

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

	Three Months Ended		Nine Months Ended	
	<u>September 30,</u>		<u>September 30,</u>	
	2011	2010	2011	2010
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
Revenues	-	-	-	925
Cost of revenues	-	-	-	198
Gross profit	-	-	-	727
Research and development expenses, net	2,112	1,225	4,924	3,675
Marketing and business development expenses	198	168	496	535
General and administrative expenses	797	530	3,489	2,095
Total operating expenses	3,107	1,923	8,909	6,305
Operating loss	(3,107)	(1,923)	(8,909)	(5,578)
Financing income (loss), net	(495)	312	1,017	352
Other income, net	-	37	240	37
Net loss	(3,602)	(1,574)	(7,652)	(5,189)
Basic and diluted net loss per ordinary share	(0.10)	(0.05)	(0.22)	(0.16)
Weighted average number of ordinary shares outstanding	34,317,515	33,310,959	34,219,308	33,199,059

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

	September 30, <u>2011</u> <u>Unaudited</u>	December 31, <u>2010</u> <u>Audited</u>
ASSETS		
Current assets		
Cash, cash equivalents and short-term bank deposits	21,665	21,824
Restricted cash	94	684
Trade receivables	-	21
Accounts receivable and prepaid expenses	540	548
Receivables from funding arrangement	-	5,000
Total current assets	22,299	28,077
Long-term investments		
Investment in Evogene	4,135	6,227
Long-term prepaid expenses	46	64
Severance pay fund	1,513	1,510
Total long-term investments	5,694	7,801
Property and equipment, net	528	580
Total assets	28,521	36,458
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	1,376	2,441
Total current liabilities	1,376	2,441
Long-term liabilities		
Research and development funding arrangement	3,244	4,037
Accrued severance pay	1,700	1,695
Total long-term liabilities	4,944	5,732
Total shareholders' equity	22,201	28,285
Total liabilities and shareholders' equity	28,521	36,458