

PRESS RELEASE

PYROSEQUENCING IMPLEMENTS NEW ORGANIZATION

Uppsala, Sweden September 29, 2003 – Pyrosequencing AB (Stockholm: PYRO A) today announced that, following the approval of the extraordinary shareholders' meeting of the acquisition of Personal Chemistry, the company will now start to implement a cost-savings program that is expected to generate annual cost synergies in the order of SEK 45-55 million. The first step is a new corporate structure, effective from October 1 when Hans Johansson starts as President, and a proposal of staff reduction of approximately 30 people out of which approximately 25 are based in Uppsala. The company has given notices and the unions have been informed.

In August 2003, Pyrosequencing announced a reduction of approximately 40 people. This has already been completed. After the new cutbacks now being implemented, the workforce of the new company will be approximately 150 employees, approximately 85 in Uppsala.

About the New Company

Pyrosequencing aims to accelerate the drug discovery and development process by providing complete solutions for applied genetic analysis and medicinal chemistry research. Through its merger with Personal Chemistry the Company has further strengthened its customer base of commercial and academic partners, which include the world's top 20 pharmaceutical companies and prestigious academic institutes such as the US National Institutes of Health, the US Centers for Disease Control and Prevention and Sweden's Karolinska Institute. Headquartered in Uppsala, Sweden, Pyrosequencing has facilities in Boston, USA, Cambridge, UK and Constance, Germany. The Company will have approximately 150 employees and had net sales of MSEK 202 in 2002. The Company is listed on the Stockholm Stock Exchange.

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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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