

July 2004

Dear (consumables and instruments user)

First and foremost, we at Applied Biosystems would like to take this opportunity to thank you for your continued support of our products.

This letter is to inform you that there will be a **price increase affecting some of our consumables and chemistry products belonging to the Genetic Analysis product line**. This price increase is necessary for us to continue to deliver the same quality of products and level of service you always expect from Applied Biosystems. We have adjusted our price not only in Europe but in other regions of the world as well.

The price change will take effect on October 1st, 2004, or, if you have a written contract with Applied Biosystems providing for a price adjustment notice period, at the end of the notice period provided for in your contract.

The price changes are detailed below (as percentages, rounded):

Product	Percentage increase
Consumables for the ABI PRISM® 310 Genetic Analyzer	3%
Consumables for the ABI PRISM® 3700 DNA Analyzer	15%
Consumables for other instruments	5%
ABI PRISM® BigDye® Terminator v1.1 kits	5%
ABI PRISM® BigDye® Terminator v3.1 kits	3%
ABI PRISM® BigDye® Primer kits	3%
ABI PRISM® dRhodamine Terminator cycle sequencing kits	3%
POP-7™ polymer	6%
All other consumables	5%

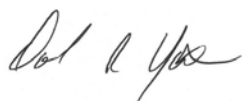
Please note that the above price increase does not affect any of our Human Identity (forensic and paternity) products or ABI PRISM® SNaPshot® products.

Customers that have existing agreements with Applied Biosystems that provide negotiated fixed prices for any of the products above-mentioned for a period beyond October 1st, 2004, will continue to enjoy such negotiated prices until their contracts' expiry dates. Thereafter, the aforementioned products will be offered to such customers at the prices set forth above unless they reach an agreement on different prices with Applied Biosystems. Please contact your local Sales Representative for additional information.

If you require an updated price list, please visit our site:
<http://www.appliedbiosystems.eu.com/gapricelist>
or contact your local Sales Office.

We remain confident that we can provide you with the highest quality and the widest range of sequencing and genotyping consumables available. We trust that we can continue to supply your ongoing needs for your future work.

Yours sincerely



DON YAKITA
Director Sales MB Europe