



COMPUGEN LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. dollars in thousands, except for share and per-share amounts)

	Three Months Ended September 30,		Nine Months Ended June 30,	
	<u>2008</u> <u>Unaudited</u>	<u>2007</u> <u>Unaudited</u>	<u>2008</u> <u>Unaudited</u>	<u>2007</u> <u>Unaudited</u>
Revenues	6	90	327	90
Cost of revenues	-	-	7	-
Research and development expenses	2,286	2,254	6,595	6,916
Less: governmental and other grants	(158)	(379)	(493)	(969)
Research and development expenses, net	2,128	1,875	6,102	5,947
Sales and marketing expenses	339	211	1,002	1,077
General and administrative expenses	915	901	2,429	2,077
Total operating expenses *	3,382	2,987	9,533	9,101
Operating loss	(3,376)	(2,897)	(9,213)	(9,011)
Financing income, net	77	196	438	699
Other income	12	18	39	32
Net loss from continuing operations	(3,287)	(2,683)	(8,736)	(8,280)
Loss from discontinued operations	(1)	(59)	(14)	(727)
Net loss	(3,288)	(2,742)	(8,750)	(9,007)
Basic and diluted loss per ordinary share from continuing operations	(0.12)	(0.09)	(0.31)	(0.29)
Basic and diluted loss per ordinary share from discontinued operations	-	-	-	(0.03)
Basic and diluted net loss per ordinary share	(0.12)	(0.09)	(0.31)	(0.32)
Weighted average number of ordinary shares outstanding	28,480,592	28,298,348	28,408,597	28,246,883

* Includes stock based compensation

COMPUGEN LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS DATA
(U.S. dollars, in thousands)

	September 30, 2008 Unaudited	December 31, 2007 Audited
ASSETS		
Current assets		
Cash, cash equivalents, short term deposits and marketable securities	10,268	15,082
Cash held in favor of other consortium partners	246	118
Trade receivables	-	40
Receivables and prepaid expenses	417	950
Assets related to discontinued operation	4	54
Total current assets	10,935	16,244
Long-term investments		
Long term deposits and marketable securities	-	2,080
Investment in Evogene	6,472	510
Other assets	1,794	1,415
Property and equipment, net	1,160	1,417
Total assets	20,361	21,666
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	2,426	2,741
Deferred revenues	100	150
Liabilities related to discontinued operations	16	4
Total current liabilities	2,542	2,895
Long-term liabilities		
Accrued severance pay	1,917	1,486
Other long-term liabilities	20	-
Total long-term liabilities	1,937	1,486
Total shareholders' equity	15,882	17,285
Total liabilities and shareholders' equity	20,361	21,666