



PYROSEQUENCING AB

PYROSEQUENCING AB COMPLETES EUROPEAN SALES ORGANIZATION

--Demand for Company's genetic analysis products continues to grow --

Uppsala Pyrosequencing AB (SSE: PYRO) a developer, manufacturer and marketer of complete systems for applied genetic analysis today announced that it has signed new distribution agreements with leading distribution companies are B&L Biosystems and Paul Bucher AG, completing the Company's European sales organization. The new distributors in the important markets of BeNeLux and Switzerland complement Pyrosequencing's established direct sales and marketing efforts in the United Kingdom, Germany and the Nordic region.

In December of 1999, Pyrosequencing AB established a subsidiary, Pyrosequencing, Inc. in Westborough MA, USA to support sales in North America. The fortified network significantly expands Pyrosequencing's market reach and will be essential in meeting the growing demand for the Company's genetic analysis tools/ products, especially the PSQ™96 System, the world's first dedicated system for Single Nucleotide Polymorphism (SNP) analysis, launched earlier this year.

"We are very pleased to have this organization in place, with trained sales and support personnel and a fully operational structure," said Mårten Winge, VP of Worldwide Marketing, Sales and Support at Pyrosequencing AB. "In Europe, we have already received 11 orders for the PSQ™ 96 System, which we believe makes us the market leader. I see a very promising pipeline of prospective orders for the near future. With this strong distribution network in place, I am confident that we can quickly turn these prospective orders into revenue dollars.

Pyrosequencing AB's new distributor agreements are with B&L Systems for BeNeLux, and Paul Bucher AG for Switzerland. These organizations have strong local presence and carry well established brands for life sciences research and genomics tools.

"Our company is at the forefront of applied genomics, and as a result we are seeing a dramatic increase in demand for our genetic analysis instruments," commented Hans Beijersbergen van Henegouwen, Managing Director at B&L Systems. "We are very

pleased to add PSQ™96 System to our product portfolio and expect that it will contribute significantly to our turnover in the coming years.”

“We are excited about our collaboration with Pyrosequencing AB, as we see a significant increase in academic and industrial SNP research,” Paul Bucher, Managing Director at Paul Bucher AG. “With our strong focus on providing access to the state-of-the-art bioresearch systems, PSQ™96 System represents an ideal extension to our product portfolio”.

Pyrosequencing AB launched its proprietary PSQ™96 System on a worldwide basis in February of this year. The system is based on the Company's patented Pyrosequencing™ technology, and is dedicated to providing rapid and accurate applied genetic analysis, such as the analysis of Single Nucleotide Polymorphism (SNPs) and Genetic Tags. PSQ™96 System has already generated very strong interest and generated sales from major pharmaceutical companies, leading genomic and ag-biotech companies, as well as prestigious academic institutes distributed throughout the US, Europe and Japan.

Pyrosequencing AB develops, manufactures and markets complete systems for applied genetic analysis based on its proprietary Pyrosequencing™ technology. Applied genetic analysis may be used for drug development, drug selection and diagnostics. Pyrosequencing's technology addresses the increasing demand for applied genetic analysis across various markets, including research and clinical routine testing and large-scale customized industrial applications such as drug development by pharmaceutical companies. Pyrosequencing AB is listed on the Stockholm Stock Exchange, O-list, under the ticker "PYRO".

Pyrosequencing AB

Mårten Winge

VP Worldwide Marketing, Sales and Support

+46 18 56 59 27 (Office)

+ 46 706 575 5927 (mobile)

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,” “anticipate,” “should,” “planned,” “estimated,” and “potential,” 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.

