



PRESS RELEASE

Crucell Announces Second Quarter 2005 Results

- **Increased development activity drives 34% growth in revenues for first half-year.**
- **New West Nile virus antibody discovered.**
- **May 10th capital raising provides funds for further in-house product development.**

Leiden, The Netherlands, July 18, 2005 – Dutch biotechnology company Crucell N.V. (Euronext, NASDAQ: CRXL) today announced its financial results for the second quarter and first half-year of 2005.

Revenue for the first six months of 2005 increased to € 16.1 million (US\$ 19.4 million), compared to € 12.0 million (US\$ 14.5 million) in the first six months of 2004. The net loss for the first half of 2005 decreased to € 8.7 million (US\$ 10.5 million) from € 9.1 million (US\$ 11.0 million) in the same period last year. Cash and cash equivalents amount to € 120.3 million (US\$ 145.1 million) on June 30, 2005.

“The 34% growth in revenue in the first six months of this year over last year is mainly driven by a strong increase in service fees, reflecting stepped-up development activities with our partners,” said Crucell’s Chief Financial Officer Leonard Kruimer. “The recent capital raise of € 52.2 million opens opportunities to fund in-house development of our proprietary antibodies, proteins and STAR™ technology. Strong cash inflow from license and service fees also allows us to maintain our guidance for cash burn for the year at € 15 to 20 million, despite increased development activity.”

Key Figures Second Quarter and First Half 2005 (€ million, except net loss per share)

	Q2 2005	% change	Q2 2004	H1 2005	% change	H1 2004
Revenue	10.1	26%	8.0	16.1	34%	12.0
Net loss	(3.4)	67%	(2.0)	(8.7)	(4%)	(9.1)
Net loss per share (basic and diluted)	(0.09)	50%	(0.06)	(0.23)	(8%)	(0.25)
Cash and equivalents:						
June 30, 2005	120.3					
December 31, 2004	76.7					



Operational Review Second Quarter 2005

- **Ebola:** Crucell and the NIH signed a € 21.4 million contract for the manufacturing of Ebola vaccines.
- **Influenza:** Crucell's production technology became part of a major U.S. government influenza pandemic vaccine program as sanofi pasteur secured a US\$ 97 million grant from the Department of Health and Human Services (HHS) for cell-based vaccine development.
- **West Nile antibody:** Crucell discovered a monoclonal antibody for protection against West Nile virus. The antibody, derived from patients who survived West Nile infection, effectively neutralizes the virus and fully protects mice from infection.
- **STAR™ technology:** A program was initiated with biotechnology company Medarex, Inc. to evaluate Crucell's STAR™ technology. The program will be performed with a Medarex antibody.
- **Licensing:** A new PER.C6® licensing deal was secured by the Crucell-DSM alliance with Ferring Pharmaceuticals.
- **Intellectual property:** Crucell received a total of 13 patents during the first half of 2005, including a number of patents covering the Company's core technologies and programs.

Details of the Financial Results

SECOND QUARTER

Revenue

Crucell's revenues for the second quarter of 2005 were € 10.1 million (US\$ 12.2 million), compared to € 8.0 million (US\$ 9.7 million) in the same quarter last year. License revenue in the second quarter 2005 amounted to € 6.5 million (US\$ 7.8 million). License revenue consisted of initial payments from new contracts as well as annual and other payments on existing contracts and included a second milestone payment from DSM.

Service fees amounted to € 2.6 million (US\$ 3.2 million), compared to € 1.5 million (US\$ 1.8 million) in the second quarter of 2004. Service fees represent revenues for product development activities performed under contracts with partners and licensees.

Government grants and other revenues amounted to € 1.0 million (US\$ 1.2 million), up from € 0.8 million (US\$ 1.0 million) in the same quarter last year.



Results

The Company reported a net loss for the second quarter 2005 of € 3.4 million (US\$ 4.1 million), or € 0.09 net loss per share (US\$ 0.11). This compares to a net loss of € 2.0 million (US\$ 2.5 million), or € 0.06 net loss per share (US\$ 0.07) for the second quarter 2004.

Total costs and expenses increased 33% over the same quarter last year, reflecting the stepping up of development activity. Total research and development (R&D) expenses in the second quarter 2005 were € 7.6 million (US\$ 9.1 million), compared to a figure of € 4.7 million (US\$ 5.7 million) in the second quarter of 2004. Cost of service fees were € 2.2 million (US\$ 2.6 million) for the quarter, compared to € 1.2 million (US\$ 1.4 million) last year.

Selling, general and administrative (SGA) expenses for the second quarter 2005 were € 2.9 million (US\$ 3.5 million), compared to € 3.6 million (US\$ 4.3 million) for the same quarter in 2004. This reduction in SGA expenses is due to a reduction in warrant expenses and a reduction in other general and administrative expenses.

HALF YEAR

Revenue

CruCell's revenues for the first half of 2005 amounted to € 16.1 million (US\$ 19.4 million), up 34% on the € 12.0 million (US\$ 14.5 million) recorded in the same period of 2004. License revenues in the first half year were € 8.3 million (US\$ 10.0 million) compared to € 7.9 million (US\$ 9.5 million) last year.

Service fees amounted to € 5.1 million (US\$ 6.2 million) for the half year compared to € 2.2 million (US\$ 2.6 million) for the same period in 2004.

Government grants and other revenues of € 2.6 million (US\$ 3.2 million) for the half year compare with € 2.0 million (US\$ 2.4 million) for the first half of 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 half of 2005 was € 8.7 million (US\$ 10.5 million), or € 0.23 net loss per share (US\$ 0.28), a decrease of 4% compared to the net loss of € 9.1 million (US\$ 11.0 million), or € 0.25 net loss per share (US\$ 0.30) for the first six months of 2004.

Total research and development expenses in the first half-year 2005 were € 13.5 million (US\$ 16.2 million), compared to € 10.8 million (US\$ 13.1 million) in the same period of 2004. Cost of service fees were € 4.1 million (US\$ 4.9 million) compared to € 1.6 million (US\$ 1.9 million) in the first half of 2004, reflecting the strong increase in service fees year on year.



Selling, general and administrative (SGA) expenses for the first half of 2005 were € 5.6 million (US\$ 6.7 million), a significant decrease from the € 7.7 million (US\$ 9.3 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 recorded a net increase of € 43.6 million (US\$ 52.6 million) in the first half of 2005. Cash used in operations was € 10.7 million (US\$ 12.9 million). Crucell raised € 50.1 million net in a private equity offering priced at € 14.50 per share. The capital raised will support the acceleration of Crucell's product development with new opportunities in antibodies and therapeutic proteins. Total net proceeds from the May 10th private placement in addition to proceeds from options exercised in the first six months of 2005 amount to € 55.5 million (US\$ 67.0 million). Furthermore, total lease payments made and investments in equipment amount to € 1.2 million (US\$ 1.5 million). Crucell's cash and cash equivalents amount to € 120.3 million (US\$ 145.1 million) on June 30, 2005.

Other

Crucell options were listed on the Chicago Board Options Exchange (CBOE) where trading began on May 19, 2005. On July 13, Euronext.liffe announced that Crucell options will begin trading in Europe on September 21, 2005. Crucell options are also traded on the AMEX and Pacific stock exchanges.

Crucell shall lodge its IFRS financial report for the first half-year 2005 with Euronext before September 30, 2005; this report will be available via Crucell's website, www.crucell.com.

Note: Euros are converted to US Dollars at the June 30, 2005 exchange rate of 1.2066 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		6 months ended	
	June 30,		June 30,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
REVENUES:				
License	€ 6.460	€ 5.715	€ 8.306	€ 7.875
Service fees	2.635	1.508	5.115	2.155
Government grants and other	1.003	792	2.637	1.990
Total revenues	10.098	8.015	16.058	12.020
COSTS AND EXPENSES:				
Cost of service fees	2.244	1.195	4.107	1.575
Research and development	7.615	4.733	13.515	10.848
Selling, general and administrative	2.888	3.565	5.564	7.701
Developed technology amortization	533	533	1.067	900
Stock based compensation	724	465	1.411	868
Total costs and expenses	14.004	10.491	25.664	21.892
LOSS FROM OPERATIONS	(3.906)	(2.476)	(9.606)	(9.872)
Interest income, net	399	413	738	779
Foreign currency gain/(loss)	104	20	177	3
NET LOSS BEFORE PROVISION FOR INCOME TAXES	(3.403)	(2.043)	(8.691)	(9.090)
Provision for income taxes	-	-	-	-
NET LOSS	€ (3.403)	€ (2.043)	€ (8.691)	€ (9.090)
BASIC AND DILUTED NET LOSS PER SHARE:				
Net loss per share - basic and diluted	€ (0,09)	€ (0,06)	€ (0,23)	€ (0,25)
Weighted average shares outstanding - basic and diluted	39.363	36.316	38.298	36.241

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

	6 months ended	
	June 30,	
	2005	2004
	(unaudited)	(unaudited)
Operating activities		
Net loss	€ (8.691)	€ (9.090)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1.452	1.497
Stock based employee compensation	1.411	868
Intangible amortization	1.067	900
Warrants and non-employee stock options to acquire ordinary shares for services	1.856	1.812
Change in operating assets and liabilities:		
Trade accounts receivable	(2.495)	8.084
Receivable from related parties and employees	5	432
Prepaid expenses and other current assets	(2.361)	883
Accounts payable	1.310	(237)
Accrued compensation and related benefits	(599)	157
Deferred revenue	(3.251)	(2.290)
Accrued liabilities	(390)	674
Net cash provided by/(used in) operating activities	(10.686)	3.690
Cash flow used in investing activities		
Purchase of developed technology	-	(4.017)
Purchase of plant and equipment	(635)	(991)
Net cash used in investing activities	(635)	(5.008)
Cash flow from financing activities		
Proceeds from the issuance of ordinary shares, net of offering costs	55.491	215
Principal payments under capital lease obligation	(596)	(557)
Proceeds from sale and lease-back of plant and equipment	-	726
Net cash provided by financing activities	54.895	384
Net increase/(decrease) in cash and cash equivalents	€ 43.574	€ (934)
Cash and cash equivalents at beginning of period	76.711	87.210
Cash and cash equivalents at end of period	120.285	86.276

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

	<u>June 30,</u> <u>2005</u>	<u>December 31,</u> <u>2004</u>
	<u>(unaudited)</u>	
Assets		
Current assets:		
Cash and cash equivalents	€ 120.285	€ 76.711
Accounts receivable, net	4.515	2.020
Prepaid expenses and other current assets	7.785	5.424
Total current assets	<u>132.585</u>	<u>84.155</u>
Notes receivable from employees	219	224
Securities available for sale	8.776	-
Plant and equipment, net	9.648	10.465
Developed technology, net	<u>2.980</u>	<u>4.047</u>
Total assets	€ <u>154.208</u>	€ <u>98.891</u>
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	€ 3.418	€ 2.108
Accrued compensation and related benefits	451	1.050
Short term portion of deferred revenues	5.247	6.373
Accrued and other liabilities	4.999	5.242
Total current liabilities	<u>14.115</u>	<u>14.773</u>
Long term liabilities		
Long term obligation under capital leases	642	1.385
Long term portion of deferred revenues	<u>2.073</u>	<u>4.198</u>
Total long term liabilities	2.715	5.583
Ordinary shares, €0.24 par value; 85,000,000 shares authorized; 41,103,104 and 36,873,421 shares issued and outstanding at June 30, 2005 and December 31, 2004 respectively		
	9.865	8.850
Additional paid in capital	405.490	349.167
Deferred compensation	(3.538)	(4.958)
Other comprehensive income	8.776	-
Accumulated deficit	<u>(283.215)</u>	<u>(274.524)</u>
Total shareholders' equity	<u>137.378</u>	<u>78.535</u>
Total liabilities and shareholders' equity	€ <u>154.208</u>	€ <u>98.891</u>