



PRESS RELEASE

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 18, 2003, and the section entitled "Risk Factors". The company prepares its financial statements under generally accepted accounting principles in the United States (US GAAP).

CruCell Announces 2003 Annual Results

Successful Transition to Product Focused Company

Leiden, The Netherlands, January 26, 2004 – Dutch biotechnology company CruCell N.V. (Euronext, NASDAQ: CRXL) today announced its 2003 financial results. CruCell's revenues for the year ended December 31, 2003 were € 7.4 million (US\$ 9.3 million) compared to € 9.6 million (US\$ 12.0 million) for 2002. A significant up-front fee from a commercial contract signed in December 2003 is not included in revenue, but is deferred and will be recognized as revenue in future years. Total deferred revenues at December 31, 2003 were € 13.8 million (US\$ 17.4 million) compared to € 6.0 million (US\$ 7.6 million) for 2002.

The net loss in 2003 was € 23.4 million (US\$ 29.4 million), compared to € 55.7 million (US\$ 70.0 million) in 2002, which included a goodwill impairment charge of € 30.9 million (US\$ 38.9 million). In 2003, research and development expenses and selling, general and administrative expenses were below 2002 expense levels. Cash used during the year amounted to € 23.4 million (US\$ 29.5 million) compared to € 9.6 million (US\$ 12.1 million) in 2002. At December 31, 2003 cash and cash equivalents stood at € 87.2 million (US\$ 109.7 million).

Chief Financial Officer Leon Kruimer commented: "The Company has successfully made the transition from a research and technology-focused organization to an organization fully dedicated to bringing innovative products to the market. Our recent agreement with Aventis Pasteur to jointly develop influenza vaccines frees up additional resources for our other in-house programs. During the last year we have increased our investment in preclinical studies across our core programs, and are now gearing up to enter the clinic."

Full Year 2003 Highlights and Subsequent Events

Product Pipeline

Influenza Vaccine

- CruCell completed 'state of the art' 100 liter bioreactor upstream and downstream process development facilities to support the development of its vaccines.



- Aventis Pasteur and Crucell entered a strategic agreement to develop and commercialize novel PER.C6™-based influenza vaccines.

West Nile Virus Vaccine

- Crucell initiated development of a West Nile virus vaccine for humans after conducting successful animal studies.
- Crucell completed a Biological Safety Level 3 development facility for its West Nile virus and other vaccine programs.
- Israeli Kimron Veterinary Institute signed a license agreement to develop a PER.C6™-based West Nile virus veterinary vaccine for use in geese.
- Pfizer Animal Health signed an exclusive license agreement to develop a PER.C6™-based West Nile virus veterinary vaccine for use in horses.

Ebola Vaccine

- Scientists at Vaccine Research Center (VRC) of the National Institutes of Health (NIH) and the United States Army Research Institute of Infectious Diseases (USAMRIID) published study results in *Nature* suggesting that a prototype Ebola vaccine may protect humans from Ebola with a single dose.
- Crucell is working in collaboration with the NIH to jointly develop an Ebola vaccine that could possibly benefit from an accelerated regulatory approval process under the FDA's "two animal rule".

Malaria Vaccine

- Crucell announced its collaboration with New York University, Walter Reed Army Institute of Research and GlaxoSmithKline Biologicals to develop a malaria vaccine.
- Crucell presented proof of principle that a single dose of its experimental vaccine is able to confer protection against malaria in mice models.

PER.C6™ Technology Licensing Program

- Merck & Co., Inc. and Crucell expanded the Cooperation Agreement relating to PER.C6™ Biologics Master File (BMF) at the FDA.
- Novavax signed a license to offer vaccine-manufacturing services on PER.C6™ technology.
- Gene Medicine Japan signed a license to offer product-manufacturing services using Crucell's PER.C6™ technology.
- Centocor (Johnson & Johnson), Merck & Co., Inc., Novavax and GeneMax signed PER.C6™ licenses; Biogen Idec signed a PER.C6™ license in January 2004.
- Investigational New Drug Application for a PER.C6™-derived monoclonal antibody filed by a licensee.
- Progenics signed a PER.C6™ cell line development service agreement.



Other

- Crucell announced the nomination of Ronald Brus as CEO effective 26 January, 2004.
- Dr. C.E. Wilhelmsson and Mr. S. Lance were appointed to Crucell's supervisory board. Dr. Wilhelmsson was Executive Director R&D of AstraZeneca until July 2002. Mr. Lance is currently Chairman of Chiron Corporation.
- Joint Harvard Medical School/Crucell study demonstrated the potential of new AdVac™-based vaccines for diseases such as HIV/AIDS.
- Dr. J.Y. Guichoux was appointed Executive Vice President, Development.

Key Figures 2003

(€ million, except net loss per share)

| | 2003 | % change | 2002 |
|--|--------|----------|--------|
| Revenues | 7.4 | (23 %) | 9.6 |
| Net loss | (23.4) | 58 % | (55.7) |
| Net loss per share (basic and diluted) | (0.65) | 59 % | (1.57) |
| Cash and cash equivalents on December 31 | 87.2 | (21 %) | 110.6 |

Details of the Financial Results 2003

Revenues

Crucell's revenues for the year 2003 were € 7.4 million (US\$ 9.3 million), compared to revenues of € 9.6 million (US\$ 12.0 million) in 2002. License revenues in 2003 amounted to € 5.2 million (US\$ 6.5 million), compared to € 6.7 million (US\$ 8.4 million) in 2002. The up-front fee related to an agreement with Aventis Pasteur to commercialize influenza vaccines is not reflected in 2003 revenues, but is deferred and will be recognized as revenue over the development period. Total deferred revenues as of December 31, 2003 are € 13.8 million (US\$ 17.4 million), compared to € 6.0 million (US\$ 7.6 million) in 2002.

Results

The net loss for the year 2003 amounted to € 23.4 million (US\$ 29.4 million), compared to a net loss of € 55.7 million (US\$ 70.0 million) in 2002. Net loss per share in 2003 was € 0.65 (US\$ 0.82), compared to a net loss per share of € 1.57 (US\$ 1.97) in 2002. The decrease in the net loss compared to 2002 relates primarily to a non-cash charge of € 30.9 million (US\$ 38.9 million) in 2002 related to the



impairment of goodwill. Changes to our compensation plans and a continued focus on cost control in 2003 were also significant factors contributing to the decrease in net loss.

Total research and development expenses in 2003 were € 22.3 million (US\$ 28.0 million), compared to € 24.3 million (US\$ 30.5 million) in 2002. Selling, general and administrative expenses in 2003 were € 7.6 million (US\$ 9.6 million), compared to € 10.4 million (US\$ 13.1 million) in 2002.

Cash Flow and Cash Position

Total cash used in 2003 amounted to € 23.4 million (US\$ 29.5 million), compared to € 9.6 million (US\$ 12.1 million) in 2002.

Cash used in operating activities in 2003 amounted to € 22.1 million (US\$ 27.8 million), compared to € 12.5 million (US\$ 15.7 million) in 2002. A significant upfront fee due in 2004 from the agreement with Aventis Pasteur to commercialize influenza vaccines is not reflected in 2003 cash flow.

Investments in plant and equipment amounted to € 3.4 million (US\$ 4.3 million) in 2003, compared to € 3.0 million (US\$ 3.7 million) in 2002. Investing activities in 2003 were primarily related to the Company's cGMP production plant, which was remodeled to produce the Ebola virus vaccine, construction of a Biologics Safety Level-3 laboratory, and completion of 100 liter bioreactor upstream and downstream process development facilities to support the development of vaccines.

The Company generated € 0.7 million (US\$ 0.8 million) in 2003 from financing activities, compared to € 5.9 million (US\$ 7.4 million) in 2002. This decrease is primarily attributable to reduced proceeds from sale-lease-back transactions.

The Company's cash and cash equivalents amount to € 87.2 million (US\$ 109.7 million) as of December 31, 2003.

Crucell expects to reach profitability once products based on its production technology are brought to market.

Revenues and Results Fourth Quarter 2003

Crucell's revenues in the fourth quarter 2003 were € 3.0 million (US\$ 3.7 million), compared to revenues of € 2.6 million (US\$ 3.2 million) in the same quarter in 2002. License revenues in the fourth quarter 2003 amounted to € 1.7 million (US\$ 2.1 million), compared to € 1.4 million (US\$ 1.8 million) in the fourth quarter 2002. Revenues in the fourth quarter consist of upfront payments from new contracts as well as annual and other payments on existing contracts. A non-exclusive gene therapy licenses with Targeted Genetics was not renewed. This did not have a significant impact on revenues during the quarter. Government grants and other revenues



amounted to € 1.3 million (US\$ 1.6 million) in the fourth quarter 2003, compared to € 1.1 million (US\$ 1.4 million) in the same period in 2002.

The Company has in the past experienced significant fluctuations in quarterly revenues and expects to continue to experience such fluctuations in the future.

Research and development expenses decreased in the fourth quarter 2003 to € 5.5 million (US\$ 6.9 million), compared to € 6.3 million (US\$ 8.0 million) in the fourth quarter of 2002. Sales, general and administrative expenses decreased to € 2.7 million (US\$ 3.4 million) versus € 3.1 million (US\$ 3.8 million) in the same period 2002.

The net loss for the fourth quarter 2003 was € 6.4 million (US\$ 8.0 million), compared to € 37.7 million (US\$ 47.4 million), for the fourth quarter 2002. A charge of € 30.9 million (US\$ 38.9 million) related to the impairment of goodwill in 2002 is the most significant factor in the decrease of the net loss.

Note: Euros are converted to US Dollars at December 31, 2003 exchange rate of 1.2582.

Webcast

Crucell will hold an analyst meeting today, January 26, 2004, starting at 12:30 pm Central European Time (6:30 am Eastern time) during which Crucell Management will present the Company's Full Year 2003 Results. The event will be relayed by live video webcast which can be accessed via Crucell's home page of the corporate website, www.crucell.com. A link to the webcast will be provided prior to the event. Additionally, the webcast will be available for replay following the event and will be archived under the Investors section (Reports & Presentations / Webcast Archives).

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 and West Nile virus. The company's development programs include collaborations with Aventis Pasteur for influenza vaccines, the U.S. National Institutes of Health for an Ebola vaccine, and GlaxoSmithKline (GSK), Walter Reed Army Institute of Research and New York University for a malaria vaccine. Crucell's products are based on its innovative PER.C6™ technology, which offers a safer, more efficient way to produce biologicals. The company licenses its PER.C6™ technology to the biopharmaceutical industry on a mostly non-exclusive basis. Licensees and CMO partners include DSM Biologics, GSK, Centocor/J&J and Merck & Co., Inc. Crucell is headquartered in Leiden, The Netherlands, and currently employs 180 people. Crucell is listed on the Euronext and NASDAQ stock exchanges (ticker symbol CRXL). For more information, please visit www.crucell.com.



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

| | 3 months ended | | 12 months ended | |
|---|------------------|-------------------|-------------------|-------------------|
| | December 31, | | December 31, | |
| | 2003 | 2002 | 2003 | 2002 |
| REVENUES: | | | | |
| License | € 1,681 | € 1,425 | € 5,204 | € 6,664 |
| Government grants and other | 1,285 | 1,133 | 2,220 | 2,911 |
| Total revenues | 2,966 | 2,558 | 7,424 | 9,575 |
| COSTS AND EXPENSES: | | | | |
| Research and development | 5,507 | 6,323 | 22,284 | 24,252 |
| Selling, general and administrative | 2,723 | 3,059 | 7,605 | 10,386 |
| Developed technology amortization | 332 | 333 | 1,331 | 1,331 |
| Goodwill impairment | - | 30,891 | - | 30,891 |
| Stock based compensation | 1,176 | 376 | 2,696 | 1,371 |
| Total costs and expenses | 9,738 | 40,982 | 33,916 | 68,231 |
| LOSS FROM OPERATIONS | (6,772) | (38,424) | (26,492) | (58,656) |
| Interest income, net | 406 | 817 | 2,143 | 3,547 |
| Foreign currency gain/(loss) | 15 | (81) | (19) | (54) |
| Gain on sale of available for sale securities | - | - | 982 | - |
| Equity in losses of unconsolidated investments | - | - | - | (507) |
| NET LOSS BEFORE PROVISION FOR INCOME TAXES | (6,351) | (37,688) | (23,386) | (55,670) |
| Provision for income taxes | - | - | - | - |
| NET LOSS | € (6,351) | € (37,688) | € (23,386) | € (55,670) |
| BASIC AND DILUTED NET LOSS PER SHARE: | | | | |
| Net loss per share - basic and diluted | € (0.18) | € (1.06) | € (0.65) | € (1.57) |
| Weighted average shares outstanding - basic and diluted | 36,005 | 35,598 | 35,921 | 35,548 |

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

| | 12 months ended | |
|---|---------------------|-----------------|
| | December 31, | |
| | 2003 | 2002 |
| Operating activities | | |
| Net loss | € (23,386) € | (55,670) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation | 2,712 | 2,583 |
| Loss on disposal of plant and equipment | 460 | 72 |
| Stock based compensation | 2,696 | 1,371 |
| Intangible amortization | 1,331 | 1,331 |
| Goodwill impairment | - | 30,891 |
| Equity in losses of unconsolidated investments | - | 507 |
| Gain on sale of available for sale securities | (982) | - |
| Revenue recorded in exchange for equity instruments | (324) | - |
| Issuance of warrants to purchase ordinary shares for services | 616 | - |
| Change in operating assets and liabilities: | | |
| Trade accounts receivable | (8,538) | 2,102 |
| Receivable from related parties and employees | 239 | 577 |
| Prepaid expenses and other current assets | (835) | (1,555) |
| Accounts payable | (320) | 66 |
| Accrued compensation and related benefits | (2,225) | 1,289 |
| Deferred revenue | 7,787 | 4,024 |
| Accrued liabilities | (1,286) | (88) |
| Net cash used in operating activities | (22,055) | (12,500) |
| Cash flow from investing activities | | |
| Purchase of plant and equipment | (3,448) | (2,972) |
| Proceeds from sale of plant and equipment | 96 | - |
| Proceeds from sale of available for sale securities | 1,306 | - |
| Net cash used in investing activities | (2,046) | (2,972) |
| Cash flow from financing activities | | |
| Proceeds from the issuance of ordinary shares | 310 | 994 |
| Principal payments under capital lease obligation | (902) | (469) |
| Proceeds from sale and lease-back of plant and equipment | 1,258 | 5,349 |
| Net cash provided by financing activities | 666 | 5,874 |
| Net decrease in cash and cash equivalents | € (23,435) € | (9,598) |
| Cash and cash equivalents at beginning of period | 110,645 | 120,243 |
| Cash and cash equivalents at end of period | 87,210 | 110,645 |

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

| | <u>December 31,</u> <u>2003</u> | <u>December 31,</u> <u>2002</u> |
|--|------------------------------------|------------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | € 87,210 | € 110,645 |
| Trade accounts receivable | 9,547 | 1,009 |
| Prepaid expenses and other current assets | <u>3,658</u> | <u>2,823</u> |
| Total current assets | 100,415 | 114,477 |
| Notes receivable from employees | 662 | 901 |
| Plant and equipment, net | 11,333 | 11,153 |
| Developed technology, net | <u>1,996</u> | <u>3,326</u> |
| Total assets | € <u>114,406</u> | € <u>129,857</u> |
| Liabilities and shareholders' equity | | |
| Current liabilities: | | |
| Accounts payable | € 2,087 | € 2,407 |
| Accrued compensation and related benefits | 808 | 3,033 |
| Short term portion of deferred revenues | 5,371 | 2,334 |
| Accrued and other liabilities | <u>3,450</u> | <u>5,025</u> |
| Total current liabilities | 11,716 | 12,799 |
| Long term liabilities | | |
| Long term obligation under capital leases | 2,597 | 1,951 |
| Long term portion of deferred revenues | <u>8,448</u> | <u>3,698</u> |
| Total long term liabilities | 11,045 | 5,649 |
| <p>Ordinary shares, €0.24 par value; 89,199,990 shares authorized; 36,006,324 and 35,649,938 shares issued and outstanding at December 31, 2003 and 2002 respectively</p> | | |
| | 8,642 | 8,556 |
| Additional paid in capital | 340,678 | 336,652 |
| Deferred compensation | (4,482) | (3,992) |
| Accumulated deficit | <u>(253,193)</u> | <u>(229,807)</u> |
| Total shareholders' equity | <u>91,645</u> | <u>111,409</u> |
| Total liabilities and shareholders' equity | € <u>114,406</u> | € <u>129,857</u> |