

**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>Six Months Ended</b>	
	<b><u>June 30,</u></b>		<b><u>June 30,</u></b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b><u>Unaudited</u></b>	<b><u>Unaudited</u></b>	<b><u>Unaudited</u></b>	<b><u>Unaudited</u></b>
<b>Revenues</b>	1,964	22	4,097	184
Cost of revenues	<u>859</u>	<u>84</u>	<u>1,616</u>	<u>234</u>
<b>Gross profit (loss)</b>	<b><u>1,105</u></b>	<b><u>(62)</u></b>	<b><u>2,481</u></b>	<b><u>(50)</u></b>
<b>Operating expenses</b>				
Research and development expenses, net	3,074	3,437	6,316	6,176
Marketing and business development expenses	109	157	282	352
General and administrative expenses	<u>1,240</u>	<u>1,063</u>	<u>2,512</u>	<u>2,105</u>
<b>Total operating expenses</b>	<b><u>4,423</u></b>	<b><u>4,657</u></b>	<b><u>9,110</u></b>	<b><u>8,633</u></b>
<b>Operating loss</b>	<b>(3,318)</b>	<b>(4,719)</b>	<b>(6,629)</b>	<b>(8,683)</b>
Financing income, net	<u>1,059</u>	<u>1,680</u>	<u>2,472</u>	<u>2,270</u>
<b>Net loss before taxes</b>	<b>(2,259)</b>	<b>(3,039)</b>	<b>(4,157)</b>	<b>(6,413)</b>
Taxes on income	<u>(60)</u>	<u>-</u>	<u>(60)</u>	<u>-</u>
<b>Net loss</b>	<b><u>(2,319)</u></b>	<b><u>(3,039)</u></b>	<b><u>(4,217)</u></b>	<b><u>(6,413)</u></b>
Basic net loss per ordinary share	(0.05)	(0.08)	(0.09)	(0.17)
Weighted average number of ordinary shares used in computing basic net loss per share	48,462,334	38,204,202	45,970,766	37,746,520
Diluted net loss per ordinary share	(0.07)	(0.09)	(0.09)	(0.18)
Weighted average number of ordinary shares used in computing diluted net loss per share	49,796,012	40,221,504	45,970,766	39,140,651

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

	<b>June 30, <u>2014</u> (unaudited)</b>	<b>December 31, <u>2013</u> (audited)</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash, cash equivalents and short-term bank deposits	113,259	46,766
Investment in Evogene	1,858	4,565
Trade receivable	1,140	-
Other accounts receivable and prepaid expenses	<u>912</u>	<u>1,885</u>
<b>Total current assets</b>	<u>117,169</u>	<u>53,216</u>
<b>Non-current investments</b>		
Severance pay fund	<u>2,256</u>	<u>2,129</u>
<b>Total non-current investments</b>	<u>2,256</u>	<u>2,129</u>
<b>Non-current prepaid expenses</b>	<u>107</u>	<u>158</u>
<b>Property and equipment, net</b>	<u>2,009</u>	<u>1,208</u>
<b>Total assets</b>	<u>121,541</u>	<u>56,711</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Other accounts payable, accrued expenses and trade payables	3,692	2,421
Deferred revenues	<u>3,121</u>	<u>5,318</u>
<b>Total current liabilities</b>	<u>6,813</u>	<u>7,739</u>
<b>Non-current liabilities</b>		
Research and development funding arrangement	13,074	13,189
Deferred revenues	948	1,454
Accrued severance pay	<u>2,577</u>	<u>2,441</u>
<b>Total non-current liabilities</b>	<u>16,599</u>	<u>17,084</u>
<b>Total shareholders' equity</b>	<u>98,129</u>	<u>31,888</u>
<b>Total liabilities and shareholders' equity</b>	<u>121,541</u>	<u>56,711</u>