

PRESS RELEASE

DIAGNOSTIC TESTS FOR ONCOLOGY DEVELOPED THROUGH COLLABORATION BETWEEN PYROSEQUENCING AND MAYO CLINIC

Uppsala, Sweden, and Rochester, MN, December 17, 2001—Pyrosequencing AB's Molecular Diagnostics Business Unit (Stockholm: PYRO A) and the Mayo Foundation for Education and Research today announced a collaborative research agreement to develop tests to detect an inherited form of thyroid cancer known as multiple endocrine neoplasia type 2 (MEN 2). MEN 2 has been associated with specific genetic variations in the *RET* gene. Mayo Clinic will use Pyrosequencing™ technology for the rapid and accurate identification of these mutations.

"DNA sequence analysis to identify genetic mutations associated with cancer is becoming a valuable tool in clinical medicine," said Stephen Thibodeau, Ph.D., Professor of Laboratory Medicine at Mayo Clinic. "The technology has evolved from labor-intensive, non-standardized methods to very user-friendly, robust technologies. This enables us to test for genetic abnormalities more easily. We are using Pyrosequencing technology to develop rapid tests, such as mutation analysis of MEN 2, that offer important diagnostic information for the clinical management of cancer patients and at-risk family members."

Genetic variations in the *RET* gene have been implicated in the development of medullary thyroid carcinoma, pheochromocytoma and parathyroid adenoma or hyperplasia. Accurate and rapid identification of MEN 2 mutations in high-risk individuals is important in facilitating early clinical intervention. The American Society of Clinical Oncologists has identified MEN 2 as a well-defined hereditary cancer syndrome for which genetic testing is considered standard management.

"Our collaboration with the Mayo Clinic is a great opportunity for us to apply our technology to the development of diagnostic tests in the field of oncology," said Jerry Williamson, VP and Molecular Diagnostics Business Head for Pyrosequencing AB.

"It also demonstrates the growing interest in our technology platform among leaders in the clinical diagnostic field. We expect to support the development of additional molecular diagnostics in areas where the accuracy, ease of use and cost efficiency of our technology is unparalleled."

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. With this agreement, the Company has established eight important research collaborations to develop diagnostics in major diseases including infectious disease, cardiovascular disease, genetic disorders and hematology/oncology.

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.

FOR FURTHER INFORMATION CONTACT:

Pyrosequencing AB

Theresa McNeely, Sr. Director
Investor and Public Relations
theresa.mcneely@pyrosequencing.com
Phone: +1 877 797 6767

The Mayo Clinic

John Murphy
newsbureau@mayo.edu
507-284-5005 (days)
507-284-2511 (evenings)

PYROSEQUENCING AB
VALLONGATAN 1, SE-752 28 UPPSALA, SWEDEN
PHONE +46 18 56 59 00, FAX +46 18 59 19 22
info@pyrosequencing.com, www.pyrosequencing.com

U.S. OFFICE:
2200 West Park Drive, Westborough, MA 01581
PHONE 1 877 797 6767, FAX 1 508 898 3306
info@pyrosequencing.com, www.pyrosequencing.com