UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2018

Commission File Number 000-30902

COMPUGEN LTD.

(Translation of registrant's name into English)

26 Harokmim Street
Holon 5885849, Israel
(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-For Form 40-F:

Form 20-F ☑ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Compugen Ltd.

On August 1, 2018, Compugen Ltd. (the "**Company**") issued a press release, a copy of which is furnished as Exhibit 99.1 to this Form 6-K.

Second Quarter 2018 Financial Results

The unaudited interim consolidated financial statements of Compugen Ltd. (the "Company") and its subsidiary as of June 30, 2018 and December 31, 2017 and for the six months ended June 30, 2018 and 2017 are filed as Exhibit 99.2 to this Form 6-K and incorporated by reference herein. The Operating and Financial Review and Prospects of the Company as of and for the six months ended June 30, 2018 and June 30, 2017 are filed as Exhibit 99.3 to this Form 6-K and incorporated by reference herein.

The information contained in this Report on Form 6-K is hereby incorporated by reference into the Company's Registration Statement on Form F-3, File No. 333-213007.

Exhibits

Exhibit Number	**Description of Exhibit**
10.1*	Amendment No. 1, dated May 9, 2018, to the License Agreement entered into as of March 30, 2018 by and between Compugen Ltd. and Medimmune, Limited.
99.1	Press Release dated August 1, 2018 – " Compugen Reports Second Quarter 2018 Results"
99.2	Unaudited interim consolidated financial statements as of June 30, 2018 and December 31, 2017 and for the six months ended June 30, 2018 and 2017.
99.3	Operating and Financial Review and Prospects as of and for the six months ended June 30, 2018 and June 30, 2017.
101	The following financial information from Compugen Ltd.'s Report on Form 6-K, formatted in XBRL (eXtensible Business Reporting Language): (i) consolidated balance sheets at June 30, 2018 and December 31, 2017; (ii) consolidated statements of comprehensive loss for the six months ended June 30, 2018 and 2017; (iii) consolidated statements of changes in shareholders' equity for the six months ended June 30, 2018 and the year ended December 31, 2017; (iv) consolidated statements of cash flows for the six months ended June 30, 2018 and 2017; and (v) notes to the consolidated financial statements.

* Confidential treatment with respect to certain portions of this exhibit has been requested from the Securities and Exchange Commission. Omitted portions have been filed separately with the Securities and Exchange Commission.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COMPUGEN LTD.

Date: August 1, 2018

By: /s/ Donna Gershowitz
Donna Gershowitz
General Counsel

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit 10.1

AMENDMENT NO. 1 TO THE LICENSE AGREEMENT

This Amendment No. 1 to the License Agreement, (the "**Amendment**") is entered into as of May 9, 2018 (the "**Amendment Effective Date**"), by and between:

MEDIMMUNE, Limited, a company incorporated in England and a member of the AstraZeneca Group having an address of Milstein Building, Granta Park, Abingdon, Cambridge, CB21 6GH ("**MedImmune**"); and

COMPUGEN LTD, an Israeli company, having an address of Azrieli Center, 26 Karokmim Street, Building D, Holon, 588849, Israel ("**Compugen**"), each a "**Party**" and collectively the "**Parties**".

Background

MedImmune and Compugen entered into the License Agreement dated March 30, 2018 (the "**Agreement**"). The Parties desire to amend the Agreement to change and replace Exhibit 1.50 "Materials".

The Parties agree as follows:

Agreement

1. **Amendment**. Exhibit 1.50 of the Agreement is hereby deleted and replaced with ***Exhibit 1.50-1***, attached. All references to Exhibit 1.50 in the Agreement will now mean this Exhibit 1.50-1.

2. **Full Force and Effect.** Except as set forth in this Amendment, in all other respects the Agreement remains unchanged and in full force and effect.

3. **Counterparts; Execution.** This Amendment may be executed in counterparts, each of which will be deemed an original and both of which will together be deemed to constitute one agreement. The Parties agree that the execution of this Amendment by industry standard electronic signature software and/or by exchanging PDF signatures shall have the same legal force and effect as the exchange of original signatures.

The Parties have executed this Amendment to be effective as of the Amendment Effective Date.

MEDIMMUNE, LIMITED	**COMPUGEN LTD**
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

Exhibit 1.50-1

Materials

[*] (8 pages omitted)

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit 99.1

FOR IMMEDIATE RELEASE

Compugen Reports Second Quarter 2018 Results

Preparations for first patient dosing on track to take place in early fall

HOLON, ISRAEL, August 1, 2018 — Compugen Ltd. (Nasdaq: CGEN), a clinical-stage cancer immunotherapy company and a leader in predictive target discovery, today reported financial results for the second quarter ended June 30, 2018.

"The first half of 2018 has been transformational for Compugen, and we are excited to soon dose the first patient in the Phase 1 clinical trials for COM701, our lead cancer immunotherapy program," said Anat Cohen-Dayag, Ph.D., President and CEO of Compugen. "COM701 is a first-in-class therapeutic antibody targeting PVRIG, a novel immune checkpoint originating from Compugen's computational discovery efforts. Based on the mechanistic rationale for this newly-discovered checkpoint pathway, which ties into both the TIGIT and PD-1 pathways, COM701 has the potential to improve the response rate in patients with refractory or relapsed disease following treatment with existing cancer immunotherapies in multiple solid tumor indications. As we believe we have the only clinical-stage product candidate targeting PVRIG, which is part of the larger TIGIT/PVRIG and PD-1 axis, Compugen has a first-mover advantage in the competitive cancer immunotherapy landscape."

"COM701 and BAY 1905254, which are both initiating Phase 1 clinical trials in 2018, represent a key milestone for our Company. These two clinical-stage programs, along with our anti-TIGIT antibody, COM902, address new immune checkpoints that were identified purely through computational analysis. Compugen is a pioneer and leader in computational discovery, a field now receiving increasing attention in our industry. Our proven know-how in computational discovery, coupled with our integrated in-house drug development capabilities, uniquely position us in this field. We will continue to employ this core competency to generate novel drug targets and therapeutic programs for internal development and for collaboration purposes," added Dr. Cohen-Dayag.

Paul Sekhri, Chairman of the Board, stated, "We are very pleased with Compugen's accomplishments to date in 2018 and excited about the future prospects of the Company. In parallel with this progress, we recently added three new members to the Board of Directors, whom together with the existing members, have the breadth of experience and expertise to support and guide the Company's future growth. Along with our strong management team, I am confident in our ability to execute our long-term strategy, continue advancing our therapeutic pipeline and achieve our corporate business goals."

Recent highlights:

Investigational new drug (IND) application for COM701, a first-in-class therapeutic antibody targeting PVRIG, cleared by the U.S. Food and Drug Administration (FDA). First patient dosing in Phase 1 study for COM701 expected in early fall 2018.

IND application for BAY 1905254, a first-in-class therapeutic antibody targeting ILDR2 being developed under license by Bayer AG, cleared by the FDA. First patient dosing in Phase 1 study for BAY 1905254 expected in 2018 and will trigger a milestone payment to Compugen.

A registered direct offering with net proceeds of approximately $19.8 million concluded.

Three new board members appointed to the Company's Board of Directors.

Financial Results

R&D expenses for the second quarter ended June 30, 2018, were $8.0 million, compared with $7.1 million for the comparable period in 2017. The increase in R&D expenses reflects preclinical development activities as well as expenses associated with clinical-related activities in preparation for the COM701 Phase 1 trial expected to begin later this year.

Net loss for the second quarter of 2018 was $10.2 million, or $0.19 per diluted share, compared with a net loss of $9.2 million, or $0.18 per diluted share, in the comparable period of 2017.

As of June 30, 2018, cash, cash related accounts, short-term and long-term bank deposits totaled $43.1 million, compared with $30.4 million at December 31, 2017. During the second quarter, the Company completed a registered direct offering with net proceeds of approximately $19.8 million. The Company has no debt.

Conference Call and Webcast Information

Compugen will hold a conference call to discuss its second quarter 2018 results today, August 1, 2018, at 8:30 a.m. ET. To access the live conference call by telephone, please dial 1-888-668-9141 from the U.S., or +972-3-918-0609 internationally. The conference call will also be available via live webcast through Compugen's website, located at the following link. In its prepared comments, management will refer to the slide found in this link. Following the live audio webcast, a replay will be available on the Company's website (www.cgen.com).

(Tables to follow)

About Compugen

Compugen is a clinical-stage therapeutic discovery and development company utilizing its broadly applicable predictive discovery infrastructure to identify novel drug targets and develop first-in-class therapeutics in the field of cancer immunotherapy. The Company's therapeutic pipeline consists of immuno-oncology programs against novel drug targets it has discovered, including T cell immune checkpoints and myeloid target programs. Compugen's business model is to selectively enter into collaborations for its novel targets and related drug product candidates at various stages of research and development. The Company is headquartered in Israel with R&D facilities in both Israel and South San Francisco, CA. Compugen's ordinary shares are listed on Nasdaq and the Tel Aviv Stock Exchange under the ticker symbol CGEN. For additional information, please visit Compugen's corporate website at 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," "potential," "plan," "goal," "estimate," "likely," "should," "confident," and "intends," and describe opinions about possible 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 Compugen may not be successful in generating adequate revenues or commercializing aspects of its business model. Moreover, the development and commercialization of therapeutic candidates involve many inherent risks, including failure or delay to progress to clinical trials or, if they progress to or enter clinical trials, failure to receive regulatory approval. These and other factors, including the ability to finance the Company, 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 (SEC) as well as other documents that may be subsequently filed by Compugen from time to time with the SEC. 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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COMPUGEN LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. dollars in thousands, except for share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	**2017**	**2018**	**2017**
Revenues	-	-	10,000	-
Cost of revenues	-	-	350	-
Gross profit	-	-	9,650	-
Operating expenses				
Research and development expenses	8,027	7,063	15,095	13,793
Marketing and business development expenses	319	283	697	609
General and administrative expenses	1,988	1,911	4,077	3,638
Total operating expenses	10,334	9,257	19,869	18,040
Operating loss	**(10,334)**	**(9,257)**	**(10,219)**	**(18,040)**
Financial and other income, net	141	79	130	155
Loss before taxes on income	**(10,193)**	**(9,178)**	**(10,089)**	**(17,885)**
Taxes on income	-	-	-	-
Net loss	**(10,193)**	**(9,178)**	**(10,089)**	**(17,885)**
Basic and diluted net loss per ordinary share	(0.19)	(0.18)	(0.19)	(0.35)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	52,512,259	51,131,541	52,147,364	51,131,538

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

	June 30, 2018 Unaudited	December 31, 2017 Audited
ASSETS		
Current assets		
Cash, cash equivalents, short-term bank deposits and restricted cash	43,090	30,438
Other accounts receivable and prepaid expenses	1,282	741
Total current assets	44,372	31,179
Non-current assets		
Long-term prepaid expenses	136	110
Severance pay fund	2,563	2,810
Property and equipment, net	3,967	4,647
Total non-current assets	6,666	7,567
Total assets	**51,038**	**38,746**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Other accounts payable, accrued expenses and trade payables	7,497	6,194
Total current liabilities	7,497	6,194
Non-current liabilities		
Accrued severance pay	2,994	3,255
Total non-current liabilities	2,994	3,255
Total shareholders' equity	40,547	29,297
Total liabilities and shareholders' equity	**51,038**	**38,746**

Exhibit 99.2

COMPUGEN LTD. AND ITS SUBSIDIARY

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018

U.S. DOLLARS IN THOUSANDS

UNAUDITED

INDEX

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands

	June 30, 2018	December 31, 2017
	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 10,305	$ 25,470
Restricted cash	634	1,050
Short-term bank deposits	32,151	3,918
Other accounts receivable and prepaid expenses	1,282	741
Total current assets	44,372	31,179
NON-CURRENT ASSETS:		
Long-term prepaid expenses	136	110
Severance pay fund	2,563	2,810
Property and equipment, net	3,967	4,647
Total non- current assets	6,666	7,567
Total assets	$ 51,038	$ 38,746

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share and per share data)

	June 30, 2018	December 31, 2017
	Unaudited	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 1,756	$ 3,445
Other accounts payable and accrued expenses	5,741	2,749
Total current liabilities	7,497	6,194
NON- CURRENT LIABILITIES:		
Accrued severance pay	2,994	3,255
Total non-current liabilities	2,994	3,255
COMMITMENTS AND CONTINGENT LIABILITIES (NOTE 7)		
SHAREHOLDERS' EQUITY:		
Share capital:		
Ordinary shares of NIS 0.01 par value: 100,000,000 shares authorized at June 30, 2018 and December 31, 2017; 57,197,029 and 51,293,070 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	157	140
Additional paid-in capital	358,721	337,382
Accumulated other comprehensive income	-	17
Accumulated deficit	(318,331)	(308,242)
Total shareholders' equity	40,547	29,297
Total liabilities and shareholders' equity	$ 51,038	$ 38,746

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

U.S. dollars in thousands (except share and per share data)

	Six months ended June 30,	
	2018	2017
	Unaudited	
Revenues	$ 10,000	$ -
Cost of revenues	350	-
Gross profit	9,650	-
Operating expenses:		
Research and development expenses	15,095	13,793
Marketing and business development expenses	697	609
General and administrative expenses	4,077	3,638
Total operating expenses	19,869	18,040
Operating loss	(10,219)	(18,040)
Financial and other income, net	130	155
Loss before taxes on income	(10,089)	(17,885)
Taxes on income	-	-
Net loss	$ (10,089)	$ (17,885)
Basic and diluted net loss per share	$ (0.19)	$ (0.35)
Other comprehensive loss:		
Unrealized gain arising during the period from foreign currency derivative contracts	$ -	$ 477
Realized gain arising during the period from foreign currency derivative contracts	$ (17)	$ (158)
Total comprehensive loss	$ (10,106)	$ (17,566)
Weighted average number of ordinary shares used in computing basic and diluted net loss per share	52,149,380	51,131,538

The accompanying notes are an integral part of the consolidated financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

U.S. dollars in thousands (except share data)

	Ordinaryshares		Additional paid-in capital	Accumulated other comprehensive Income	Accumulated deficit	Total shareholders' equity
	Number	Amount				
Balance as of January 1, 2017	51,131,534	$ 140	$ 334,337	$ 7	$ (270,965)	$ 63,519
Options exercised	161,536	(*)	201	-	-	201
Stock-based compensation relating to options issued to non-employees	-	-	23	-	-	23
Stock-based compensation relating to options issued to employees and directors	-	-	2,610	-	-	2,610
Changes in other comprehensive income (loss) from foreign currency derivative contracts	-	-	-	10	-	10
Cumulative effect adjustment from adoption of ASU 2016-09	-	-	211	-	(211)	-
Net loss	-	-	-	-	(37,066)	(37,066)
Balance as of December 31, 2017	51,293,070	140	337,382	17	(308,242)	29,297
Options exercised	587,502	2	543	-	-	545
Issuance of ordinary shares and warrants, net of issuance cost	5,316,457	15	19,744	-	-	19,759
Stock-based compensation relating to options issued to non-employees	-	-	157	-	-	157
Stock-based compensation relating to options issued to employees and directors	-	-	895	-	-	895
Changes in other comprehensive income (loss) from foreign currency derivative contracts	-	-	-	(17)	-	(17)
Net loss	-	-	-	-	(10,089)	(10,089)
Balance as of June 30, 2018 (unaudited)	57,197,029	157	358,721	-	(318,331)	40,547

*) Represents an amount lower than $ 1.

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Six months ended June 30,	
	2018	2017
	Unaudited	
Cash flows from operating activities:		
Net loss	$ (10,089)	$ (17,885)
Adjustments required to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	1,052	1,271
Depreciation	721	820
Increase in severance pay, net	(14)	80
Loss from property and equipment disposal	52	-
Decrease (increase) in interest receivables from short-term bank deposits	(27)	114
Decrease (increase) in other accounts receivable and prepaid expenses	(558)	39
Decrease (increase) in long-term prepaid expenses	(26)	52
Increase in trade payables and other accounts payable and accrued expenses	1,040	447
Net cash used in operating activities	(7,849)	(15,062)
Cash flows from investing activities:		
Proceeds from maturity of short-term bank deposits	10,900	35,561
Investment in short-term bank deposits	(39,106)	(13,000)
Purchase of property and equipment	(128)	(240)
Proceeds from sales of property and equipment	2	-
Net cash provided by (used in) investing activities	(28,332)	22,321
Cash flows from financing activities:		
Proceeds from issuance of ordinary shares and warrants, net	20,055	-
Proceeds from exercise of options	545	-
Net cash provided by financing activities	20,600	-
Increase (decrease) in cash, cash equivalents and restricted cash	(15,581)	7,259
Cash, cash equivalents and restricted cash at the beginning of the period	26,520	10,702
Cash, cash equivalents and restricted cash at the end of the period	$ 10,939	$ 17,961
Supplemental disclosure of non-cash investing and financing activities:		
Changes in receivables from foreign currency derivative contracts	$ (17)	$ 319
Purchase of property and equipment	$ -	$ 23
Proceeds from issuance of ordinary shares and warrants, net	$ 296	-

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1:- GENERAL

a. Compugen Ltd. (The "Company") is a clinical-stage cancer immunotherapy company and a leader in predictive target discovery utilizing its broadly applicable predictive discovery infrastructure to discover novel drug targets and develop first-in-class therapeutics in the field of cancer immunotherapy. The Company's therapeutic pipeline consists of immuno-oncology programs against novel drug targets it has discovered, including T cell immune checkpoints and myeloid target programs. The Company's business model is to selectively enter into collaborations for its novel targets and related drug product candidates at various stages of research and development.

b. The Company is headquartered in Holon, Israel, with research & development facilities located in both Holon and South San Francisco. At the U.S. facilities, therapeutic monoclonal antibodies are discovered and developed against the Company's novel target candidates.

c. The Company has incurred losses in the amount of $10,089 million during the six month ended June 30, 2018, has an accumulated deficit of $318,331 as of June 30, 2018 and has accumulated negative cash flow from operating activities amounted to $7,882 for the six month ended June 30, 2018. The Company expects to continue incurring losses and negative cash flows from operations. These conditions raise substantial doubts about the Company's ability to continue as a going concern. The Company's ability to continue to operate is dependent upon raising additional funds to finance its activities and commercialization of its products through collaborations agreements. There are no assurances, however, that the Company will be successful in obtaining an adequate level of financing needed for the long-term development and commercialization of its products. The financial statements do not include any adjustments with respect to the carrying amounts of assets and liabilities and their classification that might be necessary should the Company be unable to continue as a going concern.

d. On August 5, 2013, the Company entered into a Research and Development Collaboration and License Agreement ("Bayer Agreement") with Bayer Pharma AG ("Bayer") for the research, development, and commercialization of antibody-based therapeutics for antibody-based therapeutics against two novel Compugen-discovered immune checkpoint regulators.

Under the terms of the Bayer Agreement, the Company received an upfront payment of $ 10,000, and was eligible to receive an aggregate of over $ 500,000 in potential milestone payments for both programs, not including aggregate preclinical milestone payments of up to $ 30,000 during the research programs. Additionally, the Company is eligible to receive mid to high single digit royalties on global net sales of any approved products under the collaboration.

Under the Bayer Agreement, the Company and Bayer jointly pursued a preclinical research program with respect to each of the two immune checkpoint regulators. A joint steering committee consisting of an equal number of representatives from each party was responsible for overseeing and directing each such research program pursuant to agree upon work-plans. Each party was responsible for the costs and expenses incurred by it in performing its designated activities under the work-plans during the research programs.

NOTE 1:- GENERAL (Cont.)

Following each such research program, Bayer will have full control over further clinical development of any cancer therapeutic product candidates targeting the Company-discovered immune checkpoint regulators and will have worldwide commercialization rights for any approved products.

On July 26, 2017 it was determined that the collaboration will focus solely on only one of the immune-checkpoint and all rights related to the other immune check point were returned to the Company. As a result, the Company might be eligible to receive an aggregate of over $ 250,000 in potential milestone payments on the remaining program.

e. Effective March 30, 2018, the Company entered into an exclusive license agreement with MedImmune, Limited to enable the development of bi-specific and multi-specific immuno-oncology antibody products. Under the terms of the agreement, Compugen provided an exclusive license to MedImmune for the development of bi-specific and multi-specific antibody products derived from a Compugen pipeline program. MedImmune has the right to create multiple products under this license and will be solely responsible for all research, development and commercial activities under the agreement. Compugen received a $10 million upfront payment and is eligible to receive up to $200 million in development, regulatory and commercial milestones for the first product as well as tiered royalties on future product sales. If additional products are developed, additional milestones and royalties would be due to Compugen.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

a. These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2017. The significant accounting policies applied in the annual financial statements of the Company as of December 31, 2017, are applied consistently in these interim consolidated financial statements, except for the Company's adoption of the new revenue standard which is discussed below.

b. Concentration of credit risks:

Financial instruments that potentially subject the Company and Compugen USA, Inc. to concentration of credit risk consist principally of cash and cash equivalents, restricted cash, short-term bank deposits and foreign currency derivative contracts.

Cash, cash equivalents, restricted cash and short-term bank deposits are invested in major banks in Israel and in the United States ("U.S."). Generally, these deposits may be redeemed upon demand and bear minimal risk.

The Company entered into forward contracts to hedge against the risk of overall changes in future cash flow from payments of payroll and related expenses as well as other expenses denominated in NIS. The derivative instruments hedge a portion of the Company's non-dollar currency exposure. Counterparty to the Company’s derivative instruments is major financial institution.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

c. Revenue recognition:

The Company generates revenues mainly from its Research and Development Collaboration and License Agreements. The revenues are derived mainly from upfront license payments, research and development services and contingent payments related to milestones achievements.

The Company has adopted the new revenue standard, Topic 606 – "Revenue from Contracts with Customers", as of January 1, 2018, using a modified retrospective adoption transition to each prior reporting period presented. The adoption did not have an effect over the Consolidated Financial Statements on the adoption date and no adjustment to prior year consolidated financial statements was required.

The Company analyzes its collaboration arrangements to assess whether they are within the scope of ASC 606. In determining the appropriate amount of revenue to be recognized as the Company fulfills its obligations under each of its agreements, the Company performs the following steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract- At contract inception, the Company assesses the goods or services promised in a contract with a customer and identifies those distinct goods and services that represent a performance obligation. A promised good or service may not be identified as a performance obligation if it is immaterial in the context of the contract with the customer, if it is not separately identifiable from other promises in the contract (either because it is not capable of being separated or because it is not separable in the context of the contract), or if the performance obligation does not provide the customer with a material right.
- Determination of the transaction price- The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Variable consideration will only be included in the transaction price when it is not considered constrained, which is when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur.
- Allocation of the transaction price to the performance obligations in the contract- If it is determined that multiple performance obligations exist, the transaction price is allocated at the inception of the agreement to all identified performance obligations based on the relative standalone selling prices. The relative selling price for each deliverable is estimated using objective evidence if it is available. If objective evidence is not available, the Company uses its best estimate of the selling price for the deliverable.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

- Recognition of revenue when, or as, the Company satisfies a performance obligation- Revenue is recognized when, or as, the Company satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when, or as, the customer obtains control of that asset, which for a service is considered to be as the services are received and used.

  After contract inception, the transaction price is reassessed at every period end and updated for changes such as resolution of uncertain events. Any change in the transaction price is allocated to the performance obligations on the same basis as at contract inception.

The Company entered into an exclusive license agreement with MedImmune. Under the terms of the agreement, Compugen provided MedImmune with an exclusive license to intellectual property ("IP) rights of the Company. Compugen received a $10 million upfront nonrefundable payment and is eligible to receive up to $200 million in development, regulatory and commercial milestones for the first product as well as tiered royalties on future product sales.

Under ASC 606, the Company determined the license to the IP to be a functional IP that has significant standalone functionality. The Company is not required to continue to support, develop or maintain the intellectual property transferred and will not undertake any activities to change the standalone functionality of the IP. Therefore the license to the intellectual property is a distinct performance obligation and as such revenue is recognized at the point in time that control of the license is transferred to the customer.

Future milestone payments are considered variable consideration and are subject to the variable consideration constraint (i.e. will be recognized once concluded that it is “probable” that a significant reversal of the cumulative revenues recognized under the contract will not occur in future periods when the uncertainty related to the variable consideration is resolved). Therefore, as the milestone payments are not probable, revenue was not recognized in respect to such milestone payments.

Sales- or usage-based royalties to be received in exchange for licenses of IP are recognized at the later of when (1) the subsequent sale or usage occurs or (2) the performance obligation to which some or all of the sales- or usage-based royalty has been allocated is satisfied (in whole or in part). As royalties are payable based on future Commercial Sales, as defined in the agreement, which did not occur as of the financial statements date, the Company did not recognize any revenues from royalties.

d. Recently adopted accounting pronouncements:

The Company adopted Topic 606 – “Revenue from Contracts with Customers” with a date of initial application of January 1, 2018. Please refer to Note 2.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

e. Recently issued accounting pronouncements, not yet adopted:

On February 2016, the FASB issued ASU 2016-02, Leases, which creates ASC 842, Leases, and supersedes ASC 840, Leases. ASU 2016-02 requires lessees to recognize a right-of-use asset and lease liability for all leases with terms of more than 12 months. Recognition, measurement and presentation of expenses will depend on classification as a finance or operating lease. The new guidance will be effective for annual and interim reporting periods beginning on or after December 15, 2018. The Company is in the process of assessing the impact to the adoption of this guidance will have on its consolidated financial statements.

In June 2018, the FASB issued ASU 2018-07, "Compensation—Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting." This ASU supersedes ASC 505-50, "Equity—Equity Based Payments to Non-Employees," and expands the scope of ASC 718, "Compensation – Stock Compensation," to include all share-based payment arrangements related to the acquisition of goods and services from both nonemployees and employees. For public companies that file with the SEC, the standard is effective for financial statements issued for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted, but no earlier than an entity's adoption date of Topic 606, "Revenue from Contracts with Customers." The adoption of this guidance is not expected to have a material impact on the Company's financial statements.

f. Basic and diluted loss per share:

Basic loss per share is calculated based on the weighted average number of ordinary shares outstanding during each period. Diluted net loss per share is calculated based on the weighted average number of ordinary shares outstanding during each period, plus dilutive potential in accordance with ASC 260, "Earnings per Share."

All outstanding share options and warrants for the six months ended June 30, 2018 and 2017 have been excluded from the calculation of the diluted net loss per share because all such securities are anti-dilutive for all periods presented. As of June 30, 2018 and 2017 the total weighted average number of shares related to outstanding options and warrants excluded from the calculations of diluted net loss per share were 8,750,886 and 8,189,691, respectively.

NOTE 3:- UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information. Accordingly, they do not include all the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

Operating results for the six-month period ended June 30, 2018 are not necessarily indicative of the results that may be expected for the year ended December 31, 2018.

NOTE 4:- DERIVATIVE INSTRUMENTS

The Company accounts for derivatives and hedging based on ASC 815, “Derivatives and Hedging.”

The Company entered into forward contracts to hedge against the risk of overall changes in future cash flow from payments of payroll and related expenses as well as other expenses denominated in NIS. As of June 30, 2018, there are no outstanding forward contracts. As of December 31, 2017, the Company had outstanding forward contracts in the notional amount of $ 177. These contracts hedge NIS denominated cash flows, for a period of half a month ended January 12, 2018. The Company measured the fair value of the contracts in accordance with ASC 820 (classified as level 2).

These contracts met the requirement for cash flow hedge accounting and as such for the six-month periods ended June 30, 2018 and 2017 the Company recorded total realized gains of $ 20 and $ 158, respectively, under operating expenses.

As of June 30, 2018, and December 31, 2017, an unrealized gain in the amount of $ 0 and $ 17, respectively, related to outstanding forward contracts at such dates were recognized under other comprehensive loss.

NOTE 5:- FAIR VALUE MEASUREMENTS

In accordance with ASC 820 "Fair Value Measurements and Disclosures," the Company measures its investment in foreign currency derivative contracts at fair value. Foreign currency derivative contracts are classified within Level 2 as the valuation inputs are based on quoted prices and market observable data of similar instruments.

U.S. dollars in thousands (except share and per share data)

NOTE 5:- FAIR VALUE MEASUREMENTS (Cont.)

The Company's financial assets (liabilities) measured at fair value on a recurring basis, consisted of the following types of instruments as of the following dates:

	December 31, 2017			
	Fair value measurements			
Description	Fair value	Level 1	Level 2	Level 3
Foreign currency derivative contracts	$ 17	$ -	$ 17	$ -
Total financial assets	$ 17	$ -	$ 17	$ -

NOTE 6:- INVESTMENT IN AFFILIATES

The Company accounts for its investment in affiliated companies under the equity method in accordance with ASC 323, "Investments-Equity Method". For the purpose of these financial statements, an affiliated company is a company held to the extent of 20% or more, or a company less than 20% held, in which the Company can exercise significant influence over operating and financial policy of the affiliate.

The Company has two investments in affiliates, Neviah Genomics Ltd. ("Neviah") and Keddem BioScience Ltd. ("Keddem"). The Company does not have control over either Neviah or Keddem, however has significant influence through holding rights of 25.12% and 29.41%, respectively. The Company accounts for its investment in Neviah and Keddem under the equity method. Both Neviah and Keddem are in accumulated loss position through June 30, 2018 and because the Company has no commitment to fund Neviah's and Keddem's operations, no investment account was recorded in the Company's consolidated financial statements as of June 30, 2018 and December 31, 2017.

On December 17, 2014 ("Loan Grant Date") the Company, Merck Holdings Netherlands B.V. ("Merck Holdings") and Neviah entered into Convertible Bridge Loan ("Loan") Agreement ("Loan Agreement") in total amount of Euro 500 thousand ("Loan Amount") to finance Neviah's operations.

Under the agreement, the Company provided an amount of $ 155 reflecting its respective portion of the Loan Amount. The Loan was granted for a period of 18 months from the Loan Grant Date ("Loan Term") and bears interest at an annual rate of 2%.

Following the financing of the Loan as described above, the Company recorded equity losses of $ 155 in respect to the total amount provided to Neviah.

On April 2, 2017 the Company and Merck Holdings converted their portions of the Loan into equity. Following this conversion, the equity ownership ratio of each shareholder remained the same.

U.S. dollars in thousands (except share and per share data)

NOTE 7:- COMMITMENTS AND CONTINGENCIES

a. The Company and Compugen USA, Inc. lease their respective facilities and motor vehicles under various operating lease agreements that expire on various dates.

Annual future minimum rental commitments under non-cancelable operating lease agreements as of June 30, 2018, are approximately as follows:

December 31,	
2018	873
2019	1,707
2020	1,677
2021	436
	4,693

Operating lease expenses for the Company and Compugen USA, Inc. were approximately $ 757 and $ 685 for the six-month periods ended June 30, 2018 and 2017, respectively.

The above annual minimum future rental commitments exclude an option to extend the lease of the Company facility for two consecutive additional five-year periods following expiration of the current lease period.

b. The Company provided bank guarantees in the amount of $ 627 in favor of its offices' lessor in Israel and credit card security for its U.S. subsidiary.

c. Under the office of the Israel Innovation Authority of the Israeli Ministry of Industry, Trade and Labor, formerly known as the Office of the Chief Scientist, ("IIA"), the Company is not obligated to repay any amounts received from the IIA if it does not generate any income from the results of the funded research program(s).

If income is generated from a funded research program, the Company is committed to pay royalties at a rate of between 3% to 5% of future revenue arising from such research program(s), up to a maximum of 100% of the amount received, linked to the U.S. dollar (for grants received under programs approved subsequent to January 1, 1999, the maximum amount to be repaid is 100% plus interest at LIBOR).

For the six-month periods ended June 30, 2018 and 2017, the Company had aggregate paid and accrued royalties to the IIA, recorded as cost of revenues in the consolidated statement of comprehensive loss, in the amounts of $ 350 and $ 0, respectively.

As of June 30, 2018, the Company's aggregate contingent obligations for payments to IIA, based on royalty-bearing participation received or accrued, net of royalties paid or accrued, totaled $ 9,205 million.

NOTE 7:- COMMITMENTS AND CONTINGENCIES (Cont.)

d. Under the Israel-U.S. Binational Industrial Research and Development ("BIRD") plan, the Company is not obligated to repay any amounts previously received from BIRD if it does not generate any income from the outcome of the funded research program. The Company received $ 500 under the BIRD plan in the period between December 2005 and March 2012. As of June 30, 2018, the Company does not expect any income to be generated from the outcome of the funded research BIRD plan and, therefore, no obligation was recorded.

e. On June 25, 2012, the Company and its U.S. subsidiary entered into an Antibodies Discovery Collaboration Agreement (the "Antibodies Discovery Agreement") with a U.S. antibody technology company ("mAb Technology Company"), providing an established source for fully human mAbs. Under the Antibodies Discovery Agreement, the mAb Technology Company will be entitled to certain royalties that could be eliminated upon payment of certain one-time fees (all payments referred together as "Contingent Fees"). As of June 30, 2018, the Company had not incurred any obligation for such Contingent Fees.

f. On May 9, 2012, the Company entered into an agreement (the "May 2012 Agreement") with a U.S. business development strategic advisor ("Advisor") for the purpose of entering into transactions with Pharma companies related to selected Pipeline Program candidates. Under the agreement, the Advisor is entitled to at least 4% of the cash consideration that may be received by the Company under such transactions.

On February 27, 2014, the Company entered into a new agreement (the "New Agreement") (replacing the May 2012 Agreement, which was terminated on that date except for certain payments arising from the Bayer Agreement, which survive termination) with the Advisor for certain services with respect to financing, strategic and other agreements. Under the New Agreement, the Advisor is entitled to up to 1% of cash consideration that may be received under specified financing agreements and a fee that will be determined in good faith in respect to all other transactions.

g. Effective as of January 5, 2018, the Company entered into a Commercial License Agreement (CLA) with a European cell line development company. Under the agreement the Company is required to pay an annual maintenance fee, certain amounts upon the occurrence of specified milestones events, and 1% royalties on annual net sales with respect to each commercialized product manufactured using the company’s cell line. Royalties due under the CLA are creditable against the annual maintenance fee. In addition, the Company may at any time prior to the occurrence of a specific milestone event buy-out the royalty payment obligations in a single fixed amount.

U.S. dollars in thousands (except share and per share data)

NOTE 8:- SHAREHOLDERS' EQUITY

a. Issuance of Shares:

On May 25, 2018, the Company entered into a sales agreement with Cantor Fitzgerald & Co. ("Cantor"), as sales agent, pursuant to which the Company may offer and sell, from time to time through Cantor, ordinary shares, par value NIS 0.01 per share, of the Company (the "Ordinary Shares"), under an At-the-Market ("ATM") program, having an aggregate offering price of up to $25 million (the "ATM Shares"). Any ATM Shares offered and sold will be issued pursuant to the Company's shelf registration statement on Form F-3 (Registration No. 333-213007) and the related prospectus previously declared effective by the Securities and Exchange Commission (the "SEC") on October 11, 2016 (the "Registration Statement"), as supplemented by a prospectus supplement, dated May 25, 2018. As of June 30, 2018, no sales have been made under the ATM.

On June 14, 2018, the Company entered into agreements in connection with a registered direct offering (the "Offering") of an aggregate of 5,316,457 Ordinary Shares (the "RD Shares") of the Company together with accompanying warrants to purchase an aggregate of up to 4,253,165 Ordinary Shares (the "Warrants") at a combined offering price of $3.95 per RD Share and accompanying Warrant. The Warrants will be exercisable at a price of $4.74 per Ordinary Share beginning six months following the date of issuance and will expire five years from the date of issuance. The Offering was made pursuant to the Company's Registration Statement.

The RD Shares were issued and the Warrants were granted on June 19, 2018 following the closing of the Offering for a total consideration of approximately $ 19,759, net of expenses.

The Company assessed whether the warrants require accounting as derivatives. The Company determined that the warrants are indexed to the Company's own share. As such, the Company has concluded that the warrants meet the scope exception for determining whether the instruments require accounting as derivatives and are classified in shareholders' equity. The fair value of the warrants was estimated at $ 5,393 using the Black-Scholes Model with the following assumptions: expected volatility of 55.0%, risk free interest rate of 2.77%, expected life of five years and no dividends. The net proceeds from the private placement were allocated to the ordinary shares and warrants based upon their relative fair values.

b. Stock based compensation:

During the six-month period ended June 30, 2018, the Company's Board of Directors granted 235,000 options to purchase ordinary shares of the Company to employees, directors and non-employees. The exercise prices for such options range from $ 3.1 to $ 4.15 per share, with vesting to occur in up to 4 years.

The following table presents the assumptions used to estimate the fair value of the options granted in the periods presented:

	Six months ended June 30,	
	2018	2017
	Unaudited	
Volatility	53%-55%	49%-50%
Risk-free interest rate	2.6%-2.8%	1.8%-2.1%
Dividend yield	0%	0%
Expected life (years)	4.9-5	4.7-6

Weighted average fair value of options granted during the six-month periods ended June 30, 2018 and 2017 were $ 1.75 and $ 2.00, respectively.

During the six-month periods ended June 30, 2018 and 2017, the Company recorded share based compensation in a total amount of $ 1,052 and $ 1,271, respectively.

As of June 30, 2018, the total unrecognized estimated compensation cost related to non-vested stock options granted prior to that date was $ 4,876 which is expected to be recognized over a weighted average period of approximately 2.68 years.

NOTE 9:- FINANCIAL AND OTHR INCOME, NET

	Six months ended June 30,	
	2018	2017
	Unaudited	
Interest income	$ 164	$ 293
Exchange rate differences and other	(34)	(138)
Financial and other income, net	$ 130	$ 155

U.S. dollars in thousands (except share and per share data)

NOTE 10:- RELATED PARTY BALANCES AND TRANSACTIONS

Balances with related parties:

	June 30, 2018	December 31, 2017
	Unaudited	
Trade payables (a)	$ 109	$ 78

Related parties' expenses:

	Six months ended June 30,	
	2018	2017
	Unaudited	
Amounts charged to:		
Research and development expenses (a)	$ 167	$ 243

(a) For the six-month periods ended June 30, 2018 and 2017, the Company incurred expenses for research and development services provided by related parties for cancer studies in animal models, and breeding and maintenance of animals (mice) to support such studies.

Exhibit 99.3

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

RESULTS OF OPERATIONS

Six months ended June 30, 2018 and 2017

Revenues. During the six month period ended June 30, 2018, the Company had $10.0 million in revenues compared with no revenues in the comparable period of 2017. Revenues during the six month period ended June 30, 2018 were attributable to a non-refundable upfront payment received by the Company pursuant to a license agreement with MedImmune, Limited entered into as of March 30, 2018 (the "MedImmune Collaboration").

Cost of Revenues. During the six month period ended June 30, 2018, the Company had $0.4 million in cost of revenues compared with no cost of revenues in the comparable period of 2017. Cost of revenues in the current period consists of royalties payable to the Israel Innovation Authority, formerly known as the Office of the Chief Scientist, in connection with revenues recognized during the period.

Research and Development Expenses. Research and development expenses increased by approximately 9% to approximately $15.1 million for the first six months of 2018 from approximately $13.8 million for the comparable period of 2017. The increase was primarily due to an increase in preclinical activities involving certain of the Company's pipeline program candidates, mainly related to COM701 and COM902, including expenses related to the IND clearance of COM701 in June 2018, as well as expenses associated with clinical-related activities in preparation for the COM701 Phase 1 trial expected to begin in the second half of 2018, in addition to hiring of additional professional employees and manufacturing and regulatory consultants to support various activities.. Research and development expenses, as a percentage of total operating expenses, were 76% for the first six months of 2018, same as for the comparable period of 2017.

Marketing and Business Development Expenses. Marketing and business development expenses increased by approximately 14% to approximately $0.7 million for the six month period ended June 30, 2018 from approximately $0.6 million for the comparable period of 2017. The increase is primarily attributable to headcount related expenses as well as additional expenses associated with revenues recognized during the period. Marketing and business development expenses, as a percentage of total operating expenses, were 4% for the first six months of 2018 compared with 3% for the comparable period of 2017.

General and Administrative Expenses. General and administrative expenses increased by approximately 12% to approximately $4.1 million for the first six months of 2018 from approximately $3.6 million for the comparable period of 2017. The increase is primarily attributable to expenses associated with financing activities during the relevant period as well as headcount related expenses, legal expenses related to revenues recognized during the period and other corporate matters. General and administrative expenses, as a percentage of total operating expenses, increased to 21% for the first six months of 2018 from 20% for the comparable period of 2017.

Financial and other Income, Net. Financial and other income, net, were approximately $0.1 million for the first six months of 2018 compared with approximately $0.2 million for the comparable period of 2017.

LIQUIDITY AND CAPITAL RESOURCES

Net Cash Used in Operating Activities. Net cash used in operating activities was approximately $7.8 million in the first six months of 2018 compared with approximately $15.1 million in the comparable period of 2017. Net cash used during the first six months of 2018 was offset, in part, by cash in the amount of $10.0 million received as a result of the MedImmune Collaboration. Net cash used in both periods reflect preclinical activities related to COM701 and COM902, including expenses related to the IND clearance of COM701 in June 2018, as well as expenses associated with clinical-related activities in preparation for the COM701 Phase 1 trial expected to begin in the second half of 2018.

Net Cash Provided by (Used in) Investing Activities. Net cash used in investing activities during the six month period ended June 30, 2018 was approximately $28.3 million compared with approximately $22.3 million provided by investment activities in the comparable period of 2017. Changes in net cash provided by (used in) investing activities during these periods were attributable mainly to the effect of an increase in investment in short-term bank deposits by approximately $26.1 million and lower levels of proceeds from the maturity of short-term bank deposits by approximately $24.7 million.

Net Cash Provided by Financing Activities. Net cash provided by financing activities was $20.6 million in the first six months of 2018 compared with $0 in the comparable period of 2017. The sources of cash provided by financing activities for the first six months of 2018 consisted of proceeds received from the issuance of ordinary shares and warrants in a registered direct offering in June 2018 and the exercise of stock options.

Net Liquidity. Liquidity refers to liquid financial assets available to fund the Company's business operations and pay for near-term obligations. These liquid financial assets mostly consist of cash and cash equivalents, as well as short-term bank deposits. As of June 30, 2018, the Company had total cash, cash equivalents, restricted cash and short-term bank deposits of approximately $43.1 million