



Press Release, November 12, 2009

Diamyd's European Phase III study fully recruited

Diamyd Medical announces today that the company's European Phase III study of the diabetes vaccine Diamyd® is now fully recruited. It is estimated that results from the study can be reported during spring 2011.

320 children and adolescents between 10 and 20 years of age and recently diagnosed with type 1 diabetes have now been identified and included in the company's European Phase III study and have received their first injection of the Diamyd® vaccine or placebo. The study is thus fully recruited.

"It is clear now that we will be able to present results from the study during spring 2011 and our schedule for the market application thereby remains unchanged," says **Elisabeth Lindner**, CEO and President of Diamyd Medical.

The study aims to investigate whether the Diamyd® vaccine can halt or slow the destruction of beta cells in the pancreas in type 1 diabetes, preserving the body's own ability to control blood sugar levels. An improved blood sugar balance in children and adolescents, who have recently been diagnosed with type 1 diabetes, in turn reduces the risk of both short and long term diabetes complications. The Diamyd® vaccine has been shown, in Phase II studies, to halt or slow the destruction process and preserve the remaining beta cell function.

In the US, a parallel Phase III study (DIAPREVENT) is ongoing. The study was recently opened for children as young as 10 years of age. Children started to be included in the study in September of this year and the pace of recruitment is now steadily increasing. The company has also invested in expanded recruitment activities in connection to an increase in the number of participating pediatric diabetes clinics. The recruitment campaign for the American Phase III study of the Diamyd® vaccine has its own website, www.DiaPrevent.diamyd.com.

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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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