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Important progress for Diamyd Medical during the third quarter

Diamyd Medical's President and CEO comments in the company's interim report today on several significant advances during the period, including the positive development of the company's Phase III program.

"I'm very pleased with how the operations has developed this quarter," says **Elisabeth Lindner, President and CEO** of Diamyd Medical. "Patient recruitment for the European Phase III study is very successful. Now when we have also received approval to include children from age 10 in the US, we can further accelerate the recruitment," Lindner continues.

Diamyd Medical announced during the third quarter that more than half of the patients had been included in the European Phase III study. After the end of the period, the FDA has approved the inclusion of children from age 10 in the US study. The company can now contract more pediatric clinics and further accelerate patient recruitment.

During the period, Diamyd Medical also reported that the Swedish Medical Products Agency approved a Phase II study of the Diamyd[®] vaccine with the objective to prevent or delay the development of type 1 diabetes in children at high risk of developing the disease.

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About Diamyd Medical

Diamyd Medical is a Swedish diabetes company focusing on the development of pharmaceuticals for the treatment of autoimmune diabetes and its complications. The company's most advanced project is the GAD-based drug Diamyd[®] for type 1 diabetes. Phase III trials for this drug are in progress in both Europe and the US. In addition, the company has initiated clinical studies in the US in the area of chronic pain, using its Nerve Targeting Drug Delivery System (NTDDS). The company has also out-licensed the use of GAD for the treatment of Parkinson's disease. The company currently has three clinical-phase products.

Diamyd Medical has offices in Sweden and in the US. Shares are listed on Nasdaq OMX 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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