



For Immediate Release

## **Compugen Achieves Third Preclinical Milestone in Cancer Immunotherapy Collaboration with Bayer**

Tel Aviv, Israel, Dec. 11, 2015 – Compugen Ltd. ([NASDAQ: CGEN](#)), a leading predictive drug discovery company, announced today that it has achieved the third preclinical milestone pursuant to its cancer immunotherapy collaboration with Bayer HealthCare (Bayer). The collaboration provides for the research, development, and commercialization of antibody-based cancer therapeutics against two novel Compugen-discovered immune checkpoint regulators, CGEN-15001T and CGEN-15022.

The milestone payment being announced today, and the two previous milestone payments received by Compugen under the collaboration, all relate to CGEN-15001T, which is the more advanced of the two programs. This program, for which US and EU patents have been granted to Compugen, is demonstrating encouraging functional activity in preclinical models of cancer immunotherapy. Upon achievement of this third milestone, this program has now been transferred to Bayer's full control for further preclinical and clinical development activities, and worldwide commercialization, under milestone and royalty bearing licenses from Compugen.

CGEN-15022, which is at an earlier stage than CGEN-15001T, continues under the joint preclinical research program, with results from these activities providing promising support for the target's ability to modulate immune response via a potentially novel mechanism of action, and the target is currently being further characterized regarding its role in anti-cancer immune response.

“We are very pleased to have reached this milestone, which marks the successful completion of the joint pre-clinical work for one of the two immuno-oncology candidates under the Bayer/Compugen collaboration. Now that this program is transferred to Bayer for further preclinical and clinical development, we view this as further testimony to the power of drug discovery via computational predictions,” said Anat Cohen-Dayag, Ph.D., President and Chief Executive Officer of Compugen. “Since the very beginning of this partnership, there has been continuing progress on both programs, including a growing understanding of target biology, in addition to the advancement of therapeutic candidates in a joint preclinical research program. Each program presents a distinctive differentiation profile compared to known checkpoints, providing potentially different mechanisms of action and expanded opportunities for cancer

treatment. Both partners are excited by the potential of the two programs as they progress towards potential novel therapeutics for cancer immunotherapy.”

For additional information, please refer to Compugen’s recent [Form 6-K filing](#).

### **About the Compugen/Bayer HealthCare Agreement**

In August 2013, Compugen and Bayer HealthCare entered into a collaboration and license agreement for the development and commercialization of antibody-based cancer immune therapeutics against two novel Compugen-discovered immune checkpoint regulators, CGEN-15022 and CGEN-15001T. Compugen received an upfront payment of \$10 million and is eligible to receive over \$500 million in potential milestone payments for both checkpoint programs, plus an additional \$30 million of potential milestone payments associated with joint preclinical research for the two programs.

### **About Cancer Immunotherapy**

The latest cancer immunotherapies have demonstrated impressive clinical benefit, even for end-stage patients with difficult-to-treat tumors such as metastatic melanoma and non-small cell lung cancer. Unlike conventional cancer therapies, which act by directly targeting the cancer cells, often resulting in only transient clinical responses as cancer cells become resistant, clinical responses to cancer immunotherapy tend to be durable, sometimes resulting in dramatic long-term survival and the absence of resistance or recurrences.

### **About Compugen**

Compugen is a leading drug discovery company utilizing its broadly applicable predictive discovery infrastructure to identify novel drug targets and develop first-in-class biologics. The Company’s current pipeline primary focus is on immune checkpoint target candidates discovered by the Company, potentially providing the basis for a next wave of therapeutics for cancer immunotherapy. Compugen’s business model is based on selectively entering into collaborations for its novel targets and drug product candidates at various stages of research and development under revenue-sharing agreements. The Company is headquartered in Tel Aviv, Israel, with R&D facilities in Tel Aviv and South San Francisco. At the US facilities, monoclonal antibody therapeutic candidates are discovered and developed against the Company’s novel target candidates. For additional information, please visit Compugen's corporate website at [www.cgen.com](http://www.cgen.com).

### **Forward Looking Statement**

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the use of terminology such as “will,” “may,” “expects,” “anticipates,” “believes,” and “intends,” and describe opinions about future events. These forward-looking statements involve known and

unknown risks and uncertainties that may cause the actual results, performance or achievements of Compugen to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Among these risks: Compugen's business model is substantially dependent on entering into collaboration agreements with third parties and may not be successful in generating revenues, and the development and commercialization of therapeutic candidates involve many inherent risks, including failure to progress to clinical trials or, if they progress to or enter clinical trials, failure to receive regulatory approval. These and other factors are more fully discussed in the "Risk Factors" section of Compugen's most recent Annual Report on Form 20-F as filed with the Securities and Exchange Commission as well as other documents that may be subsequently filed by Compugen from time to time with the Securities and Exchange Commission. In addition, any forward-looking statements represent Compugen's views only as of the date of this release and should not be relied upon as representing its views as of any subsequent date. Compugen does not assume any obligation to update any forward-looking statements unless required by law.

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