

Media release

18.10.2006

SWX Swiss Exchange issues reprimand against Serono SA

The SWX Swiss Exchange has issued a reprimand with related publication against Serono SA, Coinsins (VD), for violation of the provisions of the Listing Rules. This SWX reprimand pertains to the failure to meet reporting deadlines for the disclosure of management transactions as prescribed in Art. 74a of the Listing Rules (LR).

Pursuant to Art. 74a LR, the issuer must, within two trading days after receipt of the relevant notification, report to the SWX Swiss Exchange those transactions in the issuer's securities that have been concluded by members of its board of directors or senior management in an amount that exceeds a threshold value of CHF 100,000.- in any given calendar month. SWX then publishes those notifications at http://www.swx.com/admission/being_public/mtrans/publication_en.html.

If the threshold value of CHF 100,000.- per calendar month is not reached, the transactions must be submitted to the SWX Swiss Exchange following the end of the month within the framework of a non-published omnibus notification.

Individuals who are subject to this disclosure obligation (members of the issuer's board of directors or senior management) must report their transactions to the issuer no later than the second trading day after conclusion of the relevant contract. Hence a total of four trading days at most may pass between the date of the transaction and the submission of the related information to the SWX.

The purpose of the disclosure of management transactions is to provide market participants as rapidly as possible with information on transactions executed by the management of listed companies.

In the case at hand, a member of senior management / executive member of the board of directors made within a single calendar month two sales of the shares of Serono SA and failed to report these transactions in a timely manner. The total value of the transactions was below the threshold value of CHF 100,000.-. Consequently, it was only necessary to report the transactions to the SWX Swiss Exchange within the framework of a non-published omnibus notification. Serono SA submitted the latter report to the SWX Swiss Exchange after an additional delay of 8 trading days.

Furthermore, another member of senior management / executive member of the board of directors sold on 5 September 2005 Serono shares valued at CHF 193,459.- and failed to notify Serono SA of the transaction in a timely manner. In turn, the report of the transaction was submitted by Serono SA to the SWX Swiss Exchange, this time with an additional delay of 17 trading days. Only then was the transaction published.

And finally, a non-executive member of the board of directors of Serono SA sold on 9 November 2005 Serono shares valued at CHF 710,023.- and failed to notify Serono SA of the transaction in a timely manner. Serono SA once again reported the transaction to the SWX Swiss Exchange only after a delay of 8 trading days, at which point it was published.

As a result, Serono SA violated Art. 74a para 3 LR. In view of the size of these transactions as well as the length of the reporting delays, the Executive Committee of the Admission Board has issued a reprimand with related publication against Serono SA.

Information on the provisions governing the disclosure of management transactions can be accessed at:
http://www.swx.com/admission/being_public/management_transactions_en.html

Should you have any questions, please feel free to contact Mr. Werner Vogt, Spokesman SWX Swiss Exchange.

Phone: +41(0)58 854 26 75

Fax: +41(0)58 854 27 10

E-mail: pressoffice@swx.com

SWX Swiss Exchange

The SWX Swiss Exchange, a part of the SWX Group, is one of the world's leading and most technologically advanced securities exchanges. The fully automated trading, clearing and settlement system remains unique in the world. At the click of a mouse, an order is executed, cleared, paid for and confirmed – all within the space of 2 minutes, with an average of 2.3 million transactions each trading day. The SWX Swiss Exchange offers its customers first-rate securities exchange services and a broad range of investment products.

www.swx.com