



PYROSEQUENCING

PRESS RELEASE

PYROSEQUENCING AND THOMAS JEFFERSON UNIVERSITY TO DEVELOP APPLICATIONS FOR INFLAMMATORY BOWEL DISEASE

Uppsala, Sweden and Philadelphia, March 31, 2003 — Pyrosequencing AB (Stockholm: PYRO A) and Thomas Jefferson University, Philadelphia, announced today that they have entered into a sponsored research agreement to analyze genes and develop applications for inflammatory bowel disease (IBD). Thomas Jefferson University recently purchased a PSQ™HS 96A System, Pyrosequencing's high sensitivity genotyping platform, to advance clinical molecular genetics research including IBD.

"This genotyping system developed by Pyrosequencing will allow us to develop a new gene-based diagnostic tool that we expect to be much simpler and faster, while as effective as current methods," said Paolo Fortina, M.D., Ph.D., professor of Medicine at Jefferson Medical College of Thomas Jefferson University. "Our goal is to better understand genetic variations in inflammatory bowel disease that will lead to improved diagnostics and treatments."

Inflammatory bowel disease is a chronic, often debilitating condition that affects up to four million people worldwide and as many as one million in the United States. Taking the form of either Crohn's disease or ulcerative colitis, the inflammation in the digestive tract may cause abdominal pain, bloody diarrhea, weight loss, fatigue and other symptoms. Pyrosequencing's PSQ HS 96A System will be used to detect various mutations and polymorphisms in genes associated with IBD. Diagnosing the specific mutations provides information that may allow physicians to better predict the course of the disease and select the optimum treatments for patients.

"We are delighted to continue working with Dr. Fortina, who is a world leader in clinical molecular genetics research," said Jerry Williamson, President, Pyrosequencing, Inc. "The promise of molecular diagnostics is not in simply delivering a result, but in providing information that can guide clinical decision making. Dr. Fortina's research demonstrates the potential of Pyrosequencing™ technology to provide accurate, meaningful information to aid in disease diagnosis and treatment. Pyrosequencing would expect to commercialize any testing products relating to this IBD research in collaboration with an industry partner, consistent with our strategy for molecular diagnostic test development," he said.

The agreement builds on an existing collaboration between Pyrosequencing and Dr. Fortina on gene-based diagnostic tests for hearing loss. Dr. Fortina used Pyrosequencing technology to study variations in the connexin 26 gene implicated in a common type of inherited hearing loss. Results of that work have been published in 2002 in the journals *Clinical Genetics* and *Human Mutation*.

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 is a leader in the global market in Applied Genomics with nearly 250 systems sold to major pharmaceutical and biotech companies and prestigious research

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institutions worldwide. The Company actively collaborates with industry leaders to develop clinical 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, all of which utilize proprietary software and reagent kits. Among Pyrosequencing's customers are AstraZeneca, GlaxoSmithKline, Merck, Schering-Plough, Bristol-Myers Squibb, the NIH, the CDC, the Karolinska Institute, Genzyme Corp., Biogen, Oxagen, NASA, DuPont Agriculture, The London IDEAS Genetic Knowledge Park, and the Swedish University of Agricultural Sciences. The Web address is www.pyrosequencing.com.

About Thomas Jefferson University

Thomas Jefferson University is composed of three schools--Jefferson Medical College, the Jefferson College of Graduate Studies and the Jefferson College of Health Professions. The three colleges enroll more than 2,000 future physicians, scientists and health-care professionals. Thomas Jefferson University Hospital, part of the academic health center complex, admits more than 40,000 patients a year for advanced treatment and care. Founded in 1824, Jefferson Medical College is one of the largest private medical colleges in the nation, with the largest living alumni group. For additional information, log on to www.jefferson.edu

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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