

**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>June 30,</b>		<b>June 30,</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Revenues</b>	-	496	-	589
Cost of revenues	-	86	-	167
<b>Gross profit</b>	<u>-</u>	<u>410</u>	<u>-</u>	<u>422</u>
<b>Operating expenses</b>				
Research and development expenses	7,063	5,463	13,793	12,237
Marketing and business development expenses	283	199	609	471
General and administrative expenses	1,911	1,756	3,638	3,593
<b>Total operating expenses</b>	<u>9,257</u>	<u>7,418</u>	<u>18,040</u>	<u>16,301</u>
<b>Operating loss</b>	<b>(9,257)</b>	<b>(7,008)</b>	<b>(18,040)</b>	<b>(15,879)</b>
Financial and other income, net	79	396	155	666
<b>Loss before taxes on income</b>	<u>(9,178)</u>	<u>(6,612)</u>	<u>(17,885)</u>	<u>(15,213)</u>
Taxes on income	-	20	-	20
<b>Net loss</b>	<u><b>(9,178)</b></u>	<u><b>(6,632)</b></u>	<u><b>(17,885)</b></u>	<u><b>(15,233)</b></u>
Basic and diluted net loss per ordinary share	(0.18)	(0.13)	(0.35)	(0.30)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	51,131,541	50,820,607	51,131,538	50,724,004

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

	<u>June 30,</u> <u>2017</u> <u>Unaudited</u>	<u>December 31,</u> <u>2016</u> <u>Audited</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash, cash equivalents, short-term bank deposits and restricted cash	46,111	61,527
Other accounts receivable and prepaid expenses	1,433	1,153
<b>Total current assets</b>	<u>47,544</u>	<u>62,680</u>
<b>Non-current assets</b>		
Long-term prepaid expenses	40	92
Severance pay fund	2,775	2,402
Property and equipment, net	5,265	5,965
<b>Total non-current assets</b>	<u>8,080</u>	<u>8,459</u>
<b>Total assets</b>	<u><u>55,624</u></u>	<u><u>71,139</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Other accounts payable, accrued expenses and trade payables	5,067	4,740
<b>Total current liabilities</b>	<u>5,067</u>	<u>4,740</u>
<b>Non-current liabilities</b>		
Accrued severance pay	3,333	2,880
<b>Total non-current liabilities</b>	<u>3,333</u>	<u>2,880</u>
<b>Total shareholders' equity</b>	<u>47,224</u>	<u>63,519</u>
<b>Total liabilities and shareholders' equity</b>	<u><u>55,624</u></u>	<u><u>71,139</u></u>