

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g)  
OF THE SECURITIES EXCHANGE ACT OF 1934

or

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2003

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 1-15096

**SERONO S.A.**

(Exact name of Registrant as specified in its charter)

**Not Applicable**

(Translation of Registrant's name into English)

**Switzerland**

(Jurisdiction of incorporation or organization)

15 bis, Chemin des Mines  
Case Postale 54  
CH-1211 Geneva 20  
Switzerland

(Address of principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

**Title of each class:**

Bearer Shares, nominal value CHF25 per share

**Name of each exchange on which registered:**

New York Stock Exchange\*

American Depositary Shares (as evidenced by American Depositary  
Receipts), each representing one fortieth of a Bearer Share

New York Stock Exchange

\*Not for trading, but only in connection with the registration of American Depositary Shares, pursuant to the requirements of the Securities and Exchange Commission.

Securities registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2003.

Bearer Shares, nominal value CHF 25 per share:

11,406,887 outstanding

Registered Shares, nominal value CHF 10 per share:

11,013,040 outstanding

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

Indicate by check mark which financial statement item the registrant has elected to follow.



Serono S.A.  
Annual Report on Form 20-F  
for the year ended  
December 31, 2003

TABLE OF CONTENTS

<u>Item</u>		<u>Page No.</u>
<b>PART I</b>		
1.	<a href="#">Identity of Directors, Senior Management and Advisers</a>	1
2.	<a href="#">Offer Statistics and Expected Timetable</a>	1
3.	<a href="#">Key Information</a>	1
4.	<a href="#">Information on the Company</a>	13
5.	<a href="#">Operating and Financial Review and Prospects</a>	36
6.	<a href="#">Directors, Senior Management and Employees</a>	52
7.	<a href="#">Major Shareholders and Related Party Transactions</a>	60
8.	<a href="#">Financial Information</a>	61
9.	<a href="#">The Offer and Listing</a>	64
10.	<a href="#">Additional Information</a>	64
11.	<a href="#">Quantitative and Qualitative Disclosures about Market Risk</a>	72
12.	<a href="#">Description of Securities Other than Equity Securities</a>	75

<u>Item</u>		<u>Page No.</u>
<b>PART II</b>		
13.	<a href="#">Defaults, Dividend Arrearages and Delinquencies</a>	76
14.	<a href="#">Material Modifications to the Rights of Security Holders and Use of Proceeds</a>	76
15.	<a href="#">Controls and Procedures</a>	76
16A.	<a href="#">Audit Committee Financial Expert</a>	76
16B.	<a href="#">Code of Ethics</a>	76
16C.	<a href="#">Principal Accountant Fees and Services</a>	76
<b>PART III</b>		
17.	<a href="#">Financial Statements</a>	78
18.	<a href="#">Financial Statements</a>	78
19.	<a href="#">Exhibits</a>	78
<b>SIGNATURES</b>		
	<a href="#">Signatures</a>	79
	<a href="#">Financial Statements and Auditors' Reports</a>	F-1

The registered (®) and the filed (™) trademarks and the filed service marks (SM) Cetrotide™, click.easy®, cool.click®, Crinone®, EasyJect®, Ferti.net®, Fertinex®, Geref®, Gonal-f®, GHMonitor<sup>SM</sup>, Howkidsgrow<sup>SM</sup>, Luveris®, Metrodin HP®, MSLifelines<sup>SM</sup> Novantrone™, one.click®, Ovidrel®, Ovitrelle®, Pergonal®, Profasi®, Raptiva™, Rebif®, Rebiject®, Rebiject II®, Reliser®, Saizen®, SeroJet™, Serono®, Serophene®, Serostim®, Stilamin® and Zorbtive™, as well as the filed trademarks (™) for the “S” symbol, used alone or with the words “Serono” or “Serono biotech and beyond,” are trademarks of, or are licensed to a subsidiary of, Serono S.A. Trade names and trademarks of other companies appearing in this report are the property of their respective owners.

## PART I

**Item 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

**Item 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**Item 3. KEY INFORMATION****Selected Consolidated Historical Financial Data**

We have derived our selected consolidated historical financial data from our consolidated financial statements. We prepare and present our consolidated financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, and its predecessor organization, the International Accounting Standards Committee. IFRS differ in significant respects from United States Generally Accepted Accounting Principles, or U.S. GAAP. You can find a reconciliation of our audited consolidated financial statements to U.S. GAAP in Note 34 to our audited consolidated financial statements included in this Annual Report. Since the information we present below is only a summary and does not provide all of the information contained in our consolidated financial statements, you should read our consolidated financial statements and the notes to the consolidated financial statements included in this Annual Report.

	Year ended December 31,				
	2003	2002	2001	2000	1999
	(U.S. dollars in thousands, except per share data)				
<b>Income Statement Data:</b>					
Product sales	\$ 1,858,009	\$ 1,423,130	\$ 1,249,405	\$ 1,146,998	\$ 1,054,144
Royalty and license income	160,608	114,705	127,065	92,656	78,400
<b>Total revenues</b>	<b>2,018,617</b>	<b>1,537,835</b>	<b>1,376,470</b>	<b>1,239,654</b>	<b>1,132,544</b>
Operating expenses:					
Cost of product sales	279,619	223,751	213,160	229,907	260,748
Selling, general and administrative	636,823	504,248	446,945	393,716	369,747
Research and development, net	467,779	358,099	308,561	263,152	221,629
Restructuring	—	16,303	—	—	—
Other operating expense, net	199,476	85,811	70,152	31,147	58,718
<b>Total operating expenses</b>	<b>1,583,697</b>	<b>1,188,212</b>	<b>1,038,818</b>	<b>917,922</b>	<b>910,842</b>
<b>Operating income</b>	<b>434,920</b>	<b>349,623</b>	<b>337,652</b>	<b>321,732</b>	<b>221,702</b>
Financial income, net	44,018	36,476	51,381	52,277	2,458
Other expense, net	19,743	1,658	2,548	2,411	1,078
<b>Total non-operating income, net</b>	<b>24,275</b>	<b>34,818</b>	<b>48,833</b>	<b>49,866</b>	<b>1,380</b>
<b>Income before taxes and minority interests</b>	<b>459,195</b>	<b>384,441</b>	<b>386,485</b>	<b>371,598</b>	<b>223,082</b>
Taxes	68,905	63,127	69,816	70,384	39,778
<b>Income before minority interests</b>	<b>390,290</b>	<b>321,314</b>	<b>316,669</b>	<b>301,214</b>	<b>183,304</b>
Minority interests	327	536	(52)	174	8
<b>Net income</b>	<b>\$ 389,963</b>	<b>\$ 320,778</b>	<b>\$ 316,721</b>	<b>\$ 301,040</b>	<b>\$ 183,296</b>
<b>Per Share Data:</b>					
Basic income per share (1)(2):					
Bearer shares	\$ 24.63	\$ 20.07	\$ 19.72	\$ 19.50	\$ 12.23
Registered shares	9.85	8.03	7.89	7.80	4.89
American depositary shares (3)	0.62	0.50	0.49	0.49	0.31

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.