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PRESS RELEASE

NATIONAL CANCER CENTER IN TOKYO IMPLEMENTS PYROSEQUENCING™
TECHNOLOGY TO STUDY DISEASE-RELATED DNA SEQUENCES

--Company penetrates Japanese market with sale of its PSQ™ 96 System--

Uppsala, Sweden, September 21, 2000—Pyrosequencing AB (SSE:PYRO), a developer, manufacturer and marketer of complete systems for applied genetic analysis, today reported that the National Cancer Center, Tokyo (NCC) will use Pyrosequencing™ technology to study disease-related DNA sequences. The area of Single Nucleotide Polymorphism (SNP) analysis has been identified as one of the cores of "The Millennium Project", in which 5 ministries are funding a total of \$225M starting in the year 2000. The NCC is playing a leading roll in the government-funded investigation of disease-related SNPs.

"We are very excited about Pyrosequencing technology and are convinced that it best serves our efforts to successfully associate a limited scale of genetic information with cancer," said Professor Ohki, Chief of Cancer Genomics Division of the NCC.

Launched earlier this year, Pyrosequencing's PSQ 96 System, the first commercially available dedicated sequencing system for applied genetic analysis, has rapidly penetrated the European and US markets. Based on the Company's patented Pyrosequencing™ technology, the product performs rapid and accurate, reproducible SNP analysis, and offers a high capacity, cost-effective solution for SNP analysis and Tag sequencing—the analysis of short DNA sequences used for genetic identification. PSQ 96 Systems include a sequencing instrument, software, and reagent kits necessary to conduct SNP analysis.

In June 2000, Pyrosequencing AB announced that it had entered into a distribution agreement that would grant Sumitomo Corporation exclusive distribution rights for PSQ 96 System products in Japan. This agreement facilitated the purchase of a PSQ 96 System by the National Cancer Center in Tokyo.

"Our sound marketing knowledge and Pyrosequencing's breakthrough technology put us in a strong position to develop the Japanese market, and the success of the NCC agreement, after only three months, is clear proof of a winning partnership," said Mr. Umahara, Deputy General Manager, Machinery & Systems Dept. Sumitomo Corporation, "SNP analysis is regarded as a strategically important research area by the Japanese government. The NCC is an important client for us,

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both for their valued opinions and also for their close affiliation with other laboratories. We are confident of a growing future for Sumitomo and Pyrosequencing in Japan.”

“We could not be more pleased,” adds Erik Walldén, President and CEO of Pyrosequencing AB. “After a successful introduction in the US and Europe, an entry into the rapidly growing Japanese market for SNP analysis brings us another step forward in our development as a global supplier of complete systems for applied genomics.”

In addition to prestigious research institutions, such as the National Institutes of Health, and now the NCC in Tokyo, Pyrosequencing's global customer roster includes major pharmaceutical, genomics and AgBiotech companies, including CuraGen Corporation, AstraZeneca, and DuPont Agriculture.

About Pyrosequencing AB

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. The Company is headquartered in Uppsala, Sweden with a North American subsidiary located in Massachusetts. Pyrosequencing AB also has sales offices and distribution partners in Scandinavia, United Kingdom, Germany, BeNeLux, Switzerland and Japan. Pyrosequencing AB is listed on the OM Stockholm Exchange.

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

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