

COMPUGEN LTD.**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(U.S. dollars in thousands, except for share and per-share amounts)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Revenues	6,552	1,775	12,367	3,549
Cost of revenues	987	810	3,344	2,509
Gross profit	5,565	965	9,023	1,040
Operating expenses				
Research and development expenses, net	4,848	3,257	15,074	12,275
Marketing and business development expenses	400	195	838	962
General and administrative expenses	1,432	1,471	5,448	4,846
Total operating expenses *	6,680	4,923	21,360	18,083
Operating loss	(1,115)	(3,958)	(12,337)	(17,043)
Financing and other income (loss), net **	(67)	1,375	1,603	3,460
Net loss before taxes	(1,182)	(2,583)	(10,734)	(13,583)
Taxes on income	300	345	360	500
Net loss	(1,482)	(2,928)	(11,094)	(14,083)
Basic net loss per ordinary share	(0.03)	(0.07)	(0.23)	(0.36)
Weighted average number of Ordinary shares used in computing basic net loss per share	50,144,787	40,802,976	47,808,855	38,869,438
Diluted net loss per ordinary share	(0.03)	(0.09)	(0.23)	(0.36)
Weighted average number of Ordinary shares used in computing diluted net loss per share	50,144,787	42,738,997	47,808,855	38,869,438

* Includes non-cash stock based compensation.

** Includes non-cash income (expenses) related to the Baize research and development funding arrangement.

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

	December 31, 2014	December 31, 2013
ASSETS		
Current assets		
Cash, cash equivalents and short-term bank deposits	\$ 72,643	\$ 46,766
Investment in Evogene	1,054	4,565
Other accounts receivable and prepaid expenses	1,260	1,885
Total current assets	74,957	53,216
Non-current investments		
Severance pay fund	2,024	2,129
Total non-current investments	2,024	2,129
Non-current prepaid expenses		
	108	158
Long-term bank deposits		
	35,026	-
Property and equipment, net		
	2,730	1,208
Total assets	\$ 114,845	\$ 56,711
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Other accounts payable, accrued expenses and trade payables	\$ 4,379	\$ 2,421
Research and development funding arrangement	421	-
Deferred revenues	1,789	5,318
Total current liabilities	6,589	7,739
Non-current liabilities		
Research and development funding arrangement	-	13,189
Deferred revenues	-	1,454
Accrued severance pay	2,281	2,441
Total non-current liabilities	2,281	17,084
Total shareholders' equity	105,975	31,888
Total liabilities and shareholders' equity	\$ 114,845	\$ 56,711