

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>2014</u>	<u>2013</u>
	<u>Unaudited</u>	
Revenues	2,133	162
Cost of revenues	<u>757</u>	<u>150</u>
Gross profit	<u>1,376</u>	<u>12</u>
 Operating expenses		
Research and development expenses, net	3,242	2,739
Marketing and business development expenses	173	195
General and administrative expenses	<u>1,272</u>	<u>1,042</u>
Total operating expenses	<u>4,687</u>	<u>3,976</u>
 Operating loss	(3,311)	(3,964)
Financial income, net	<u>1,413</u>	<u>590</u>
Net loss	<u>1,898</u>	<u>(3,374)</u>
 Basic and diluted net loss per Ordinary share	(0.04)	(0.09)
Weighted average number of Ordinary shares used in computing basic and diluted net loss per share	43,451,513	37,283,753

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

	March 31, <u>2014</u> (unaudited)	December 31, <u>2013</u> (audited)
ASSETS		
Current assets		
Cash, cash equivalents and short-term bank deposits	118,561	46,766
Investment in Evogene	2,161	4,565
Other accounts receivable and prepaid expenses	784	1,885
Receivables on account of shares	<u>344</u>	<u>-</u>
Total current assets	<u>121,850</u>	<u>53,216</u>
Non-current investments		
Severance pay fund	<u>2,162</u>	<u>2,129</u>
Total non-current investments	<u>2,162</u>	<u>2,129</u>
Non-current prepaid expenses	<u>127</u>	<u>158</u>
Property and equipment, net	<u>1,602</u>	<u>1,208</u>
Total assets	<u>125,741</u>	<u>56,711</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Other accounts payable, accrued expenses and trade payables	4,409	2,421
Deferred revenues	<u>3,962</u>	<u>5,318</u>
Total current liabilities	<u>8,371</u>	<u>7,739</u>
Non-current liabilities		
Research and development funding arrangement	14,151	13,189
Deferred revenue	797	1,454
Accrued severance pay	<u>2,471</u>	<u>2,441</u>
Total non-current liabilities	<u>17,419</u>	<u>17,084</u>
Total shareholders' equity	<u>99,951</u>	<u>31,888</u>
Total liabilities and shareholders' equity	<u>125,741</u>	<u>56,711</u>