

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>2015</u>	<u>2014</u>
	<u>Unaudited</u>	
Revenues *	513	2,133
Cost of revenues	<u>382</u>	<u>757</u>
Gross profit	<u>131</u>	<u>1,376</u>
 Operating expenses		
Research and development expenses, net	4,786	3,242
Marketing and business development expenses	230	173
General and administrative expenses	<u>1,437</u>	<u>1,272</u>
Total operating expenses	<u>6,453</u>	<u>4,687</u>
 Operating loss	(6,322)	(3,311)
Financial income, net	<u>179</u>	<u>1,413</u>
Net loss	<u>(6,143)</u>	<u>(1,898)</u>
 Basic and diluted net loss per Ordinary share	(0.12)	(0.04)
Weighted average number of Ordinary shares used in computing basic and diluted net loss per share	50,344,630	43,451,513

* Revenues for both the first quarter of 2015 and 2014, substantially relate to amortization of deferred revenues.

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

	March 31, <u>2015</u> (unaudited)	December 31, <u>2014</u> (audited)
ASSETS		
Current assets		
Cash, cash equivalents and short-term bank deposits	65,746	72,643
Restricted cash	543	543
Investment in Evogene	999	1,054
Other accounts receivable and prepaid expenses	<u>1,262</u>	<u>858</u>
Total current assets	<u>68,550</u>	<u>75,098</u>
Non-current investments		
Severance pay fund	<u>2,008</u>	<u>2,024</u>
Total non-current investments	<u>2,008</u>	<u>2,024</u>
Non-current prepaid expenses		
	<u>99</u>	<u>108</u>
Long-term bank deposits		
	<u>35,117</u>	<u>35,026</u>
Property and equipment, net		
	<u>2,704</u>	<u>2,730</u>
Total assets	<u>108,478</u>	<u>114,986</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Other accounts payable, accrued expenses and trade payables	3,645	4,379
Research and development funding arrangement	316	421
Deferred revenues	<u>1,276</u>	<u>1,789</u>
Total current liabilities	<u>5,237</u>	<u>6,589</u>
Non-current liabilities		
Accrued severance pay	<u>2,286</u>	<u>2,281</u>
Total non-current liabilities	<u>2,286</u>	<u>2,281</u>
Total shareholders' equity		
	<u>100,955</u>	<u>106,116</u>
Total liabilities and shareholders' equity	<u>108,478</u>	<u>114,986</u>