PRESS RELEASE

PEL-FREEZ CLINICAL SYSTEMS AND PYROSEQUENCING COLLABORATE TO EVALUATE NEW TECHNOLOGY FOR HLA DIAGNOSTICS

Uppsala, Sweden and Milwaukee, WI USA, October 15, 2001—Pel-Freez Clinical Systems, LLC and Pyrosequencing AB’s Molecular Diagnostics Business Unit (Stockholm: PYRO A) announced a collaborative agreement to evaluate and develop methods for typing Human Leukocyte Antigens (HLA) using Pyrosequencing™ Technology. HLA genes are highly variable, a factor that significantly impacts patients involved in organ and bone marrow transplantation. The goal in transplantation is to accurately match the patterns of HLA variability of the donor and patient to achieve the highest clinical success. DNA-based methods for HLA typing have enabled diagnostic labs to better identify appropriate donors.

Speaking at the American Society for Histocompatibility and Immunogenetics (ASHI) conference in San Francisco, Frank Langley, President of Pel-Freez Clinical Systems said, “As a leader in diagnostic products for the HLA marketplace, Pel-Freez has continually increased our research and development investments to insure that we can deliver the latest, most effective products for our customers. We believe the Pyrosequencing platform will be truly novel in the HLA field with its ability to simultaneously deliver speed, resolving power, and versatility.”

According to the National Institute of Allergy and Infectious Diseases, there are approximately 20,000 solid organ transplantations each year in the United States. In addition, the Bone Marrow Donor Worldwide Annual Report recorded over one million bone marrow donors and cord blood units in 1998.

"This presents an excellent opportunity to evaluate applications of Pyrosequencing technology for DNA analysis tests that could improve clinical outcomes for transplant patients," said Jerry Williamson, VP and Molecular Diagnostics Business Head for Pyrosequencing AB. “Pel-Freez has established a strong market leadership in HLA diagnostics and is an ideal partner for us to work closely with in developing breakthrough products based on Pyrosequencing technology.”

Pyrosequencing AB formed a Molecular Diagnostics Business Unit earlier this year to establish the Company’s proprietary technology as a standard platform for clinical genetic analysis. Capitalizing on Pyrosequencing’s worldwide market leadership in applied genetic analysis, the Molecular Diagnostics Business Unit is pursuing a global strategy to identify new diagnostic product opportunities, develop clinically useful molecular diagnostic assays, and collaborate with academic and commercial partners in the fields of disease diagnosis, clinical prognosis and pharmacogenomics.
About Pel-Freez Clinical Systems, LLC
Pel-Freez Clinical Systems is a rapidly growing global biotechnology company that focuses on human clinical diagnostics. The Company develops, manufactures, and markets molecular and serologic product lines for bone marrow and solid organ transplantation, disease association, and research. Pel-Freez is a world leader in the HLA market providing over 150 products to customers in over 70 countries. The Company’s Web address is www.pel-freez.com.

About Pyrosequencing AB
Pyrosequencing AB develops, manufactures and sells complete solutions for rapid applied genetic analysis based on its proprietary Pyrosequencing™ Technology, a simple-to-use DNA sequencing technique. Pyrosequencing leads the global market in Applied Genomics with over 100 systems sold to major pharmaceutical and biotech companies and prestigious research institutions worldwide.

Pyrosequencing™ is broadly applicable for the analysis of single nucleotide polymorphisms (SNPs) and for the identification and quantification of short DNA sequences used in bacterial and viral typing. The Company’s products include the bench-top PSQ™ System and a high-throughput PTP™ system which utilize proprietary software and reagents. Among Pyrosequencing’s customers are AstraZeneca, GlaxoSmithKline, Merck, the NIH, the Harvard Center for Cancer Prevention, the Karolinska Institute, Biogen, Oxagen, Ltd., and DuPont Agriculture. The Company’s 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,” “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.

FOR FURTHER INFORMATION CONTACT:

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