

# Information for Shareholders and Investors

## Investor relations approach

Crucell maintains an active and transparent approach to relations with shareholders and investors whom we inform regularly about the company's strategy and developments. Quarterly results releases, presentations and press releases on important business developments are disseminated on a regular basis and reinforced with briefings by phone and in person. In the past year we have strengthened our Investor Relations activities with the addition of two dedicated Investor Relations Officers whose mission it is to ensure the investor community understands clearly the company's prospects and performance. This reflects a serious ambition to widen our investor base as well as to deepen existing investors' understanding of Crucell.

Activities in 2007 for shareholders and investors included:

- A full presentation of quarterly results to financial journalists and analysts at each quarter, consisting of an online slide show and audio commentary, question and answer session and archiving for subsequent retrieval;
- Various additional telephone conference calls with management for analysts and investors;
- Several roadshow meetings with shareholders and sell-side analysts who cover the company;
- Timely updates in the Investor Relations section of the website [www.crucell.com](http://www.crucell.com), which is not incorporated by reference herein;
- Periodic website updates of more comprehensive financial company data, including filings with the U.S. Securities and Exchange Commission;
- Online publication of relevant scientific company presentations.

## Crucell shares

Crucell's ordinary shares are listed on:

- NYSE Euronext Amsterdam N.V. (symbol: CRXL) since 2000;
- Nasdaq in the U.S. (symbol: CRXL) in the form of ADS's since 2000;
- SWX Swiss Exchange in Zurich since 2005;
- The Company's primary listing is Amsterdam, where trading turnover reached EUR 2.28 billion in 2007;
- Crucell's shares are included in the AMX mid-cap index (since 2005); – this one is mentioned below.

## Share data

	2007	2006
Earnings per share	(0.71)	(1.53)
Shares outstanding (million) at year-end	65.3	64.8
Dividend	–	–
Highest price	22.45	24.11
Lowest price	10.26	13.52
Price at December 31,	11.40	19.40
Average daily trading volume on NYSE Euronext Amsterdam (in 000 shares)	470	550

## Shareholders with holdings of Crucell shares exceeding 5%

Percentage of beneficial ownership is based on an aggregate of 65,499,442 ordinary shares outstanding at April 25, 2008 except as otherwise noted:

Beneficial Owner	Ordinary Shares Beneficially Owned <sup>(1)</sup>	
	Number of Ordinary Shares	Holding (%)
A. van Herk B.V.	7,123,264	11.0 <sup>(2)</sup>
Aviva plc	3,514,130	5.9 <sup>(3)</sup>
Ordinary shares held by our Management Board members	341,672	0.52
Ordinary shares held by our Supervisory Board members	95,891	0.15

<sup>(1)</sup> Under Rule 13d 3 of the Exchange Act, more than one person may be deemed to beneficially own certain ordinary shares (if, for example, persons share the power to vote or the power to dispose of the ordinary shares). In addition, a person is deemed to beneficially own ordinary shares if the person has the right to acquire the ordinary shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. As a result, the percentage of outstanding ordinary shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of ordinary shares actually outstanding. In addition, filings with the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten or AFM) with respect to shareholdings in public companies do not specify the number of shares held by the filing party.

<sup>(2)</sup> Percentage holding is derived from a filing made by A. van Herk B.V. with the Netherlands AFM.

<sup>(3)</sup> Percentage holding is derived from a filing made by Aviva plc. with the Netherlands AFM.

Global Opportunities (GO) Capital Asset Management B.V. have notified the AFM that they hold less than 5% (August 10, 2007: 3.69%).

As of April 25, 2008 there were 11,388,626 ADSs, each representing one ordinary share, all of which were held of record by nine registered holders in the U.S. (including The Depository Trust Company). The number of ADSs at April 25, 2008 represent 17.4% of our ordinary shares that were issued and outstanding on that date.

To the best of our knowledge, we are not directly or indirectly controlled by any other corporation, foreign government or other entity.

### Share information

Crucell shares are included in the NYSE Euronext Amsterdam Dutch mid-cap index (AMX), and in the Nasdaq Composite Index. They are also included in the FTSE Nasdaq Small Cap index since 2005 and in the NYSE Euronext NEXT Biotech Index as of April 2008.

	2007	2006
Market Capitalisation at December 31, (€ million)	744.4	1,257.1
Market Capitalisation at December 31, (\$ million)	1,080.1	1,651.1
Closing share price at December 31, (€)	11.40	19.40
Closing share price at December 31, (\$)	16.54	25.48
Shares outstanding at December 31, (million)	65.3	64.8

### Shareholder information

On December 31, 2007 institutional investors hold 42% of the outstanding shares in Crucell, private investors hold 57% of shares and insider holdings are approximately 1%.

Geographical spread of shareholders in approximate percentages on December 31, 2007, compared to the previous year.

	2007	2006
The Netherlands	66%	61%
USA	22%	26%
Germany	8%	9%
United Kingdom	1%	1%
Scandinavia	1%	1%
Other	2%	2%
Total	100%	100%

### Outlook for 2008

In constant currencies; weighted average €/\$ rate of 1.38 in 2007:

Total revenue & other operating income	20% growth
Margins	Higher
Cashflow	Positive

### General information

#### Auditors

Deloitte Accountants B.V.

#### Legal Counsel

Allen & Overy LLP

Cleary Gottlieb Steen & Hamilton LLP

#### Tax Advisors

Ernst & Young Accountants

#### ADS Depository

Bank of New York

#### Investor Relations

Oya Yavuz, Director of Investor Relations

Frauke Groenevelt, Coordinator Investor Relations

Tel: +31 71 5197064

Email: ir@crucell.com

#### Exchange Controls

There are currently no Dutch laws, decrees or regulations that restrict the export or import of capital, including, but not limited to, foreign exchange controls, or that affect the remittance of dividends or other payments to non-Dutch residents or to U.S. holders of our securities except as otherwise set forth in 'Taxation' in this section.

**Exchange rate information**

The following table sets forth, for the years indicated, the high, low, average and year-end noon buying rates in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York ('Noon Buying Rates') expressed in Euro per USD 1.00.

In Euro Year ended December 31,	High	Low	Average <sup>(i)</sup>	End of period
2003	0.97	0.80	0.89	0.80
2004	0.85	0.73	0.81	0.73
2005	0.86	0.73	0.80	0.84
2006	0.84	0.75	0.80	0.76
<b>2007</b>	<b>0.77</b>	<b>0.67</b>	<b>0.73</b>	<b>0.68</b>

<sup>(i)</sup> The average of the Noon Buying Rates on the last business day of each month during the period indicated.

The following table sets forth, for the previous six months, the high and low Noon Buying Rates expressed in Euro per USD 1.00.

In Euro	High €	Low €
November 2007	0.69	0.67
December 2007	0.70	0.68
January 2008	0.69	0.67
February 2008	0.69	0.66
March 2008	0.66	0.63
April 2008 (Until April 25, 2008)	0.64	0.62

On April 25, 2008 the Noon Buying Rate was \$ 1.00 = € 0.64. These rates may differ from the actual rates used in the preparation of our financial statements and other financial information appearing in this annual report.

**Taxation**

The following is a summary of the material Dutch and U.S. tax consequences of an investment in ordinary shares or ADSs. This summary does not discuss every aspect of taxation that may be relevant to a particular investor who is subject to special treatment under any applicable law, and is not intended to be applicable in all respects to all categories of investors. This summary also assumes that our business will be conducted in the manner outlined in this document. Changes in our organizational structure or the manner in which we conduct our business may invalidate this summary. The laws upon which this summary is based are subject to change, perhaps with retroactive effect. A change to these laws may invalidate the contents of this summary, which will not be updated to reflect changes in the laws. Prospective investors should consult their professional tax advisors

regarding their particular personal tax consequences of acquiring, owning and disposing of our ordinary shares or ADSs.

**Certain Dutch tax consequences for holders of ordinary shares or ADSs**

This summary describes the principal tax consequences that will generally apply in the case of an investment in the ordinary shares or ADSs under Dutch tax laws in force and in effect as of the date hereof, and is subject to changes in Dutch law, including changes that could have retroactive effect. Not every potential tax consequence of such investment under the laws of the Netherlands will be addressed.

**Dutch taxation of resident shareholders**

The summary of certain Dutch taxes set out in this section 'Dutch Taxation of Resident Shareholders' is only intended for the following investors:

- Individuals who are resident or deemed to be resident or who have opted to be resident in the Netherlands for purposes of Dutch taxation and who invest in the ordinary shares or ADSs, excluding individuals who invest in the ordinary shares or ADSs that form part of a substantial interest (as described below) or deemed substantial interest in us and excluding individuals who are our employees or who are deemed to be our employees or employees of any entity related to us (the 'Dutch Individuals'); and
- Corporate entities (including associations which are taxable as corporate entities) that are resident or deemed to be resident in the Netherlands for purposes of Dutch taxation and who invest in the ordinary shares or ADSs, excluding:

- Corporate entities that are not subject to Dutch corporate income tax;
- Pension funds (pensioenfondsen) and other entities that are wholly or partly exempt from Dutch corporate income tax;
- Corporate entities that hold ordinary shares or ADSs that qualify for application of the participation exemption (as laid down in the Dutch Corporate Income Tax Act 1969); and
- Investment institutions (beleggingsinstellingen) and tax exempt investment institutions (vrijgestelde beleggingsinstellingen) as defined in the Dutch Corporate Income Tax Act 1969; (the 'Dutch Corporate Entities').

Generally, a holder of ordinary shares or ADSs will not have a substantial interest if he, his spouse, certain other relatives (including foster children) or certain persons sharing his household, do not hold, alone or together, whether directly or indirectly, the ownership of, or certain other rights over, ordinary shares representing 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or rights to acquire ordinary shares, whether or not already issued, that represent at any time 5% or more of our total issued and outstanding capital (or the issued and outstanding capital of any class of shares) or the ownership of certain profit participating certificates that relate to 5% or more of our annual profit and/or to 5% or more of our liquidation proceeds.

#### Individual and corporate income tax

Dutch Individuals not engaged or deemed to be engaged in an enterprise and Dutch individuals for whom the benefits derived from the ordinary shares or ADSs are not treated as 'result from other activities'.

The taxable benefit from a Dutch Individual's 'savings and investments' (sparen en beleggen) is set annually at 4% of the average of the so-called 'yield basis' (rendementsgrondslag) at the beginning and at the end of a year, insofar as the average exceeds the 'exempt net asset amount' (heffingvrij vermogen). Such taxable benefit is reduced by such portion of the personal allowance as has not been taken into account in respect of certain other types of income. This benefit is taxed at the rate of 30%. For Dutch Individuals who invest in the ordinary shares or ADSs, the ordinary shares or ADSs will form part of the yield basis. The ordinary shares or ADSs will be taken into account in the yield basis

at their fair market value. The actual benefits from the ordinary shares or ADSs do not influence the taxable benefit, even if they exceed, or are lower than, 4% of the yield basis.

Dutch Individuals engaged or deemed to be engaged in an enterprise, Dutch Individuals for whom the benefits derived from the ordinary shares or ADSs are treated as result from other activities, and Dutch Corporate Entities.

Any benefits derived or deemed to be derived from the ordinary shares or ADSs (including any capital gains realized on the disposal thereof) that are attributable to an enterprise carried on in the Netherlands by a Dutch Individual or to an enterprise effectively managed in the Netherlands in which he has an interest, are generally subject to income tax charged at progressive rates in his hands. The same applies to a Dutch Individual for whom the benefits derived from the ordinary shares or ADSs are treated as result from other activities. Any benefits derived or deemed to be derived from the ordinary shares or ADSs (including any capital gains realized on the disposal thereof) that are held by a Dutch Corporate Entity are generally subject to corporate income tax in its hands.

#### Withholding tax

Dividends we distribute are generally subject to a withholding tax imposed by the Netherlands at a rate of 15%. The concept 'dividends we distribute' used in this section includes, but is not limited to:

- Distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognized for Dutch dividend withholding tax purposes;
- Liquidation proceeds, proceeds of redemption of the ordinary shares or ADSs or, as a rule, consideration for the repurchase of the ordinary shares or ADSs by us in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes;
- The par value of the ordinary shares or ADSs issued to a holder of the ordinary shares or ADSs or an increase of the par value of the ordinary shares or ADSs, as the case may be, to the extent that it does not appear that a contribution, recognized for Dutch dividend withholding tax purposes, has been made or will be made; and
- Partial repayment of paid-in capital, recognized for Dutch dividend withholding tax purposes, if and to the extent that there are net profits (zuivere winst), unless:

- The general meeting of our shareholders has resolved in advance to make such repayment; and
- The par value of the ordinary shares or ADSs concerned has been reduced by an equal amount by way of an amendment of the articles of association.

Dutch Individuals and Dutch Corporate Entities generally can credit the dividend withholding tax against their income tax or corporate income tax liability and will be entitled to a refund of dividend withholding tax insofar as such tax, together with any other creditable domestic and/or foreign taxes, exceeds their aggregate income tax or corporate income tax liability. A condition to avoid 'dividend stripping' is that the recipient of proceeds from the ordinary shares or ADSs qualifies as the beneficial owner thereof. A recipient of proceeds from the ordinary shares or ADSs is not considered to be the beneficial owner thereof if the amount of dividend, following a set of transactions, is ultimately wholly or partly received by another person, if this other person also retains, directly or indirectly, an interest in the ordinary shares or ADSs and the recipient is entitled to a (partial) refund or exemption to which the other person is not entitled.

#### **Gift and inheritance taxes**

A gift tax liability will arise in the Netherlands with respect to an acquisition of the ordinary shares or ADSs by way of a gift made by a Dutch individual or a Dutch corporate entity. An inheritance tax liability will arise in the Netherlands with respect to an acquisition or deemed acquisition of the ordinary shares or ADSs on the death of a Dutch individual.

For purposes of Dutch gift and inheritance taxes, an individual who holds Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of the Dutch gift tax, an individual not holding Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the 12 months preceding the date of the gift.

#### **Dutch taxation of Non-Resident Shareholders**

This section 'Dutch taxation of Non-Resident Shareholders' describes certain Dutch tax consequences for a holder of the ordinary shares or ADSs who is neither resident, nor deemed to be resident, and who has not opted to be treated as

a resident in the Netherlands for purposes of Dutch taxation (a 'Non-Resident Shareholder').

#### **Withholding tax**

Dividends we distribute are generally subject to a withholding tax imposed by the Netherlands at a rate of 15%. Reference is made to the section 'Dutch Taxation of Resident Shareholders – Withholding Tax' for a description of the concept 'dividends we distribute'.

If a double tax convention is in effect between the Netherlands and the country of residence of a Non-Resident Shareholder, such Non-Resident Shareholder may, depending on the terms of that double taxation convention, be eligible for a full or partial exemption from, or refund of, Dutch dividend withholding tax. See 'Taxation of Dividends' for a discussion of the partial exemption available under the convention with the U.S.

A further condition to avoid 'dividend stripping' is that the Non-Resident Shareholder qualifies as the beneficial owner of the dividend. A Non-Resident Shareholder is not considered to be the beneficial owner of the dividend, if the amount of this dividend, following a set of transactions, is ultimately wholly or partly received by another person and this other person also maintains, directly or indirectly, an interest in the ordinary shares or ADSs and the recipient is entitled to a (partial) refund or exemption to which the other person is not entitled to.

#### **Taxes on income and capital gains**

A Non-Resident Shareholder will not be subject to any Dutch taxes on income or capital gains in respect of dividends we distribute (other than the withholding tax described above) or in respect of any gain realized on the disposal of the ordinary shares or ADSs, provided that:

- Such Non-Resident Shareholder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the ordinary shares or ADSs are attributable;
- Such Non-Resident Shareholder does not have a substantial interest or a deemed substantial interest in us (if a double tax convention does not refrain the Netherlands from taxation of income or capital gains from the substantial interest);

Further, if such Non-Resident Shareholder is an individual:

- The benefits derived from the ordinary shares or ADSs are not taxable in the hands of such holder as a benefit from other activities in the Netherlands;
- Such Non-Resident Shareholder is not entitled to a share in the profits of an enterprise effectively managed in the Netherlands, other than by way of the holding of securities or through an employment contract, to which enterprise the ordinary shares or ADSs or payments in respect of the ordinary shares or ADSs are attributable; and
- Such Non-Resident Shareholder does not carry out and has not carried out employment activities in the Netherlands with which the holding of or income derived from the ordinary shares or ADSs is connected.

Reference is made to the section 'Dutch Taxation of Resident Shareholders' for a description of the concept 'substantial interest'.

#### Gift and inheritance taxes

No liability for gift or inheritance taxes will arise in the Netherlands with respect to an acquisition of the ordinary shares or ADSs by way of a gift made by, or on the death of, a Non-Resident Shareholder, unless:

- Such Non-Resident Shareholder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the ordinary shares or ADSs are or were attributable; or
- In the case of a gift of the ordinary shares or ADSs by an individual who at the time of the gift was a Non-Resident Shareholder, such individual dies within 180 days after the date of the gift, while (at the time of his death) being resident or deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance tax, an individual who holds Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of the Dutch gift tax,

an individual not holding Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the 12 months preceding the date of the gift.

#### Other taxes and duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands in respect of or in connection with the subscription, issue, placement, allotment or delivery of the ordinary shares or ADSs.

#### Taxation of U.S. investors

The following is a summary of the material U.S. federal income tax considerations regarding the purchase, ownership and disposition of ordinary shares or ADSs to an eligible U.S. holder. You are an eligible U.S. holder if you are a resident of the U.S. for purposes of the tax treaty between the Netherlands and the U.S. (the 'tax treaty') and are fully eligible for benefits under the tax treaty. You generally will be entitled to the benefits of the tax treaty if you are:

- The beneficial owner of ordinary shares or ADSs (and of the dividends paid with respect to such ordinary shares or ADSs);
- An individual resident of the U.S., a U.S. corporation, or a partnership, estate or trust to the extent your income is subject to taxation in the U.S. as the income of a resident, in your hands or in the hands of your partners or beneficiaries;
- Not resident in the Netherlands for Dutch tax purposes; and
- Not subject to an anti-treaty shopping rule.

You generally will not be eligible for the benefits of the tax treaty, and therefore will not be an eligible U.S. holder, if you hold ordinary shares or ADSs in connection with the conduct of business through a permanent establishment, or the performance of services through a fixed base in the Netherlands, or you are not resident in the U.S. for U.S. tax purposes.

The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to your decision to purchase ordinary shares or ADSs. In particular, the summary does not address considerations that may be applicable to you if you will not hold ordinary shares or ADSs as capital assets, or if you are a taxpayer subject to special tax rules, such as a bank, tax-exempt entity,

insurance company, a regulated investment company, a pension fund, a real estate investment trust, a dealer in securities or currencies, a person that holds ordinary shares or ADSs as part of an integrated investment (including a 'straddle') comprised of ordinary shares or ADSs and one or more other positions, and a person who owns or is deemed to own 10% or more of any class of our stock. The summary is based on laws, treaties and regulatory interpretations in effect on the date of this document, all of which are subject to change. You should consult your own advisers regarding the tax consequences of an investment in the ordinary shares or ADSs in light of your particular circumstances, including the U.S. tax considerations discussed below and the effect of any state, local or other national laws.

Based on our audited financial statements and relevant market data, we believe that we were not treated as a 'passive foreign investment company' or 'PFIC' for U.S. federal income tax purposes with respect to the year 2007. In addition, based on our current expectations regarding the value and nature of our assets, the sources and nature of our income, and relevant market data, we do not anticipate becoming a PFIC in the year 2008 or thereafter. We believe, however, that we were or may have been a PFIC for U.S. federal income tax purposes with respect to the years before 2005. In order to avoid being subject to unfavourable U.S. federal income tax rules applicable to PFICs (the 'PFIC rules') with respect to our ordinary shares or ADSs in the future, U.S. holders that held our ordinary shares or ADSs at any time before 2005 may wish to make a deemed sale election with respect to their ordinary shares or ADSs. See 'Passive Foreign Investment Company Rules'.

For U.S. federal income tax purposes and for purposes of the tax treaty between the Netherlands and the U.S., beneficial owners of ADSs will be treated as the owners of the underlying ordinary shares represented by those ADSs.

#### **Taxation of dividends**

Subject to the discussion below under 'Passive Foreign Investment Company Rules', the gross amount of dividends distributed by us (including amounts withheld in respect of Dutch withholding tax) generally will be subject to U.S. federal income taxation as foreign source dividend income, and will not be eligible for the dividends received deduction. Subject to certain exceptions for positions that are

hedged or held for less than 60 days, an individual U.S. holder generally will be subject to U.S. taxation at a maximum rate of 15% in respect of dividends received after 2002 and before 2011, unless we were in the year prior to the year in which the dividend was paid, and are, in the year in which the dividend is paid, a PFIC. As described above, we believe that we were not a PFIC for U.S. tax purposes with respect to the year 2007, and also do not anticipate becoming a PFIC with respect to the year 2008. Dividends paid in Euro will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the date of receipt by you (or by the depositary in the case of ADSs). If such dividends are converted into U.S. dollar on the date of receipt, you generally should not be required to recognize foreign currency gain or loss in respect of the dividend income. If you receive a refund of Dutch withholding tax under the tax treaty between the Netherlands and the U.S., you may be required to recognize foreign currency gain or loss to the extent the amount of the tax treaty refund (in dollars) received by you differs from the U.S. dollar equivalent of the refund amount on the date the dividends were received.

You may claim the benefit of the reduced withholding rate of 15% that is available under the tax treaty between the Netherlands and the U.S. by submitting a duly completed Form IB 92 (USA) that has been certified by a financial institution (typically the entity that holds the ordinary shares or ADSs as custodian for the holder). If we receive the required documentation prior to the relevant dividend payment date, we may apply the reduced withholding rate at source. If you fail to satisfy these requirements prior to the payment of a dividend, you may claim a refund of the excess of the amount withheld over the tax treaty rate by filing Form IB 92 (USA) together with a supplemental statement with the Dutch tax authorities. Pension funds and tax-exempt organizations qualifying for a complete exemption from tax are not entitled to claim tax treaty benefits at source, and instead must file claims for refund by filing Form IB 95 (USA).

Subject to applicable limitations and to the special considerations discussed below, Dutch withholding tax at the 15% tax treaty rate will be treated as a foreign income tax that is eligible for credit against your U.S. federal income tax liability or, at your election, may be deducted in computing taxable income. Foreign tax credits will not be allowed for withholding taxes imposed in respect of certain

short-term or hedged positions and may not be allowed in respect of arrangements in which your expected economic profit, after non-U.S. taxes, is insubstantial. You should consult your own advisers concerning the implications of these rules in light of your particular circumstances.

#### **Taxation of capital gains**

Subject to the discussion below under 'Passive Foreign Investment Company Rules', gain or loss realized by you on the sale or other disposition of ordinary shares or ADSs will be capital gain or loss in an amount equal to the difference between your basis in the ordinary shares or ADSs and the amount realized on the disposition (or its dollar equivalent, determined at the spot rate on the date of disposition, if the amount realized is denominated in a foreign currency). The gain or loss will be long-term gain or loss if the ordinary shares or ADSs were held for more than one year. The net amount of long-term capital gain recognized by an individual U.S. holder generally is subject to taxation at a maximum rate of 20%; however, net long-term capital gain recognized by an individual U.S. holder after May 5, 2003 and before January 1, 2011 generally is subject to taxation at a maximum rate of 15%.

#### **Passive foreign investment company rules**

Unfavourable U.S. tax rules (the 'PFIC rules') apply to companies that are considered passive foreign investment companies ('PFICs'). We will be classified as a PFIC in a particular taxable year if either:

- 75% or more of our gross income is treated as passive income for purposes of the PFIC rules; or
- The average percentage of the value of our assets that produce or are held for the production of passive income is at least 50%.

Based on our audited financial statements and relevant market data, we believe that we were not treated as a PFIC for U.S. federal income tax purposes with respect to the year 2007. In addition, based on our current expectations regarding the value and nature of our assets, the sources and nature of our income, and relevant market data, we do not anticipate becoming a PFIC in the year 2008 or thereafter. We believe, however, that we were or may have been a PFIC for U.S. federal income tax purposes with respect to the years before 2005.

If we are classified as a PFIC in any year, then a U.S. holder who holds shares during that year and does not make a mark-to-market election or a qualified electing fund ('QEF') election will be subject to a special tax at ordinary income tax rates on certain dividends that we pay and on gains realized on the sale of ordinary shares or ADSs ('excess distributions') in all subsequent years, without regard to whether we were a PFIC in the year the excess distribution was received. The amount of this tax will be increased by an interest charge to compensate for tax deferral, calculated as if the excess distributions had been earned ratably over the period the U.S. holder held its ordinary shares or ADSs. Classification as a PFIC may also have other adverse tax consequences, including the denial of a step-up in the basis of ordinary shares and ADSs at death.

If we were a PFIC in the past, U.S. holders that held our ordinary shares or ADSs at any time during the years when we were a PFIC and did not make a mark-to-market election or a QEF election will generally continue to be subject to the PFIC rules described above, even though we later ceased to qualify as a PFIC. You can generally avoid the future application of the PFIC rules by making a deemed sale election with respect to your ordinary shares or ADSs for your taxable year that includes the last day of our last taxable year during which we qualified as a PFIC (the 'termination date'). If you make the deemed sale election with respect to our ordinary shares or ADSs, you generally will be treated as having sold all your ordinary shares or ADSs for their fair market value on the termination date. The deemed sale generally will be taxed to you as an excess distribution. Any loss realized on the deemed sale will not be recognized. If you made a mark-to-market election or a QEF election with respect to your ordinary shares or ADSs in the past, you will not be required to include any mark-to-market gain or loss with respect to our ordinary shares or ADSs (in the case of the mark-to-market election) or to include your pro rata share of our ordinary earnings and net capital gain (in the case of the QEF election) for the years during which we do not qualify as a PFIC.

The PFIC rules are extremely complex, and you should consult your own tax advisers regarding the U.S. federal income tax considerations discussed above and the desirability of making a deemed sale election.

**U.S. backup withholding tax and information reporting**

Payments in respect of the ordinary shares or ADSs that are made in the U.S. or by a U.S. related financial intermediary will be subject to information reporting and may be subject to backup withholding unless you:

- Are a corporation or other exempt recipient; or
- Provide an IRS Form W-9 or an acceptable substitute form, certifying your taxpayer identification number and that no loss of exemption from backup withholding has occurred.

If you are not a U.S. citizen, you generally are not subject to these rules, but may be required to provide certification of non-U.S. status in order to establish that you are exempt.

**Documents on display**

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file information with the U.S. Securities and Exchange Commission ("SEC"). You may read and copy this information at the following location:

**Public Reference Room**  
100 F Street, N.E.  
Washington, D.C. 20549

Please call the SEC at 1 800 SEC 0330 for further information on the public reference room. Copies of these materials can also be obtained by mail at prescribed rates from the Public Reference Section of the Securities and Exchange Commission, 100 F Street, N.E., Washington, D.C. 20549. Our ADSs are quoted on the Nasdaq National Market, and consequently, the periodic reports and other information filed by us with the Commission can be inspected at the offices of the Nasdaq National Market, 1735 K Street, N.W., Washington, D.C. 20006. The primary market for our ordinary shares is NYSE Euronext Amsterdam. We make our filings with the SEC by electronic means. Any filings we make electronically are available to the public over the internet at the Commission's website at [www.sec.gov](http://www.sec.gov) and at our website at [www.cruell.com](http://www.cruell.com).

**Our ordinary shares and ADSs**

Our ordinary shares are traded in the U.S. solely in the form of ADSs, each ADS representing one ordinary share. Each ADS is evidenced by an American Depositary Receipt issued by The Bank of New York acting as Depositary in respect thereof.

As of April 25, 2008, total of 65,499,442 ordinary shares were issued and outstanding. On the same date, there were 11,388,626 ADSs, each representing one ordinary share.

The following table sets forth the range of high and low closing prices, in U.S. dollars, for our ADSs on the Nasdaq National Market for the periods indicated.

	High	ADSs Low
<b>Annual information for the past five years</b>		
2003	6.16	1.54
2004	13.77	6.38
2005	29.95	12.30
2006	28.82	17.27
2007	28.96	16.08
<b>Quarterly information for the past two years</b>		
<b>2006</b>		
First Quarter	28.62	23.92
Second Quarter	28.82	17.27
Third Quarter	24.40	17.75
Fourth Quarter	25.63	22.83
<b>2007</b>		
First Quarter	28.96	23.85
Second Quarter	26.01	21.48
Third Quarter	23.81	19.11
Fourth Quarter	20.85	16.08
<b>2008</b>		
First Quarter	19.39	13.15
<b>Monthly information for the most recent six months</b>		
November 2007	19.80	16.08
December 2007	18.58	16.16
January 2008	19.39	13.26
February 2008	14.78	13.42
March 2008	15.41	13.15
April 2008 (Until April 25, 2008)	19.17	15.59

Our ordinary shares trade on Eurolist by NYSE Euronext Amsterdam N.V. through the book-entry facilities of NEGICEF, Euroclear and Clearstream Luxembourg. For the ordinary shares the International Securities Identification Number (ISIN) code is NLO000358562, the Amsterdam Security Number is 35856 and the Common Code is 11907164.

The following table sets forth the range of high and low closing prices, in Euro, for our ordinary shares in the Netherlands for the periods indicated.

	Ordinary shares	
	High	Low
<b>Annual information for the past five years</b>		
2003	4.92	1.40
2004	10.10	4.83
2005	24.77	9.50
2006	23.49	14.04
2007	22.27	10.96
<b>Quarterly information for the past two years</b>		
<b>2006</b>		
First Quarter	23.49	20.07
Second Quarter	23.29	14.04
Third Quarter	19.29	14.58
Fourth Quarter	19.61	17.53
<b>2007</b>		
First Quarter	22.27	18.30
Second Quarter	19.35	14.29
Third Quarter	17.33	13.53
Fourth Quarter	14.96	10.96
<b>2008</b>		
First Quarter	13.26	8.55
<b>Monthly information for the most recent six months</b>		
November 2007	13.68	10.96
December 2007	12.71	11.25
January 2008	13.26	8.88
February 2008	9.92	9.19
March 2008	9.75	8.55
April 2008 (Until April 25, 2008)	12.22	9.86

## Significant changes

Other than as disclosed in this annual report, no significant change has occurred since December 31, 2007, the date of our most recent audited financial statements.

## Limitation of liability and indemnification matters

Pursuant to Dutch law, each member of our Supervisory and Management Boards is responsible to us for the proper performance of his or her assigned duties. They are also responsible for taking measures to prevent the consequences of any improper performance of duties by another member of our Supervisory Board or our Management Board. Our articles of association provide that our managing board members and our Supervisory Board members are discharged from liability for their actions as board members, if our general meeting of shareholders adopts a resolution to that effect. This discharge extends only to actions or omissions disclosed in or apparent from the adopted annual accounts or otherwise communicated to our general meeting of shareholders.

This discharge of liability may be limited by mandatory provisions of Dutch law, such as in the case of bankruptcy. Under Dutch law, our Supervisory Board members and members of our Management Board generally cannot be held personally liable for decisions made exercising their reasonable business judgment.

Our articles of association provide that we shall generally indemnify any person who is or was a member of our Supervisory Board or our Management Board or one of our employees, officers or agents, and suffers any loss as a result of any action in connection with their service to us, provided they acted in good faith in carrying out their duties.

This indemnification generally will not be available if the person seeking indemnification acted with gross negligence or wilful misconduct in the performance of their duties to us. A court in which an action is brought may, however, determine that indemnification is appropriate nonetheless.