheet should also benefit, as the stockholders' deficit eventually turns into a surplus position that should improve leverage ratios.

Figure 3. Key Performance Indicators, FY14E–19E



Source: Company filings, SeeThruEquity Research

VALUATION

We have valued Aemetis using two different valuation methods; discounted cash flow (DCF) and peer group multiples. Our blended valuation, which combines the two methodologies, yields a fair value of \$26.11 per share, representing upside potential of 175% from a recent price of \$9.50.

Discounted Cash Flow

We expect both revenue and gross profit to ramp up in 2014, leading to positive operating leverage that should continue as Aemetis benefits from scale economies and technological efficiencies. This, in turn, should benefit the company's cash flow over our forecasted period. Assuming a terminal growth rate of 3% after 2019, we calculate the company's enterprise value, or the present value of its free cash flows, to be \$518.4 million. Adjusted for its debt and cash as of the most recent quarter, we value the equity at \$437.7 million, or \$21.70 per share.

Figure 4. Discounted Cash Flow Analysis

\$' 000	FY14E	FY15E	FY16E	FY17E	FY18E	FY19E
EBIT	53,013	56,265	59,807	63,591	67,634	71,956
Less: Tax	7,739	11,074	12,136	13,272	14,485	15,781
NOPLAT	45,274	45,191	47,670	50,319	53,149	56,175
Changes in working capital	(592)	229	107	114	122	130
Depreciation & Amortization	5,030	5,410	5,751	6,114	6,503	6,919
Capex	(2,186)	(2,705)	(2,875)	(3,057)	(3,252)	(3,459)
FCFF	47,526	48,126	50,652	53,490	56,523	59,764
Discount factor	0.94	0.83	0.73	0.65	0.57	0.50
PV of FCFF	44,771	39,998	37,140	34,603	32,259	30,093
Sum of PV of FCFF						218,864
Terminal cash flow						594,960
PV of terminal cash flow						299,579
Enterprise value						518,443
Less: Debt						88,108
Add: Cash						7,318
Equity value						437,653
Outstanding shares (mn)						20.2
Fair value per share (\$)						21.70
Summary conclusions		Key assumptions				
DCF FV (\$ per share)		21.70	Beta			2.2
Recent price (\$ per share)		9.50	Cost of equity			17.7%
Upside (downside)		128.4%	Cost of debt (post tax)			3.9%
WACC		13.3%	Terminal Growth Rate			3.0%

Source: SeeThruEquity Research

Figure 5. Sensitivity of Valuation – WACC vs. Terminal Growth Rate

		WACC (%)				
Terminal growth rate (%)		11.8%	12.8%	13.3%	13.8%	14.3%
	2.0%	23.88	21.35	20.26	19.26	18.33
	2.5%	24.85	22.12	20.94	19.87	18.89
	3.0%	25.94	22.97	21.70	20.55	19.49
	3.5%	27.15	23.90	22.53	21.28	20.16
	4.0%	28.52	24.95	23.45	22.10	20.88
	4.5%	30.08	26.12	24.47	23.00	21.68

Source: SeeThruEquity Research

Peer Group Multiples

We compared Aemetis with several companies of similar market capitalizations that operate in the same or similar industry. On average, the peer group trades at EV / revenue and EV / EBITDA multiples of 2.6X and 13.7X, respectively, based on 2015 estimates. Applying these multiples to our 2015 estimates, we derive an equity valuation of \$34.59 to 38.22 per share.

Figure 6. Comparable Valuation (Data as of 07/10/2014)

Company	Mkt cap (\$ mn)	EV / revenue (x)		EV / EBITDA (x)	
		FY14E	FY15E	FY14E	FY15E
Amyris, Inc.	295.7	5.8x	2.6x	-9.5x	73.1x
AVENTINE RENEWABLE ENE	1.8	NA	NA	NA	NA
BioFuel Energy Corp.	33.1	NA	NA	NA	NA
Green Plains, Inc.	1,314.1	0.5x	0.5x	6.0x	7.2x
KiOR, Inc. - Class A	23.0	89.2x	6.7x	-4.8x	-3.4x
Pacific Ethanol, Inc.	314.3	NA	NA	NA	NA
REX American Resources Corp	642.4	1.0x	1.0x	NA	NA
Solazyme, Inc.	779.5	8.0x	2.1x	-7.5x	-22.1x
Average		20.9x	2.6x	-4.0x	13.7x
Aemetis, Inc	191.6	1.1x	1.0x	5.1x	4.8x
Premium (discount)		(94.9%)	(61.0%)	(229.8%)	(64.7%)

Source: SeeThruEquity Research

RISK CONSIDERATIONS

Commodity Price Risk

Producing biofuels is a commodity business where competition is based primarily on price. More specifically, the spread between the biofuel (ethanol, WDG, biodiesel and refined glycerin) and the corresponding feedstock (corn, natural gas, natural refined fats and oils) drive producers' profitability. Hence, volatility in the prices of the underlying commodities can cause fluctuations in the earnings power and stock price of Aemetis as well as its peers.

Funding Risk

Aemetis may need additional financing to repay the debt of Third Eye Capital that becomes due as well as a loan from the State Bank of India that it had already defaulted on. Although the company plans to issue \$36 million of unsecured four year notes at 3% interest through the U.S. Customs & Immigration Service's EB-5 financing program, the company could face some liquidity risk if this process runs into any delays or other setbacks.

Dilution Risk

As of the first quarter of 2014, Aetemis had approximately 1.1 million options with an average exercise price of \$4.90 and 0.5 million warrants with an average exercise price of \$3.40. As the current stock price is significantly above these levels, shareholders face potential dilution should these instruments be exercised. In addition, the company's 0.2 million shares of Series B convertible preferred stock present another possible source of dilution.

Micro Cap Stock Risk

As a microcap stock, Aetemis has few market makers, low trading volumes and large bid-ask spreads. Hence, although the stock has recently listed on the NASDAQ and its market capitalization is approximately \$200 million, it can be subject to higher price fluctuations and lower liquidity relative to stocks with larger market capitalizations, especially during periods of heightened volatility.

Management Team

Eric A. McAfee, Co-Founder, Chairman of the Board and Chief Executive Officer

Eric A. McAfee co-founded Aemetis, Inc. in 2005 and has served as its Chairman of the Board since February 2006. Mr. McAfee was appointed Chief Executive Officer of the Company in February 2007. Mr. McAfee has been an entrepreneur, merchant banker, venture capitalist and farmer/dairyman for more than 20 years. Since 1995, Mr. McAfee has been the Chairman of McAfee Capital and since 1998 has been a principal of Berg McAfee Companies, an investment company. Since 2000, Mr. McAfee has been a principal of Cagan McAfee Capital Partners ("CMCP") through which Mr. McAfee has founded or acquired twelve energy and technology companies. In 2003, Mr. McAfee co-founded Pacific Ethanol, Inc. (Nasdaq: PEIX), a West Coast ethanol producer and marketer. Mr. McAfee received a B.S. in Management from Fresno State University in 1986 and served as Entrepreneur in Residence of The Wharton Business School MBA Program in 2007. Mr. McAfee is a graduate of the Harvard Business School Private Equity and Venture Capital Program, and is a 1993 graduate of the Stanford Graduate School of Business Executive Program.

Andrew B. Foster, Executive Vice President and Chief Operating Officer

Andrew B. Foster (48) joined American Ethanol in March 2006 and currently serves as Executive Vice President of Aemetis, Inc. and President and Chief Operating Officer of Aemetis Advanced Fuels Keyes, Inc., a wholly owned subsidiary. Prior to joining the Company, Mr. Foster served as Vice President of Corporate Marketing for Marimba, Inc. an enterprise software company, which was acquired by BMC Software in July 2004. From July 2004, until April 2005, Mr. Foster served as Vice President of Corporate Marketing for the Marimba product line at BMC. In April 2005, Mr. Foster was appointed Director of Worldwide Public Relations for BMC and served in that capacity until December 2005. From May 2000 until March 2003, Mr. Foster served as Director of Corporate Marketing for eSilicon Corporation, a fabless semiconductor company. Mr. Foster also served as Associate Director of Political Affairs at the White House from 1989 to 1992, and Deputy Chief of Staff to Illinois Governor Jim Edgar from 1995 to 1998. Mr. Foster holds a Bachelor of Arts degree in Political Science from Marquette University in Milwaukee, Wisconsin.

Sanjeev Gupta, Executive Vice President and Managing Director, Chairman and President of Universal Biofuels Private, Ltd.

Sanjeev Gupta joined Aemetis, Inc. in September 2007 as an executive with the Company's marketing subsidiary, Biofuels Marketing, Inc. and managed the completion of construction of the Company's biodiesel production facility in Kakinada, India. Mr. Gupta has served as the Managing Director, Chairman and President of the Company's wholly-owned Indian biodiesel subsidiary, Universal Biofuels Private, Ltd. ("UBPL") since 2009. Mr. Gupta received an MBA degree from the Faculty of Management Studies, University of Delhi and holds a Bachelor of Science degree (honors) from University of Delhi.

Todd Waltz, Executive Vice President, Chief Financial Officer and Secretary

Todd A. Waltz served as Aemetis' Chief Financial Officer since March 12, 2010. From 2007 until March 12, 2010, Mr. Waltz served as the Company's Corporate Controller. From 1994 to 2007, Mr. Waltz served in a variety of senior financial management roles with Apple, Inc. in Cupertino, CA. Prior to Apple, Mr. Waltz worked with Ernst & Young. Until November 2013, Mr. Waltz served as Chief Executive Officer and sole Board member of Vision Global Solutions, Inc. (OTC: VIGS). Mr. Waltz is a Certified Public Accountant (inactive) in the state of California. Mr. Waltz holds a Bachelor of Arts degree from Mount Union College, an MBA from Santa Clara University and a Master of Science degree in Taxation from San Jose State University.

Top Institutional and 13F Filer Ownership

Shareholder	Number of Shares Beneficially Owned	Percent of Shares Outstanding
Major Holders & Key Insiders		
Eric A. McAfee	3,491,616	17.4%
Laird Cagan	2,464,887	12.2%
Todd A. Waltz	266,500	1.3%
Dr. Steven Hutcheson	230,340	1.1%
Total	6,453,343	32.0%

* Percentages are based on 20,170,368 shares of common stock outstanding as of 5/12/2014.

** Mr. McAfee's shares include 3,411,616 shares held by McAfee Capital LLC, a company owned by Mr. McAfee. McAfee Capital has pledged all of these shares as security for Third Eye Capital debt arrangements.

FINANCIAL SUMMARY

Figure 7. Income Statement

Figures in \$mn unless specified	FY11A	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	141.9	189.0	177.5	254.6	270.5	287.5
YoY growth		33.3%	(6.1%)	43.4%	6.3%	6.3%
Cost of sales	137.2	198.0	159.2	188.5	200.2	212.8
Gross Profit	4.6	(8.9)	18.3	66.0	70.3	74.8
Margin	3.3%	(4.7%)	10.3%	25.9%	26.0%	26.0%
Operating expenses	9.1	12.2	15.8	13.0	14.1	15.0
EBIT	(4.5)	(21.2)	2.5	53.0	56.3	59.8
Margin	(3.2%)	(11.2%)	1.4%	20.8%	20.8%	20.8%
EBITDA	(4.5)	(21.2)	2.5	53.0	56.3	59.8
Margin	(3.2%)	(11.2%)	1.4%	20.8%	20.8%	20.8%
Other income/ (expense)	(13.9)	15.8	(26.9)	(19.5)	(19.4)	(19.4)
Profit before tax	(18.4)	(5.4)	(24.4)	33.5	36.9	40.5
Tax	0.0	1.1	(0.0)	7.7	11.1	12.1
Net income	(18.4)	(4.3)	(24.4)	41.2	48.0	52.6
Margin	(13.0%)	(2.3%)	(13.8%)	16.2%	17.7%	18.3%
EPS (\$ per share)	(1.78)	(0.28)	(1.28)	2.02	2.22	2.30

Source: SeeThruEquity Research

Figure 8. Balance Sheet

Figures in \$mn, unless specified	FY11A	FY12A	FY13A	FY14E	FY15E	FY16E
Current assets	7.1	6.8	12.7	60.3	121.3	187.2
Intangibles	0.0	0.0	0.0	0.0	0.0	0.0
Other assets	20.1	90.0	84.4	81.9	84.6	87.4
Total assets	27.2	96.9	97.1	142.2	205.9	274.6
Current liabilities	29.4	57.8	36.1	30.0	30.7	31.4
Other liabilities	20.0	35.5	73.8	73.4	73.4	73.4
Shareholders' equity	(22.2)	3.5	(12.8)	38.8	101.8	169.8
Total liab and shareholder equity	27.2	96.9	97.1	142.2	205.9	274.6

Source: SeeThruEquity Research

Figure 9. Cash Flow Statement

Figures in \$mn, unless specified	FY11A	FY12A	FY13A	FY14E	FY15E	FY16E
Cash from operating activities	(1.3)	4.8	(1.9)	55.3	63.2	68.1
Cash from investing activities	0.0	0.0	0.2	(2.2)	(2.7)	(2.9)
Cash from financing activities	0.0	0.0	6.3	(8.6)	0.0	0.0
Net inc/(dec) in cash	(1.3)	4.8	4.5	44.5	60.5	65.2
Cash at beginning of the year	0.0	0.0	0.3	4.9	49.4	109.9
Cash at the end of the year	0.0	0.3	4.9	49.4	109.9	175.2

Source: SeeThruEquity Research

About Aemetis, Inc.

Aemetis, Inc. operates as an international renewable fuels and specialty chemical company focused on the production of advanced fuels and chemicals, as well as the acquisition, development, and commercialization of innovative technologies that replace traditional petroleum-based products and convert first-generation ethanol and biodiesel plants into advanced biorefineries. It operates in two reportable geographic segments, North America and India. The company owns and operates a biodiesel plant in Kakinada, India; and an ethanol plant in Keyes, California. Aemetis, Inc. sells biodiesel and glycerin to resellers, distributors, and refiners through its sales force and independent sales agents, as well as to brokers who resell the product to end-users. It also provides ethanol, wet distiller grains, corn oil, and condensed distillers soluble. The company was formerly known as AE Biofuels, Inc. and changed its name to Aemetis, Inc. in November 2011. Aemetis, Inc. was founded in 2005 and is headquartered in Cupertino, California.

For more information, please go to www.aemetis.com.



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