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PRESS RELEASE

GERMANY ADDS HIGH-THROUGHPUT PTP™ SYSTEM FROM PYROSEQUENCING TO ITS NATIONAL GENOTYPING PLATFORM

-- Fourth high-capacity system sold for Applied Genomics this year --

Uppsala, Sweden, December 12, 2001—Pyrosequencing AB (Stockholm: PYRO A), a developer, manufacturer and marketer of DNA sequencing systems for applied genetic analysis, announced today the sale of a customized, high-throughput system to the Max Delbrück Center for Molecular Medicine (MDC) in Berlin, Germany. The Gene Mapping Center (GMC) and Department of Molecular Genetics will use the Company's 384-well system to analyze single nucleotide polymorphisms (SNPs) in their research program on the genetics of complex diseases. This is Pyrosequencing's fourth high-capacity system sold since launching the Preferred Technology Program (PTP™) earlier this year, evidence of a strong entrance into this market. The Company continues to lead the market in moderate-throughput processing with more than120 PSQ™96 System customers.

"We explored a number of SNP technologies but chose PTP because we have had impressive results with Pyrosequencing's PSQ 96 System. Our need to analyze more samples is increasing, and PTP offers a more cost-effective solution based on the same technology," said Peter Nürnberg, Ph.D., head of the GMC and Department of Molecular Genetics at MDC. "It's easy to use and provides us with important sequence information surrounding the SNP, which essentially confirms our results. Pyrosequencing is much more than a mere SNP typing method. There is a lot of unrevealed potential in this technology that we are keen to explore."

Under the direction of Dr. Nürnberg, the Gene Mapping Center at MDC and Pyrosequencing have also agreed to collaborate in developing new genotyping applications and methods for enhancing PTP efficiency. In addition to his work at the Center, Dr. Nürnberg is also coordinating the German National Genotyping Platform with three service sites, in Berlin, Munich, and Kiel, to provide academic institutions with cost-efficient SNP analysis.

"Our success as a high-throughput provider of SNP technology is growing rapidly," commented Erik Walldén, President and CEO of Pyrosequencing AB. "Having launched the Preferred Technology Program nine months ago, we have a strong commercial customer up and running and this sale represents our third major academic research institution. The benefits of our technology for SNP genotyping and sequence analysis have been accepted, new applications continue to be developed, and the value we bring to customers in applied genetic analysis is now being realized," he added.

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PTP™ offers a fully automated high-throughput process that incorporates robotics for sample preparation. Introduced to the market earlier this year, the system utilizes 384-well microplates and is capable of scoring up to 100,000 SNPs per day. Pyrosequencing introduced the PSQ 96 System, its first DNA sequencing product, in February 2000 and is already leading the market in both the number of systems sold and the diversity of its customer base. Designed for moderate-throughput processing, the PSQ 96 System offers a scalable, cost-effective solution for SNP analysis and other sequence analyses.

Gene Mapping Center at Max Delbrück Center for Molecular Medicine
The Gene Mapping Center is a specialised laboratory for high throughput genotyping for gene mapping in monogenic as well as complex diseases. So far mapping was based upon highly-informative microsatellite (STR) markers. The GMC has performed numerous whole genome scans with more than 50 monogenic human traits mapped and a total of seven genome scans for complex diseases completed. The annual capacity is about 2,000,000 high-quality STR-genotypes and is supposed to be doubled next year. As linkage-disequilibrium (LD) mapping and association studies become more and more important for the analysis of complex diseases, appropriate capacities for the high-throughput genotyping of single nucleotide polymorphisms (SNPs) are currently being established.

The GMC is mainly funded through grants from the German Federal Ministry of Education and Research. It has participated since January 1997 in the German Human Genome Project and since 2001 in the National Genome Research Network as one of the major core facilities. Additional funding is provided through a strategy-fund project, “genetics of complex diseases”, from the Helmholtz Society of National Research Centres. The laboratory is open for mapping projects of other groups from Germany and abroad. Comprehensive support for data analysis is provided by a strong bioinformatics group.

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 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 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.

Pyrosequencing technology 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

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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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