



PYROSEQUENCING

PRESS RELEASE

PYROSEQUENCING LICENSES DNA TECHNOLOGY FROM HARVARD

-- Agreement Expands Intellectual Property Surrounding Cleavable Fluorescent Nucleotides --

Uppsala, Sweden, August 14, 2002—Pyrosequencing AB (SSE:PYRO A) announced today the signing of an exclusive license agreement with Harvard that provides broad access to nucleic acid technology that can be used in a variety of applications such as DNA sequencing. Under the terms of the agreement, Pyrosequencing gains expanded rights to fluorescent nucleotide technology that can be used to analyze DNA in conjunction with Pyrosequencing's 'sequencing by synthesis' technology or with other platforms. The license agreement will enable the Company to develop new fluorescence-based DNA analysis products for applied genomics and clinical applications using Pyrosequencing™ technology. Financial terms of the transaction were not disclosed.

"Access to the Harvard technology provides us with unique tools that can be used to develop additional sequencing and detection products with Pyrosequencing's platform technologies," said Björn Ekström, Vice President and Chief Technology Officer at Pyrosequencing AB. "It also offers attractive sublicensing opportunities for Pyrosequencing with collaborators interested in accessing this technology for product development. These fluorescent nucleotides have key advantages for microarray or microfluidic applications because they can be cleaved to remove the fluorescent label after incorporation into DNA."

Pyrosequencing technology, a 'sequencing by synthesis' method, is comprised of an enzymatic cascade and a chemiluminescent detection system that culminates in a visible light signal every time a nucleotide is incorporated into a DNA strand. The technology provides accurate determination of genotypes and other short-read sequence applications.

The fluorescent nucleotide technology consists of nucleotides linked to fluorescent dyes via a cleavable dithiol linker. The nucleotides can be efficiently incorporated into DNA and the fluorescent labels can be removed following detection. The technology was developed in the laboratory of George Church, Ph.D., Professor of Genetics at Harvard Medical School and Director of the Lipper Center for Computational Genetics. The Harvard technology is exclusively licensed to Pyrosequencing for nucleic acid analyses.

About Pyrosequencing AB

Pyrosequencing AB develops, manufactures and sells complete solutions for rapid applied genetic analysis based on its proprietary Pyrosequencing™ technology, a broadly applicable DNA sequencing technique. Pyrosequencing leads the global market in Applied Genomics with over 180 systems sold to major pharmaceutical and biotech companies and prestigious research institutions worldwide. The Company actively collaborates with industry leaders to develop clinical

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



applications of the technology for disease diagnosis, clinical prognosis and pharmacogenomics testing.

Pyrosequencing products include the bench-top PSQ™96, PSQ™96MA and PSQ™HS 96A Systems and a high-throughput 384-well system available through a Preferred Technology Program (PTP™), all of which utilize proprietary software and reagent kits. Among Pyrosequencing's customers are AstraZeneca, GlaxoSmithKline, Merck, Schering-Plough, the NIH, the CDC, Yale University, the Karolinska Institute, Genzyme Corp., Biogen, Oxagen, NASA, DuPont Agriculture, Goethe-Universität, and IMGM Laboratories. The 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," and "anticipate," 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
Erik Walldén
President and CEO
erik.wallden@pyrosequencing.com
Phone: +46 18 56 59 02 or +46 70 326 98 70

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

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