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Diamyd completes screening for US Phase III study

Diamyd Medical has completed the screening of patients for the US Phase III study, DiaPrevent, ending the recruitment campaign. More than 310 recently diagnosed type 1 diabetes patients between 10 and 20 years of age have already been enrolled in the study and have received their first injection of the antigen-based therapy Diamyd[®] or placebo.

"We expect to reach the enrollment target of 320 patients in the near future with the patients already enrolled and the ones waiting for their screening results," says Elisabeth Lindner, CEO and President of Diamyd Medical. "The study has been met with strong interest by the American diabetes community and I want to thank everyone who has contributed to the recruitment effort."

At the same time, the parallel European Phase III study is progressing according to plan, with the first results anticipated by the spring of 2011. All patients have received their 4 injections of Diamyd[®] or placebo, and more than 70 percent have completed their 15 month visit. When all patients have completed their 15 month visit, the data will be processed and analyzed.

The global Phase III program aims to investigate whether Diamyd[®] can halt or slow the destruction of beta cells in the pancreas in type 1 diabetes, preserving the body's own ability to control the blood sugar level. This in turn reduces the risk of both short and long term diabetes complications. In Phase II studies, the Diamyd[®] therapy has been shown to slow the loss of beta cell function compared to placebo.

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About Diamyd Medical

Diamyd Medical is a Swedish pharmaceutical company focusing on the development of pharmaceuticals for the treatment of autoimmune diabetes and pain. The Diabetes business area consists of the antigen-based candidate drug Diamyd[®] for the treatment and prevention of autoimmune diabetes. Phase III studies of Diamyd[®] are currently in progress in Europe and the US. In 2010 the Company signed an agreement with Ortho-McNeil-Janssen Pharmaceuticals, Inc., for the development and commercialization of Diamyd[®]. The Pain business area consists of development projects that use the Company's proprietary NTDDS (Nerve Targeting Drug Delivery System) platform to administer drugs directly to the nervous system to treat chronic pain. A Phase I study of the candidate drug NP2 Enkephalin for cancer pain is ongoing, and the Company plans to initiate a Phase II study.

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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