



PRESS RELEASE

Crucell Announces Third Quarter 2005 Results

- **Strong increase in quarter and year-to-date revenues.**
- **New development programs in rabies and tuberculosis.**
- **Further AdVac[®]-based vaccine technology development contracts with US partners.**
- **Initiated therapeutic protein programs.**

Leiden, The Netherlands, October 17, 2005 – Dutch biotechnology company Crucell N.V. (Euronext, NASDAQ: CRXL) today announced its financial results for the third quarter and for the nine months ended September 30, 2005.

Revenue for the nine months ended September 30, 2005 increased to € 25.5 million (US\$ 30.7 million), compared to € 16.1 million (US\$ 19.4 million) for the first nine months of last year. The net loss for the first nine months of 2005 decreased to € 12.3 million (US\$ 14.9 million) from € 14.6 million (US\$ 17.5 million) in the same period last year. Cash and cash equivalents amount to € 111.5 million (US\$ 134.4 million) on September 30, 2005.

Crucell's Chief Financial Officer Leonard Kruimer said: "Third quarter service fees for development activities performed on behalf of our partners more than doubled over last year and license revenues increased due to milestone payments. The proceeds of the May private placement also enabled us to invest in new therapeutic protein programs. Excluding the proceeds of the May private placement, our operational cash burn for the full year will be within our guidance of up to € 20 million."

Key Figures Third Quarter and first nine months 2005 (€ million, except net loss per share)

	Q3 2005	% change	Q3 2004	YTD 2005	% change	YTD 2004
Revenue	9.5	132%	4.1	25.5	58%	16.1
Net loss	(3.6)	(35%)	(5.5)	(12.3)	(16%)	(14.6)
Net loss per share (basic and diluted)	(0.09)	(40%)	(0.15)	(0.31)	(23%)	(0.40)
Cash and cash equivalents:						
September 30, 2005	111.5					
December 31, 2004	76.7					



Operational Review Third Quarter 2005

- **Rabies:** Crucell announced plans for clinical development of its antibody product against rabies. Phase I clinical testing is planned to begin in late 2006.
- **Tuberculosis:** Following promising results for the AdVac[®]-based TB vaccine in animal studies, Crucell and Aeras announced the scheduled start of a series of clinical studies in Europe, the US and Africa in 2006.
- **AdVac[®] technology development:** Crucell and Harvard Medical School were awarded a US\$ 19.2 million (€ 15.9 million) grant from the US National Institutes of Health (NIH) to develop new adenovirus vector-based vaccines against HIV/AIDS.

Crucell also signed a Cooperative Research and Development Agreement (CRADA) with the Naval Medical Research Center of the US Navy to construct AdVac[®]-based vaccines against anthrax and plague.

- **SenterNovem grant:** Crucell received a grant of up to € 2 Million from the Dutch Ministry of Economic Affairs. The grant supports a collaborative effort aimed at applying Crucell's MAbstract[®] technology to the discovery of antibodies to assist in the future development of new medicines against antibiotic-resistant bacteria.
- **Licensing:** New PER.C6[®] licensing deals were secured by the Crucell-DSM alliance with Symphogen and Chiron.
- **Business Development:** Crucell appointed Biott and Pharma&Soft as agents in Japan and South Korea respectively to further develop technology licensing in Asia.

Details of the Financial Results

THIRD QUARTER

Revenue

Crucell's revenues for the third quarter of 2005 were € 9.5 million (US\$ 11.4 million), compared to € 4.1 million (US\$ 4.9 million) in the same quarter last year. Strong revenue gains were achieved across the board in license revenues, service fees and government grants. License revenue in the third quarter 2005 amounted to € 4.3 million (US\$ 5.2 million). License revenue consisted of initial payments from new contracts as well as annual and other payments on existing contracts. Subsequent to the quarter's close, Crucell received a milestone payment from sanofi-aventis and an option exercise fee from Merck & Co, Inc. for a Hepatitis C (HCV) vaccine. These payments were recognized in the third quarter revenue.



Service fees amounted to € 3.9 million (US\$ 4.7 million), compared to € 1.6 million (US\$ 1.9 million) in the third quarter of 2004. Service fees represent revenues for product development activities performed under contracts with partners and licensees. Third quarter fees primarily included revenues billed to the NIH. Government grants and other revenues amounted to € 1.3 million (US\$ 1.6 million), up from € 0.6 million (US\$ 0.7 million) in the same quarter last year.

Results

The Company reported a net loss for the third quarter 2005 of € 3.6 million (US\$ 4.4 million), or € 0.09 net loss per share (US\$ 0.11). This compares to a net loss of € 5.5 million (US\$ 6.6 million), or € 0.15 net loss per share (US\$ 0.18) for the third quarter 2004.

Total costs and expenses increased 39% over the same quarter last year, reflecting the stepping up of development activity. Total research and development (R&D) expenses in the third quarter 2005 were € 8.4 million (US\$ 10.2 million), compared to a figure of € 4.4 million (US\$ 5.3 million) in the third quarter of 2004, reflecting increased activity in product development. Cost of service fees were € 1.5 million (US\$ 1.8 million) for the quarter, compared to € 1.6 million (US\$ 1.9 million) last year.

Selling, general and administrative (SGA) expenses for the third quarter 2005 were € 3.0 million (US\$ 3.6 million), compared to € 2.6 million (US\$ 3.2 million) for the same quarter in 2004.

YEAR TO DATE

Revenue

CruCell's revenues for the first nine months of 2005 amounted to € 25.5 million (US\$ 30.7 million), up 58% on the € 16.1 million (US\$ 19.4 million) recorded in the same period of 2004. License revenues in the first nine months were € 12.6 million (US\$ 15.2 million) compared to € 9.8 million (US\$ 11.8 million) last year. New issuance fees and recognition of deferred revenues on existing contracts accounted for the increase in revenues.

Service fees amounted to € 9.0 million (US\$ 10.8 million) for the first three quarters of 2005 compared to € 3.7 million (US\$ 4.5 million) for the same period in 2004 reflecting billed development activities for partners.

Government grants and other revenues of € 3.9 million (US\$ 4.7 million) for the first nine months of 2005 compare with € 2.6 million (US\$ 3.1 million) for the same period in 2004.

CruCell seeks to increase revenues from year to year. The Company has in the past experienced significant fluctuations in quarterly revenues and expects to continue to experience such fluctuations in the future.



Results

The net loss for the first nine months of 2005 was € 12.3 million (US\$ 14.9 million), or € 0.31 net loss per share (US\$ 0.37), a decrease of 16% compared to the net loss of € 14.6 million (US\$ 17.5 million), or € 0.40 net loss per share (US\$ 0.48) for the first nine months of 2004.

Total research and development expenses in the first nine months of 2005 were € 22.0 million (US\$ 26.5 million), compared to € 15.3 million (US\$ 18.4 million) in the same period of 2004. Cost of service fees were € 5.6 million (US\$ 6.7 million) compared to € 3.2 million (US\$ 3.8 million) in the first three quarters of 2004, reflecting the strong increase in service fees year on year.

Selling, general and administrative (SGA) expenses for the first nine months of 2005 were € 8.6 million (US\$ 10.3 million), a decrease from the € 10.3 million (US\$ 12.5 million) in the same period last year. This is due to a reduction in warrant expenses included in SGA as well as a reduction in other administrative expenses.

Cash Flow and Cash Position

Cash and cash equivalents increased by € 34.8 million (US\$ 42.0 million) in the first nine months of 2005. Excluding the proceeds of the private placement in May, the net decrease in cash amounted to € 15.3 million (US\$ 18.4 million), compared to a net decrease in cash over the first nine months of 2004 of € 5.7 million (US\$ 6.9 million). Crucell raised € 50.1 million net in a private equity offering priced at € 14.50 per share in May 2005.

Net cash used in operating activities in the first nine months of 2005 was € 13.9 million (US\$ 16.7 million), compared to € 0.5 million (US\$ 0.6 million) in the same period in 2004. Changes in working capital increased the cash used in operating activities.

Cash used in investing activities amounted to € 7.8 million (US\$ 9.4 million). This includes a € 6.8 million (US\$ 8.2 million) progress payment on a production facility under construction for which the Company plans to enter into a capital lease during the fourth quarter.

The Company's cash position was € 111.5 million (US\$ 134.3 million) on September 30, 2005.

Other

Crucell options began trading in Europe on Euronext.liffe on September 21, 2005. Crucell options are also traded on the AMEX, Chicago Board Options Exchange (CBOE) and Pacific stock exchanges.



Note: Euros are converted to US Dollars at the September 30, 2005 exchange rate of 1.2048 US\$ per 1.0 €.

About Crucell

Crucell N.V. is a biotechnology company focused on developing vaccines and antibodies that prevent and treat infectious diseases, including Ebola, influenza, malaria, West Nile virus and rabies. The company's development programs include collaborations with: sanofi pasteur for influenza vaccines; the U.S. National Institutes of Health for Ebola and malaria vaccines; and GlaxoSmithKline (GSK), Walter Reed Army Institute of Research and New York University for a malaria vaccine. Crucell's products are based on its PER.C6[®] production technology. The company also licenses its PER.C6[®] technology to the biopharmaceutical industry. Licensees and partners include DSM Biologics, GSK, Centocor/J&J and Merck & Co., Inc. Crucell is headquartered in Leiden, The Netherlands, and is listed on the Euronext and NASDAQ stock exchanges (ticker symbol CRXL). For more information, please visit www.crucell.com.

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 April 14, 2005, and the section entitled "Risk Factors". The Company prepares its financial statements under generally accepted accounting principles in the United States.

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CRUCELL N.V.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands, except per share data)

	3 months ended		9 months ended	
	September 30,		September 30,	
	2005	2004	2005	2004
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
REVENUES:				
License	€ 4.286	€ 1.949	€ 12.592	€ 9.824
Service fees	3.873	1.581	8.988	3.736
Government grants and other	1.291	568	3.928	2.558
Total revenues	9.450	4.098	25.508	16.118
COSTS AND EXPENSES:				
Cost of service fees	1.479	1.598	5.586	3.173
Research and development	8.447	4.431	21.962	15.279
Selling, general and administrative	3.000	2.648	8.564	10.349
Developed technology amortization	201	533	1.268	1.433
Stock based compensation	661	745	2.072	1.613
Total costs and expenses	13.788	9.955	39.452	31.847
LOSS FROM OPERATIONS	(4.338)	(5.857)	(13.944)	(15.729)
Interest income, net	679	405	1.417	1.184
Foreign currency gain/(loss)	10	(23)	187	(20)
NET LOSS BEFORE PROVISION FOR INCOME TAXES	(3.649)	(5.475)	(12.340)	(14.565)
Provision for income taxes	-	-	-	-
NET LOSS	€ (3.649)	€ (5.475)	€ (12.340)	€ (14.565)
BASIC AND DILUTED NET LOSS PER SHARE:				
Net loss per share - basic and diluted	€ (0,09)	€ (0,15)	€ (0,31)	€ (0,40)
Weighted average shares outstanding - basic and diluted	41.325	36.338	39.318	36.273

CRUCCELL N.V.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
(amounts in thousands)

	9 months ended	
	September 30,	
	2005	2004
	(unaudited)	(unaudited)
Operating activities		
Net loss	€ (12.340)	€ (14.565)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	2.218	2.241
Stock based employee compensation	2.072	1.613
Intangible amortization	1.268	1.433
Warrants and non-employee stock options to acquire ordinary shares for services	2.620	2.237
Change in operating assets and liabilities:		
Trade accounts receivable	(1.147)	6.375
Receivable from related parties and employees	96	434
Prepaid expenses and other current assets	(4.252)	546
Accounts payable	846	(566)
Accrued compensation and related benefits	(746)	235
Deferred revenue	(4.803)	(1.702)
Accrued liabilities	300	1.202
Net cash provided by/(used in) operating activities	(13.868)	(517)
Cash flow used in investing activities		
Purchase of developed technology	-	(4.017)
Purchase of plant and equipment	(7.808)	(1.351)
Net cash used in investing activities	(7.808)	(5.368)
Cash flow from financing activities		
Proceeds from the issuance of ordinary shares, net of offering costs	57.410	259
Principal payments under capital lease obligation	(901)	(842)
Proceeds from sale and lease-back of plant and equipment	-	737
Net cash provided by financing activities	56.509	154
Net increase/(decrease) in cash and cash equivalents	€ 34.833	€ (5.731)
Cash and cash equivalents at beginning of period	76.711	87.210
Cash and cash equivalents at end of period	111.544	81.479

CRUCCELL N.V.
CONDENSED CONSOLIDATED BALANCE SHEETS
(amounts in thousands)

	<u>September 30,</u> <u>2005</u>	<u>December 31,</u> <u>2004</u>
	<u>(unaudited)</u>	
Assets		
Current assets:		
Cash and cash equivalents	€ 111.544	€ 76.711
Accounts receivable, net	3.100	2.020
Prepaid expenses and other current assets	9.585	5.424
Total current assets	<u>124.229</u>	<u>84.155</u>
Notes receivable from employees	219	224
Securities available for sale	11.798	-
Plant and equipment, net	16.055	10.465
Developed technology, net	<u>2.778</u>	<u>4.047</u>
Total assets	€ <u><u>155.079</u></u>	€ <u><u>98.891</u></u>
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	€ 2.954	€ 2.108
Accrued compensation and related benefits	304	1.050
Short term portion of deferred revenues	4.758	6.373
Accrued and other liabilities	5.504	5.242
Total current liabilities	<u>13.520</u>	<u>14.773</u>
Long term liabilities:		
Long term obligation under capital leases	521	1.385
Long term portion of deferred revenues	1.010	4.198
Total long term liabilities	<u>1.531</u>	<u>5.583</u>
Ordinary shares, €0.24 par value; 85,000,000 shares authorized; 41,425,613 and 36,873,421 shares issued and outstanding at September 30, 2005 and December 31, 2004 respectively		
	9.942	8.850
Additional paid in capital	408.097	349.167
Deferred compensation	(2.878)	(4.958)
Other comprehensive income	11.731	-
Accumulated deficit	<u>(286.864)</u>	<u>(274.524)</u>
Total shareholders' equity	<u>140.028</u>	<u>78.535</u>
Total liabilities and shareholders' equity	€ <u><u>155.079</u></u>	€ <u><u>98.891</u></u>