

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

	<b>Three Months Ended</b>		<b>Year Ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>Revenues</b>	1,775	134	3,549	242
Cost of revenues	<u>810</u>	<u>168</u>	<u>2,509</u>	<u>201</u>
<b>Gross profit</b>	<b><u>965</u></b>	<b><u>(34)</u></b>	<b><u>1,040</u></b>	<b><u>41</u></b>
<b>Operating expenses</b>				
Research and development expenses, net	3,257	2,608	12,275	9,442
Marketing and business development expenses	195	186	962	684
General and administrative expenses	<u>1,471</u>	<u>1,013</u>	<u>4,846</u>	<u>3,457</u>
<b>Total operating expenses</b>	<b><u>4,923</u></b>	<b><u>3,807</u></b>	<b><u>18,083</u></b>	<b><u>13,583</u></b>
<b>Operating loss</b>	<b>(3,958)</b>	<b>(3,841)</b>	<b>(17,043)</b>	<b>(13,542)</b>
Financing income (loss), net	<u>1,375</u>	<u>(1,532)</u>	<u>3,460</u>	<u>(86)</u>
<b>Net loss before taxes</b>	<b>(2,583)</b>	<b>(5,373)</b>	<b>(13,583)</b>	<b>(13,628)</b>
Taxes on income	<u>(345)</u>	<u>-</u>	<u>(500)</u>	<u>-</u>
<b>Net loss</b>	<b><u>(2,928)</u></b>	<b><u>(5,373)</u></b>	<b><u>(14,083)</u></b>	<b><u>(13,628)</u></b>
Basic net loss per ordinary share	(0.07)	(0.15)	(0.36)	(0.38)
Weighted average number of Ordinary shares used in computing basic net loss per share	40,802,976	36,125,109	38,869,438	35,844,496
Diluted net loss per ordinary share	(0.09)	(0.15)	(0.36)	(0.38)
Weighted average number of Ordinary shares used in computing diluted net loss per share	42,738,997	36,125,109	38,869,438	36,249,262

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

	<b>December 31,</b>	<b>December 31,</b>
	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash, cash equivalents and short-term bank deposits	46,766	19,589
Investment in Evogene	4,565	5,196
Other accounts receivable and prepaid expenses	<u>1,885</u>	<u>786</u>
<b>Total current assets</b>	<u>53,216</u>	<u>25,571</u>
<b>Non-current investments</b>		
Severance pay fund	<u>2,129</u>	<u>1,728</u>
<b>Total non-current investments</b>	<u>2,129</u>	<u>1,728</u>
<b>Non-current prepaid expenses</b>	<u>158</u>	<u>360</u>
<b>Property and equipment, net</b>	<u>1,208</u>	<u>1,250</u>
<b>Total assets</b>	<u>56,711</u>	<u>28,909</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Other accounts payable, accrued expenses and trade payables	2,421	1,384
Deferred revenue	<u>5,318</u>	<u>-</u>
<b>Total current liabilities</b>	<u>7,739</u>	<u>1,384</u>
<b>Non-current liabilities</b>		
Research and development funding arrangements and others	13,189	7,872
Deferred revenue	1,454	-
Accrued severance pay	<u>2,441</u>	<u>1,981</u>
<b>Total non-current liabilities</b>	<u>17,084</u>	<u>9,853</u>
<b>Total shareholders' equity</b>	<u>31,888</u>	<u>17,672</u>
<b>Total liabilities and shareholders' equity</b>	<u>56,711</u>	<u>28,909</u>