



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 February 27, 2004, 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 Second Quarter 2004 Results ***Progress in all programs; significant reduction in cash burn***

Leiden, July 9, 2004 – Dutch biotechnology company Crucell N.V. (Euronext, NASDAQ: CRXL) today announced its financial results for the second quarter of 2004. Crucell's revenues for the quarter increased to € 8.0 million (US\$ 9.7 million), compared to € 1.1 million (US\$ 1.3 million) for the same quarter last year. The net loss for the second quarter 2004 reduced to € 2.0 million (US\$ 2.5 million), compared to € 6.2 million (US\$ 7.5 million) for the same quarter last year.

The strong revenue growth during the quarter raised total revenues for the first six months of 2004 to € 12.0 million (US\$ 14.5 million), a 3.6-fold increase over the € 3.3 million (US\$ 3.9 million) reported in the same period last year. Operating costs for the first half-year of 2004 were € 20.1 million (US\$ 24.3 million), compared to € 12.8 million (US\$ 15.5 million) for the first half of 2003. The majority of the increase in operating costs consists of non-cash items. The net loss for the first half-year was € 9.1 million (US\$ 11.0 million), down from a net loss of € 9.9 million (US\$ 11.9 million) in the same period last year. Cash burn for the first six months of 2004 decreased substantially to € 0.9 million (US\$ 1.1 million), which includes the acquisition of ChromaGenics for € 4.0 million in cash. Cash and cash equivalents amount to € 86.3 million (US\$ 104.3 million) at June 30, 2004.

"The increase in revenues and reduction in net loss enabled us to leave our cash reserves virtually untouched, putting Crucell in a very strong position to fund its development programs," said CFO Leonard Kruimer. "Based on these results and our forecast for the rest of the year, we are at this stage revising our guidance for cash burn for the full year 2004 down to € 15-20 million, from the original € 20-25 million communicated earlier."

"The increased investment in our core development programs was more than covered by the solid increase in revenues," added Crucell CEO Ronald Brus M.D. "This reflects the strength of our business model based on licensing revenue and selective external funding of programs. Our programs with the NIH/USAMRIID and our alliance with DSM are prime examples of how we've been able to make significant progress while at the same time we maintain the Company's solid financial position."



Highlights Second Quarter 2004

- **Ebola:** Experiments performed by the Vaccine Research Center (VRC) of the US National Institutes of Health (NIH) and the US Army Medical Research Institute of Infectious Diseases (USAMRIID) demonstrated that a single dose of Crucell's PER.C6®-based vaccine protects macaque monkeys from Ebola infection;
- **West Nile:** The State of Israel granted market authorization for a West Nile virus veterinary vaccine for geese developed by Crucell together with the Israeli Kimron Veterinary Institute;
- **SARS:** *The Lancet* medical journal published the results of a study demonstrating that a human monoclonal antibody, discovered with the use of Crucell's MAbstract® technology and produced on the PER.C6® cell line, was able to effectively protect ferrets from SARS. These results may pave the way for the development of the antibody for human use;
- **In the clinic:** The first antibody produced on PER.C6® technology entered clinical trials in the US.
- **Milestone:** Crucell and DSM Biologics achieved the first development milestone pertaining to their protein production collaboration, with the joint development program demonstrating industry-high yields;
- **Licensing:** New PER.C6® licensing deals were secured by the Crucell-DSM alliance with PanGenetics, Merus and Chiron during the second quarter;
- **Supervisory Board:** Mr. Jan Pieter Oosterveld of Philips Electronics and Crucell's founder Mr. Dinko Valerio were confirmed to Crucell's supervisory board by shareholders. Mr Oosterveld's appointment is effective immediately while Mr Valerio will begin in January 2005;
- **Management:** Ronald Brus was confirmed as the new President, CEO and Chairman of the Management Board of Crucell at the Annual General Meeting of Shareholders on June 3. Jaap Goudsmit, CSO, and Leonard Krumer, CFO, were confirmed as members of the Company's Management Board.

Key Figures Second Quarter 2004 (€ million, except net loss per share)

	Q2 2004	% change	Q2 2003
Revenues	8.0	627%	1.1
Net loss	(2.0)	(67%)	(6.2)
Net loss per share (basic and diluted)	(0.06)	(67 %)	(0.17)
Cash and cash equivalents on June 30, 2004 and March 31, 2004	86.3		87.2



Details of the Financial Results

Revenues

Second Quarter

Crucell revenues for the second quarter of 2004 were € 8.0 million (US\$ 9.7 million), compared to € 1.1 million (US\$ 1.3 million) in the same quarter last year. License revenues amounted to € 7.2 million (US\$ 8.7 million), compared to € 0.8 million (US\$ 1.0 million) in the second quarter of 2003. Revenues in the second quarter consisted of upfront payments from new contracts as well as annual and milestone payments on existing contracts. Pfizer Animal Health did not exercise the option to enter into a license agreement for the development of a West Nile veterinary vaccine with Crucell production technology.

Government grants and other revenues amounted to € 0.8 million (US\$ 1.0 million) in the second quarter of 2004, compared to € 0.3 million (US\$ 0.4 million) in the same quarter in 2003. This reflects an increase in the number of grant applications the Company has made to support its development programs.

Half Year

Crucell revenues for the first half of 2004 were € 12.0 million (US\$ 14.5 million), a 3.6-fold increase over the € 3.3 million (US\$ 3.9 million) in the same six months of 2003. License revenues in the first half of 2004 amounted € 10.0 million (US\$ 12.1 million), compared to € 2.6 million (US\$ 3.1 million) in the first half-year of 2003. Revenues consisted of upfront payments from new contracts as well as annual and other periodic payments on existing contracts.

Government grants and other revenues amounted to € 2.0 million (US\$ 2.4 million) in the first half-year 2004, compared to € 0.7 million (US\$ 1.0 million) in the same period in 2003.

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

Results

Second Quarter

The net loss for the second quarter of 2004 was € 2.0 million (US\$ 2.5 million), or € 0.06 net loss per share (US\$ 0.07), compared to a net loss of € 6.2 million (US\$ 7.5 million), or € 0.17 net loss per share (US\$ 0.21) in the second quarter of 2003.

Total research and development expenses in the second quarter of 2004 decreased to € 5.9 million (US\$ 7.2 million), from € 6.1 million (US\$ 7.4 million) in the second



quarter of 2003. Selling, general and administrative (SG&A) expenses were € 3.6 million (US\$ 4.3 million), compared to € 1.0 million (US\$ 1.2 million) during the same quarter last year. Increases in SG&A expenses were mainly due to changes to our compensation plan in 2003 which resulted in a one-time, non-cash reduction of compensation expense in 2003 and to the increase in non-cash expenses of warrants granted to certain external consultants for services.

Half Year

The net loss for the first half of 2004 was € 9.1 million (US\$ 11.0 million), or € 0.25 net loss per share (US\$ 0.30), a decrease of 8% compared to the net loss of € 9.9 million (US\$ 11.9 million), or € 0.28 net loss per share (US\$ 0.34) for the first six months of 2003.

Total research and development expenses in the first half-year 2004 were € 12.4 million (US\$ 15.0 million), compared to € 10.2 million (US\$ 12.3 million) in the first half-year of 2003. Selling, general and administrative expenses for the first half of 2004 were € 7.7 million (US\$ 9.3 million), compared to € 2.6 million (US\$ 3.2 million) for the same half-year in 2003. The increase in expenses is due to higher program development costs and changes made to our compensation plans in 2003 which resulted in a one-time, non-cash reduction of compensation expenses. Finally, non-cash costs of warrants granted to external consultants for services account for €1.8 million (US\$ 2.2 million) in extra expenses over the first half-year 2004.

Cash Flow and Cash Position

Half Year

In total, cash burn during the first half of 2004 amounted to € 0.9 million (US\$ 1.1 million). This low level of cash outflow comes despite the investment of € 4.0 million (US\$ 4.8 million) in the cash acquisition of ChromaGenics. It represents the lowest cash burn figure since Crucell's Initial Public Offering. It compares to a cash burn of € 11.4 million (US\$ 13.8 million) for the same period last year.

Cash flow from operating activities in the first half of 2004 was positive and amounted to € 3.7 million (US\$ 4.5 million), compared to a spend of € 10.3 million (US\$ 12.5 million) in the same period in 2003. This is a result of strong cash inflows from new and existing commercial contracts the Company entered into. Investment in plant and equipment were in line with first half 2003 figures at € 1.0 million (US\$ 1.2 million). The investment in developed technology represents the acquisition of ChromaGenics.

The company's cash and cash equivalents amount to € 86.3 million (US\$ 104.3 million) on June 30, 2004.

The company is expected to reach profitability once products based on Crucell's production technology are brought to market.



Note: Euros are converted to US Dollars at June 30, 2004 exchange rate of 1.2085.

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 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 innovative PER.C6[®] technology, which offers a safer, more efficient way to produce biopharmaceuticals. 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 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		6 months ended	
	June 30,		June 30,	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
REVENUES:				
License	€ 7,223	€ 845	€ 10,030	€ 2,580
Government grants and other	792	300	1,990	685
Total revenues	8,015	1,145	12,020	3,265
COSTS AND EXPENSES:				
Research and development	5,928	6,122	12,423	10,160
Selling, general and administrative	3,565	1,026	7,701	2,614
Developed technology amortization	533	333	900	666
Stock based compensation	465	459	868	938
Total costs and expenses	10,491	7,940	21,892	14,378
LOSS FROM OPERATIONS	(2,476)	(6,795)	(9,872)	(11,113)
Interest income, net	413	569	779	1,285
Foreign currency gain/(loss)	20	(2)	3	(29)
NET LOSS BEFORE PROVISION FOR INCOME TAXES	(2,043)	(6,228)	(9,090)	(9,857)
Provision for income taxes	-	-	-	-
NET LOSS	€ (2,043)	€ (6,228)	€ (9,090)	€ (9,857)
BASIC AND DILUTED NET LOSS PER SHARE:				
Net loss per share - basic and diluted	€ (0.06)	€ (0.17)	€ (0.25)	€ (0.28)
Weighted average shares outstanding - basic and diluted	36,316	35,855	36,241	35,777

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

	6 months ended	
	June 30,	
	2004	2003
Operating activities		
Net loss	€ (9,090) €	(9,857)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,497	1,377
Loss on disposal of plant and equipment	-	43
Stock based employee compensation	868	938
Intangible amortization	900	666
Issuance of warrants to acquire ordinary shares for services	1,812	-
Change in operating assets and liabilities:		
Trade accounts receivable	8,084	(295)
Receivable from related parties and employees	432	223
Prepaid expenses and other current assets	883	252
Accounts payable	(237)	17
Accrued compensation and related benefits	157	(2,335)
Deferred revenue	(2,290)	291
Accrued liabilities	673	(1,661)
Net cash provided by/(used in) operating activities	3,691	(10,342)
Cash flow from investing activities		
Purchase of developed technology	(4,017)	-
Purchase of plant and equipment	(991)	(1,082)
Proceeds from sale of plant and equipment	-	48
Net cash used in investing activities	(5,008)	(1,034)
Cash flow from financing activities		
Proceeds from the issuance of ordinary shares	215	308
Principal payments under capital lease obligation	(557)	(323)
Proceeds from sale and lease-back of plant and equipment	726	-
Net cash provided by/(used in) financing activities	384	(15)
Net increase/(decrease) in cash and cash equivalents	€ (934) €	(11,391)
Cash and cash equivalents at beginning of period	87,210	110,645
Cash and cash equivalents at end of period	86,276	99,254

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

	<u>June 30,</u> <u>2004</u>		<u>December 31,</u> <u>2003</u>
Assets			
Current assets:			
Cash and cash equivalents	€ 86,276	€	87,210
Trade accounts receivable	1,463		9,547
Prepaid expenses and other current assets	<u>2,775</u>		<u>3,658</u>
Total current assets	90,514		100,415
Notes receivable from employees	230		662
Plant and equipment, net	10,828		11,333
Developed technology, net	<u>5,113</u>		<u>1,996</u>
Total assets	€ <u>106,685</u>	€	<u>114,406</u>
Liabilities and shareholders' equity			
Current liabilities:			
Accounts payable	€ 1,850	€	2,087
Accrued compensation and related benefits	965		808
Short term portion of deferred revenues	5,206		5,371
Accrued and other liabilities	<u>4,889</u>		<u>3,450</u>
Total current liabilities	12,910		11,716
Long term liabilities			
Long term obligation under capital leases	2,001		2,597
Long term portion of deferred revenues	<u>6,323</u>		<u>8,448</u>
Total long term liabilities	8,324		11,045
Ordinary shares, €0.24 par value; 89,199,990 shares authorized; 36,328,590 and 36,006,324 shares issued and outstanding at June 30, 2004 and December 31, 2003 respectively			
	8,719		8,642
Additional paid in capital	344,690		340,678
Deferred compensation	(5,676)		(4,482)
Accumulated deficit	<u>(262,282)</u>		<u>(253,193)</u>
Total shareholders' equity	<u>85,451</u>		<u>91,645</u>
Total liabilities and shareholders' equity	€ <u>106,685</u>	€	<u>114,406</u>