



PRESS RELEASE

Crucell Announces Second Quarter 2006 Results

Leiden, The Netherlands, August 29, 2006 – Dutch biotechnology company Crucell N.V. (Euronext, NASDAQ: CRXL, SWX: CRX) today announced its financial results for the first half-year ended June 30, 2006, based on International Financial Reporting Standards (IFRS).

Total revenues for the second quarter were €18.9 million and other operating income was €2.8 million. Net loss for the second quarter of 2006 attributable to equity holders of the parent amounted to €25.7 million. Total revenues for the six months ended June 30, 2006, were €30.6 million; other operating income amounted to €4.8 million for the first six months of 2006. Net loss for the first six months of 2006 attributable to equity holders of the parent amounted to €40.4 million.

Cash and cash equivalents were €177.7 million on June 30, 2006, compared to €178.7 million at the end of the first quarter. Proceeds from the sale of discontinued operations and a reclassification of short-term financial assets to cash, offset cash used in operations in the second quarter. Total assets on June 30, 2006, were €616.1 million.

Crucell's Chief Financial Officer Leonard Kruimer said: "The second quarter results are in line with our expectations as they reflect the effects of purchase price allocation, one-time integration costs, and fully integrated R&D and SG&A costs. Product sales in our Berna subsidiary were up 9% over the same six-month period last year. Given the strong seasonal pattern of these sales, and the expected launch of Quinvaxem™, we reiterate our previous guidance for full-year revenue and cash burn: revenue, including other operating income, of €130 to €150 million, with 2006 operational cash burn in the range of €33 to €38 million."

Operational Review Second Quarter 2006

- **Berna Biotech Acquisition:** Crucell's offer for Berna Biotech AG was settled on February 22, 2006. The Company now holds 98.4% of all issued Berna shares. The Company is in the process of delisting the remaining shares, which is expected to be completed in the fourth quarter.
- **Quinvaxem:** The Korea Food and Drug Administration (KFDA) awarded licensure to Quinvaxem™, a fully liquid pentavalent vaccine co-developed with Chiron Corporation, in March 2006. Crucell has started production of the vaccine in Korea and first shipments will be made once pre-qualification is received from the WHO.
- **Divestments:** Crucell concluded the sale of Rhein Biotech GmbH and veterinary pharmaceuticals company Dr. E. Gräub AG. These divestments



enabled Crucell to align its portfolio of activities with its strategic priorities. Total proceeds amounted to €15.4 million.

- **Avian influenza vaccine clinical trial:** Crucell announced the start of a clinical trial, performed in collaboration with the University of Leicester, UK, testing three types of vaccines against the H9N2 avian influenza virus in humans. The trial involves the vaccination of 560 healthy adults, and will allow Crucell to choose the best vaccine modality for further clinical studies with pandemic flu vaccines. First results of the study are expected by the end of 2006.
- **Patent infringement:** Crucell settled its patent infringement proceedings against CEVEC Pharmaceuticals GmbH. The final claim in the case was withdrawn following CEVEC's commitment not to use its cell bank in any way that would constitute further infringement of Crucell's European PER.C6[®] patent.
- **STAR[™] Technology:** Crucell signed a non-exclusive STAR[™] research license agreement with Cambridge, Massachusetts-based Millennium Pharmaceuticals Corporation.
- **PER.C6[®] Licensing:** Crucell secured new PER.C6[®] licensing deals with Upstate USA, BIOA&D and Immuno-Biological Laboratories during the second quarter.
- **PER.C6[®] R&D Center:** Crucell and technology partner DSM Biologics announced the establishment of a new PER.C6[®] R&D Center in Cambridge, Massachusetts, and the appointment of Dr Marco Cacciuttolo as CEO. Operations are expected to commence by the end of 2006.
- **Supervisory Board:** Mr. Pieter Strijkert, chairman of Crucell's Supervisory Board since the Company's incorporation, stepped down at the Annual General Meeting of Shareholders on June 2, 2006. He was succeeded by the vice-chairman of the Supervisory Board, Mr. Jan Oosterveld.
- **Suspension of Aerugen[®] clinical development:** On July 18, 2006, the Company announced the suspension of the clinical development program for Aerugen[®], a vaccine for the prevention of *Pseudomonas aeruginosa* infection.

Details of the Financial Results First Half-Year

Revenues and Other Operating Income

Revenues for the first half-year of 2006 were €30.6 million, compared to €13.4 million in the same period last year. Revenues consist of product sales, license revenues and service fees. Revenues in 2006 represent product sales from Berna from the moment of acquisition at February 22, 2006; license revenues and service fees do not include sales from Berna and are therefore included for six months. Product revenues amount to €21.5 million, concentrated in pediatric and



travel vaccines. Product revenues are seasonal and have historically been concentrated in the second half of the year. This is due to seasonal sales of influenza vaccine, and the projected sales of the new Quinvaxem™ pediatric vaccine. Comparable product sales from Berna in the first half-year 2006 were up 9% over same period last year.

License revenues were €4.6 million, a decrease of €3.7 million over last year. Last year's license revenues included a €2 million milestone and a significant €2 million up-front fee from a partner. License revenue consisted of initial payments from new contracts as well as annual and other payments on existing contracts. Service fees amount to €4.5 million, compared to €5.1 million last year, which represents a slight decrease in chargeable development activities. Service fees represent revenues for product development activities performed under contracts with partners and licensees.

Other Operating income was €4.8 million, compared to €2.6 million in the same period last year. Other operating income consists of government grants, which increased slightly to €3.0 million, and other income of €1.8 million.

Cost of Goods Sold

Cost of goods sold for the first six months of 2006 amounted to €27.4 million, €24.2 million of which represents product costs and the remainder of €3.2 million represents costs of service activities. The €24.2 million in product costs is relatively high since it includes a €6.4 million inventory purchase price allocation charge. The remaining step-up in inventory on June 30, 2006, as a result of the purchase price allocation, amounts to €11 million, which will be charged to cost of goods sold in future accounting periods.

Expenses

Total expenses consist of research and development (R&D) expenses and selling, general and administrative (SG&A) expenses. Total R&D and SG&A expenses were €48.6 for the first six months of 2006. That represents a €27.1 million increase over the same period last year. The difference is primarily attributable to combining activities of CruCell and Berna since acquisition.

R&D expenses amounted to €29.8 million, which represents a €16.3 million increase over the first half of 2005. Berna clinical programs accounted for a €10.6 million increase in R&D costs in the first six months of 2006. Amortization as a result of the purchase price allocation added €2.1 million in expenses. In addition, costs for clinical development in Leiden for Rabies, West-Nile and Influenza clinical programs added €3.6 million in development costs over same period last year.

SG&A expenses for the first half-year 2006 were €18.8 million and represent an increase of €10.8 million over the first half-year of 2005. Of the increase, €3.5 million represents the addition of the Berna G&A costs to the organization; €4.8 million represents sales & marketing expenses; and €2.5 million represents integration costs, like Sarbanes-Oxley implementation and various advisory costs.



Net Loss

The Company reported a net loss attributable to equity holders of the parent for the first half-year 2006 of €40.4 million, or €0.75 net loss per share.

Minority interests of €0.5 million represent the share in results of minority shareholders in Berna Biotech AG as well as in Rhein Biotech NV, which is listed at the Frankfurt Exchange (FWB).

Cash Flow and Cash Position

Cash and cash equivalents increased by €65.9 million in the first six months of 2006 up to an amount of €177.7 million. The net increase is a result of the cash acquired in the acquisition. During the second quarter, cash deposits of €13.0 million were re-classified as restricted cash and serve as collateral for company mortgages and financial leases. These deposits are included on the balance sheet as other financial assets.

Net cash used in operating activities in the first six months of 2006 was €24.1 million. Changes in working capital for the acquired company reflect changes in current assets and current liability balances since the date of acquisition.

Cash from investing activities amounted to €79.3 million. This includes cash acquired in the acquisition of €76.9 million. €9.0 million was used to pay acquisition transaction costs. Proceeds from financial assets include €15.4 million of proceeds from divested assets, Rhein Biotech GmbH and Dr. E. Gräub AG., received in the second quarter. Proceeds from financial assets also include €17.9 million of deposits for which the maturity has decreased to less than 3 months in the second quarter, resulting in a reclassification to cash and cash equivalents.

Net cash from financing activities was €11.0 million, of which €7.9 million represents an increase in mortgage loans and leasing liabilities. The Company has entered and intends to enter into financial leases to finance investment in property, plant and equipment, the effect of which will be to reduce cash outflow in the year the investment takes place. In the first six months the Company received €3.4 million from the issuance of ordinary shares for employee stock options exercised.

Balance Sheet

Total equity amounts to €464.3 million, of which €11.2 million represents minority interests. A total of 59 million ordinary shares were issued and outstanding on June 30, 2006.

Inventories increased €12.1 million during the second quarter to €62.7 million by June 30, 2006. The increase in inventory is due to purchase of materials for influenza vaccine production in the second half of the year, as well as stock of intermediate and finished goods of Quinvaxem™ vaccine.

Short-term financial assets decreased over the second quarter due to a reclassification of €17.9 million of deposits to cash and cash equivalents, since these deposits now have a maturity date of less than 3 months.



Intangible assets amount to €116.2 million and represent acquired in-process R&D; patents and trademarks; and value of customer and supplier relationships. The purchase price allocation has been further updated during the second quarter and is expected to be finalized before year-end.

Investments in Joint venture represent investment in Pevion. The Company's investment in Galapagos NV is classified under "Other financial assets."

Reconciliation IFRS to US GAAP

Shareholders equity under US GAAP is €413.4 million, €50.9 million lower than under IFRS. This is primarily due to the different method to determine the Berna acquisition price and write-off of in-process R&D of €61.8 million required under USGAAP.

Net loss under US GAAP for the six months ended June 30, 2006, is €102.4 million versus a loss of €40.9 million under IFRS. The difference is mainly due to the write-off of in-process R&D under US GAAP as well as some other minor differences.

Outlook

The Company maintains its revenue outlook, including other operating income, for 2006 in the €130 to €150 million range, which is dependent on obtaining WHO pre-qualification of the Company's Quinvaxem™ vaccine.

2006 will be a year of integration, affecting cash used in operations. Net of integration, one-time transaction costs, investment in plant and equipment and other proceeds from divestitures, the total decrease in cash over 2006 is expected to be in the €33 million to €38 million range. The Company expects to achieve operational cash break-even in 2007.

Forward-looking statements

This press release contains forward-looking statements that involve inherent risks and uncertainties. We have identified certain important factors that may cause actual results to differ materially from those contained in such forward-looking statements. For information relating to these factors please refer to our Form 20-F, as filed with the U.S. Securities and Exchange Commission on July 6, 2006.

Conference Call and Webcast

Crucell will conduct a conference call today, August 29, 2006, starting at 14:00 pm Central European Time (8:00 am US Eastern time). A presentation will be followed by a question and answer session. To participate in the conference call, please call one of the following toll-free numbers within 10 minutes prior to commencement:

**888-495-6452 for the US;
0800-358-5255 for the UK; and
0800-265-8531 for the Netherlands.**



About Crucell

Crucell N.V. (Euronext, NASDAQ: CRXL; Swiss Exchange: CRX) is a biotechnology company focused on research, development and worldwide marketing of vaccines and antibodies that prevent and treat infectious diseases. Its vaccines are sold in public and private markets worldwide. Crucell's core portfolio includes a vaccine against hepatitis B and a virosome-adjuvanted vaccine against influenza. Crucell also markets travel vaccines, such as the only oral anti-typhoid vaccine and the only aluminum-free hepatitis A vaccine on the market. The Company has a broad development pipeline, including both early-stage products and products almost ready to go to market. Several Crucell products are based on its unique PER.C6® production technology. The Company licenses this and other technologies to the biopharmaceutical industry. Important partners and licensees include DSM Biologics, sanofi aventis, GSK and Merck & Co. Crucell is headquartered in Leiden (the Netherlands), with subsidiaries in Switzerland, Spain, Italy and Korea. The Company employs about 900 people. For more information, please visit www.crucell.com.

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CRUCCELL NV
CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands Euro)

	6 Months ended		Second Quarter	
	June 30,			
	2006	2005	2006	2005
	Unaudited	Unaudited	Unaudited	Unaudited
REVENUES				
Product sales	21,493	-	14,444	-
Licence revenues	4,638	8,306	2,386	6,460
Service fees	4,513	5,115	2,068	2,635
<i>Total revenues</i>	<i>30,644</i>	<i>13,421</i>	<i>18,898</i>	<i>9,095</i>
COST OF GOODS SOLD				
Products	24,193	-	14,420	-
Other	3,192	4,107	1,524	2,244
<i>Total Cost of goods sold</i>	<i>27,385</i>	<i>4,107</i>	<i>15,944</i>	<i>2,244</i>
OTHER OPERATING INCOME				
Government grants	3,007	2,637	2,055	1,003
Other income	1,761	-	714	-
<i>Total Other Operating Income</i>	<i>4,768</i>	<i>2,637</i>	<i>2,769</i>	<i>1,003</i>
GROSS OPERATING MARGIN	8,027	11,951	5,723	7,854
EXPENSES				
Research & Development	29,791	13,515	19,195	6,497
SG&A	18,813	7,969	11,721	5,111
Total expenses	48,604	21,484	30,916	11,608
Earnings Before Interest and Taxes (EBIT)	(40,577)	(9,533)	(25,193)	(3,754)
Financial income & interest expense, net	398	915	(193)	503
Results investments non-consolidated companies	(792)	(455)	(792)	-
Provisioning for income taxes	(1)	-	(166)	-
Loss from continuing operations	(40,972)	(9,073)	(26,344)	(3,251)
Results from discontinuing operations	(470)	-	(103)	-
Results from sales of discontinuing operations	470	-	470	-
NET LOSS	(40,972)	(9,073)	(25,977)	(3,251)
Attributable to:				
Equity holders of the parent	(40,428)	(9,073)	(25,712)	(3,251)
Minority interests	(544)	-	(265)	-
	(40,972)	(9,073)	(25,977)	(3,251)
BASIC AND DILUTED NET LOSS PER SHARE:				
net loss per share - basic and diluted	(0.75)	(0.23)	(0.44)	(0.09)
Weighted avg. shares outstanding-basic and diluted(Thousands)	53,761	38,298	58,960	39,363

CRUCELL NV
CONSOLIDATED STATEMENTS OF CASHFLOW
(amounts in thousands Euro)

	6 months ended June 30,		Second Quarter	
	2006 Unaudited	2005 Unaudited	2006 Unaudited	2005 Unaudited
Operating activities				
Net Loss	(40,972)	(9,073)	(25,977)	(3,251)
Reversal of non-cash items				
Depreciation	5,986	1,452	4,087	717
Intangible amortization	2,532	1,067	1,798	533
Results for discontinuing operations	-	-	(367)	-
Results investments non-consolidated companies	792	455	792	-
Change in long-term provisions	(78)	-	70	-
Gain on disposal of assets	(220)	-	(220)	-
Stock based compensation	1,888	3,194	936	2,286
Change in net working capital				
Accounts receivable, net	1,973	(2,495)	10,325	(3,942)
Inventories	(6,636)	-	(13,058)	-
Prepaid expenses and other current assets	1,747	(2,356)	2,789	(1,138)
Accounts payable	10,516	1,310	7,390	1,005
Short term liabilities	(3,877)	-	(3,877)	-
Accrued expenses and deferred income	2,264	(989)	3,634	(1,036)
Other	(56)	(3,251)	350	(2,331)
Net cash used in operating activities	(24,141)	(10,686)	(11,328)	(7,157)
Cash flow used in investing activities				
Purchase of plant & equipment	(9,436)	(635)	(7,241)	(340)
Proceeds form sale of plant & equipment	397	-	397	-
Acquired cash from acquisitions	76,888	-	(971)	-
Cash used for acquisition transaction costs	(9,000)	-	(3,500)	-
Proceeds from financial assets	20,443	-	20,398	-
Net cash from investment activities	79,292	(635)	9,083	(340)
Cash flow used in financing activities				
Proceeds from financial liabilities	7,938	-	985	-
Proceeds from issuance of ordinary shares	3,416	55,491	636	51,195
Repayment of financial liabilities	(323)	-	(323)	-
Principal payments under captial lease obligations	-	(596)	125	(301)
Net cash from financing activities	11,031	54,895	1,423	50,894
Effects of exchange rate on cash and cash equivalents	(244)	-	(244)	-
Net increase in cash & cash equivalents	65,938	43,574	(1,066)	43,397
Beginning cash balance	111,734	76,711	178,738	76,888
Ending cash balance	177,672	120,285	177,672	120,285

CRUCELL NV
CONDENSED CONSOLIDATED BALANCE SHEETS
(amounts in thousands Euro)

	<u>June 30</u> <u>2006</u> <u>Unaudited</u>	<u>March 31</u> <u>2006</u> <u>Unaudited</u>	<u>December 31</u> <u>2005</u>
ASSETS			
Current Assets:			
Cash and Cash equivalents	177,672	178,738	111,734
Accounts receivable, net	22,065	31,538	1,824
Financial assets short term	1,243	18,992	-
Inventories	62,738	50,605	-
Prepaid expenses and other current assets	21,599	21,300	13,906
Prepaid acquisition cost	-	-	3,574
Assets held for sale	-	15,661	-
<i>Total current assets</i>	<u>285,317</u>	<u>316,834</u>	<u>131,038</u>
Non Current Assets			
Plant and equipment, net	145,261	142,719	24,629
Intangible assets	116,225	118,335	2,577
Goodwill	35,610	43,656	-
Investments in joint venture	5,905	2,838	-
Net pension asset	2,585	2,596	-
Other financial asset	25,184	14,821	11,493
<i>Total non-current assets</i>	<u>330,770</u>	<u>324,965</u>	<u>38,699</u>
Total Assets	<u><u>616,087</u></u>	<u><u>641,799</u></u>	<u><u>169,737</u></u>
LIABILITIES			
Current Liabilities			
Accounts payable	26,779	14,060	8,770
Short term liabilities	20,319	19,000	2,949
Accrued expenses and deferred income	18,940	23,463	11,029
Income tax payable	-	154	-
Other	758	850	-
<i>Total current liabilities</i>	<u>66,796</u>	<u>57,527</u>	<u>22,748</u>
Non current liabilities			
Long term financial liabilities	40,556	44,632	8,982
Long term provisions & liabilities	2,131	2,130	398
Deferred tax liabilities	42,308	41,780	-
<i>Total non-current liabilities</i>	<u>84,995</u>	<u>88,541</u>	<u>9,380</u>
Total Equity			
Ordinary shares, 0.24 Euro par value; 85,000,000 shares authorized; 59,016,338 and 41,440,613 shares issued and outstanding at June 30, 2006 and December 31, 2005 respectively	14,164	14,081	9,946
Additional paid in capital	639,838	637,000	280,832
Deferred compensation	(5,745)	(4,371)	(2,240)
Net unrealized gain reserve	9,345	10,939	9,630
Currency Translation Adj.	(3,540)	99	-
Accumulated deficit	(200,987)	(175,275)	(160,559)
<i>Total equity to equity holders</i>	<u>453,075</u>	<u>482,473</u>	<u>137,609</u>
Minority interests	11,221	13,258	-
<i>Total equity</i>	<u>464,296</u>	<u>495,731</u>	<u>137,609</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u><u>616,087</u></u>	<u><u>641,799</u></u>	<u><u>169,737</u></u>

CRUCCELL NV
Reconciliation IFRS to US GAAP
(amounts in thousands Euro)

	June 30, 2006
	Unaudited
EQUITY	
Shareholder's Equity in accordance with IFRS (incl. Minority interests)	464,296
Purchase price difference ¹	19,894
IPR&D Expense ²	(61,771)
Other US GAAP Adjustments ³	(101)
Currency translations adjustments	2,345
Minority interests	(11,221)
Shareholder's Equity in accordance with US GAAP (excl. Minority interests)	413,442

- 1 Higher purchase price due to different closing rates of the underlying shares. IFRS uses the share price at closing date (Feb 28, 2006), US GAAP applied and average rate around the preannouncement date of the public offer (Dec 1, 2005).
- 2 IPR&D Expenses expensed under US GAAP
- 3 Contains amongst others the reclass of director loans'

INCOME	
Net Loss in accordance with IFRS	(40,972)
Minority interest	544
Share based compensation	(362)
IPR&D Expense	(61,771)
Amortization of purchase price step up	159
Net Loss in accordance with US GAAP	(102,402)