



Press Release, February 2, 2012

Diamyd Medical's Phase III study published in the New England Journal of Medicine

An article with the results of Diamyd Medical's European Phase III study of the antigen-based diabetes therapy Diamyd[®] has been published in the scientific journal the New England Journal of Medicine. The now published results were previously presented at the American Diabetes Association's 71st Scientific Sessions in San Diego, California, USA, on June 28, 2011.

The title of the published article is "GAD65 Antigen Therapy in Recently Diagnosed Type 1 Diabetes Mellitus". The authors are J. Ludvigsson, D. Krisky, R. Casas, T. Battelino, L. Castaño, J. Greening, O. Kordonouri, T. Otonkoski, P. Pozzilli, J-J. Robert, H.J. Veeze and J. Palmer.

The article is available via the New England Journal of Medicine's website (www.nejm.org), and will also be published in the printed edition.

Results from Diamyd Medical's European Phase III study with Diamyd[®] were first reported in May 2011. The study did not meet the primary efficacy endpoint of preserving beta cell function, as measured by meal-stimulated C-peptide, although a small positive effect was seen. Safety data from the study showed that Diamyd[®] was well tolerated, as demonstrated by a similar number of adverse events reported in the groups treated with Diamyd[®] and in the placebo group.

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About Diamyd Medical

Diamyd Medical is a Swedish biotech company focusing on the development of pharmaceuticals for the treatment of pain, neuropathy and diabetes. The portfolio of development projects for the treatment of chronic pain and neuropathy uses the Company's patented NTDDS (Nerve Targeting Drug Delivery System) platform to administer therapeutic agents directly to the nervous system. The development project within the area of diabetes consists of the protein GAD65 for the treatment and prevention of autoimmune diabetes.

Diamyd Medical has offices in Sweden and in the US. Shares are listed on Nasdaq OMX (segment Small Cap) in Stockholm (ticker: DIAM B) and on OTCQX in the US (ticker: DMYDY) administered by the Pink OTC Markets and the Bank of New York Mellon (PAL). Further information is available on the Company's website: www.diamyd.com.

This information is disclosed in accordance with the Swedish Securities Markets Act, the Swedish Financial Instruments Trading Act, or the requirements stated in the listing agreements.

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