

PRESS RELEASE

PYROSEQUENCING AND CLEVELAND CLINIC TO DEVELOP DIAGNOSTIC TESTS FOR INFECTIOUS BACTERIA

Uppsala, Sweden, and Cleveland, OH, November 5, 2001—Pyrosequencing AB's Molecular Diagnostics Business Unit (Stockholm: PYRO A) and The Cleveland Clinic Foundation today announced a collaborative research agreement to develop methods for the rapid identification of mycobacteria using Pyrosequencing[™] technology. Slow-growing mycobacteria cause infections such as tuberculosis, which is estimated to cause morbidity and mortality in one-fifth of the world's population. The detection and identification of mycobacteria remains time consuming and costly, making it difficult for clinicians to provide the best treatment for patients.

"DNA-based diagnostic tests offer significant advantages over traditional culture and biochemical analysis that often take time to produce results in the clinical laboratory," said Gary Procop, M.D., Section Head of Clinical Microbiology at The Cleveland Clinic Foundation. "Without rapid and accurate identification of bacteria, clinicians are faced with prescribing broad-spectrum antibiotics which can result in ineffective treatment and resistant strains of bacteria. We're working with Pyrosequencing technology to develop tests that enable a much faster selection of appropriate therapies and minimize drug resistance in treating infectious diseases."

Mycobacteria are slow-growing organisms, often taking several weeks to cultivate into the pure cultures required for biochemical analysis, identification and subtyping. The particular subtype of mycobacterium will determine the appropriate treatment regimen; therefore rapid identification is the key to more effective therapeutic intervention.

"This collaboration represents the fifth molecular diagnostics partnership in just three months," said Jerry Williamson, VP and Molecular Diagnostics Business Head for Pyrosequencing AB. "To work with leading clinicians at The Cleveland Clinic represents a terrific opportunity for us to apply our technology in the molecular diagnosis of important infectious diseases like tuberculosis. We're experiencing tremendous demand for Pyrosequencing technology from top medical institutions committed to developing clinically useful products for patients."

Pyrosequencing AB formed a Molecular Diagnostics Business Unit earlier this year to establish the Company's proprietary technology as a standard platform for clinical genetic analysis. Capitalizing on Pyrosequencing's worldwide market leadership in applied genetic analysis, the Molecular Diagnostics Business Unit is pursuing a global strategy to identify new diagnostic product opportunities, develop clinically useful molecular diagnostic assays, and collaborate with academic and commercial partners in the fields of disease diagnosis, clinical prognosis and pharmacogenomics.

The Cleveland Clinic Foundation

The Cleveland Clinic Foundation, founded in 1921, integrates clinical and hospital care with research and education in a private, not-for-profit group practice. Approximately 1,100 full-time salaried



physicians at The Cleveland Clinic and Cleveland Clinic Florida represent more than 100 medical specialties and subspecialties. In 2000, there were more than 2 million outpatient visits to The Cleveland Clinic Foundation. Patients came for treatment from every state and from more than 80 countries. There were more than 51,000 hospital admissions to The Cleveland Clinic Foundation in 2000. The Cleveland Clinic website address is www.clevelandclinic.org

About Pyrosequencing AB

Pyrosequencing AB develops, manufactures and sells complete solutions for rapid applied genetic analysis based on its proprietary Pyrosequencing[™] technology, a simple-to-use DNA sequencing technique. Pyrosequencing leads the global market in Applied Genomics with over 120 systems sold to major pharmaceutical and biotech companies and prestigious research institutions worldwide.

Pyrosequencing™ is broadly applicable for the analysis of single nucleotide polymorphisms (SNPs) and for the identification and quantification of short DNA sequences used in bacterial and viral typing. The Company's products include the bench-top PSQ™96 System and a high-throughput PTP™ system which utilize proprietary software and reagents. Among Pyrosequencing's customers are AstraZeneca, GlaxoSmithKline, Merck, the NIH, the Harvard Center for Cancer Prevention, the Karolinska Institute, Biogen, Oxagen, Ltd., and DuPont Agriculture. The Company's Web address is www.pyrosequencing.com.

Certain statements in this press release are forward-looking. These may be identified by the use of forward-looking words or phrases such as "believe," "expect," "intend," and "should," among others. These forward-looking statements are based on Pyrosequencing's current expectations. The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for such forward-looking statements. In order to comply with the terms of the safe harbor, Pyrosequencing notes that a variety of factors could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in such forward-looking statements. Such uncertainties and risks include, but are not limited to, risks associated with management of growth and international operations (including the effects of currency fluctuations), variability of operating results, the commercial development of the DNA sequencing and genomics market, nucleic acid-based molecular diagnostics market, and genetic vaccination and gene therapy markets, competition, rapid or unexpected changes in technologies, fluctuations in demand for Pyrosequencing's products (including seasonal fluctuations), difficulties in successfully adapting the Company's products to integrated solutions and producing such products, and the Company's ability to identify and develop new products and to differentiate its products from competitors.

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