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PRESS RELEASE

WORLD-RENOWNED KAROLINSKA INSTITUTE ADOPTS PYROSEQUENCING™ TECHNOLOGY FOR DISEASE-RELATED RESEARCH

--Departments independently purchase PSQ™ 96 Systems--

Uppsala, Sweden, October 5, 2000—Pyrosequencing AB (SSE:PYRO A), a developer, manufacturer and marketer of complete systems for applied genetic analysis, today announced that two departments at the world-renowned Karolinska Institute in Stockholm, Sweden have purchased PSQ™ 96 Systems for SNP analysis, using the Company's patented Pyrosequencing™ technology.

"The success of our research into complex disorders such as obesity and affective disorders depends greatly on highly accurate results," said Martin Schalling, Professor of Medical Genetics from the Karolinska Institute at the Karolinska Hospital. "After testing 2,000 genotypes without a single error, we were more than convinced that Pyrosequencing fulfilled our requirements for SNP analysis. The PSQ 96 System will become part of a core facility for the hospital and we are already receiving inquiries as to its ability to identify TAG sequences, as well as to perform SNP analysis."

Professor Anders Hamsten from King Gustaf V:s Research Institute at the Karolinska studies the genetic aspects of common disabling diseases, such as diabetes and coronary atherosclerosis, and collaborates closely with the Royal Institute of Technology in Stockholm. "We have a high throughput of patient samples for genotyping and the Pyrosequencing™ technology has proved itself to be simple, straightforward and fast, making it ideally-suited to the multi-user environment of our laboratory," said Professor Hamsten.

"We are extremely pleased to have two independent departments in such a prestigious institute demonstrate their belief in this breakthrough technology," added Erik Walldén, President and CEO of Pyrosequencing AB. "This is another pleasing example of our success in key reference locations around the world."

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, U.S., and Japanese 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 se-

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quences used for genetic identification. PSQ 96 Systems include a sequencing instrument, software, and reagent kits necessary to conduct SNP analysis.

In addition to prestigious research institutions, such as the Karolinska Institute, the National Cancer Center, Tokyo (NCC), and the National Institutes of Health (NIH), Pyrosequencing's global customer roster includes major pharmaceutical, genomics and agbiotech companies, including Astra-Zeneca, Cereon Genomics LLC, and DuPont Agriculture.

About Pyrosequencing AB

Pyrosequencing AB develops, manufactures and sells complete applied genetic analysis systems based on its Pyrosequencing™ technology, a simple-to-use DNA sequencing technique for accurate and consistent analysis. In the post-genome era, Pyrosequencing's technology addresses the increasing demand for applied genetic analysis across various markets, including research and routine clinical testing, as well as large-scale customized industrial applications, such as drug development by pharmaceutical companies. The Company's growing list of customers includes CuraGen Corporation, DuPont Agriculture, SmithKline Beecham, and the National Institutes of Health. The Company is headquartered in Uppsala, Sweden with North American operations 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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