

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

	Three Months Ended	
	<u>March 31</u>	
	<u>2012</u>	<u>2011</u>
	<u>Unaudited</u>	<u>Unaudited</u>
Revenues	-	-
Research and development expenses	2,159	1,691
Less: governmental and other grants	(59)	(48)
Research and development expenses, net	2,100	1,643
Marketing and business development expenses	195	148
General and administrative expenses	824	643
Total operating expenses *	3,119	2,434
Operating loss	(3,119)	(2,434)
Financial income (expenses), net**	(1,000)	294
Other income	-	240
Net loss	(4,119)	(1,900)
Basic and diluted net loss per ordinary share	(0.12)	(0.06)
Weighted average number of ordinary shares outstanding	35,291,165	34,091,738

* Includes non-cash stock based compensation

** Includes non-cash expenses with respect to change in fair value of exchange option and embedded derivatives within research and development arrangements of approximately \$1,247 for the period ended March 31, 2012 and \$176 for the comparable period of 2011.

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

	March 31, <u>2012</u> <u>Unaudited</u>	December 31, <u>2011</u> <u>Audited</u>
ASSETS		
Current assets		
Cash, cash equivalents and short-term bank deposits	24,988	22,371
Restricted cash	95	92
Accounts receivable and prepaid expenses	661	546
Total current assets	25,744	23,009
Long-term investments		
Investment in Evogene	4,682	4,093
Long-term prepaid expenses	34	17
Severance pay fund	1,554	1,465
Total long-term investments	6,270	5,575
Property and equipment, net	481	497
Total assets	32,495	29,081
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	2,096	1,707
Total current liabilities	2,096	1,707
Long-term liabilities		
Research and development funding arrangements	7,375	6,150
Accrued severance pay	1,770	1,643
Total long-term liabilities	9,145	7,793
Total shareholders' equity	21,254	19,581
Total liabilities and shareholders' equity	32,495	29,081