



Press Release, March 24, 2009

Insiders subscribe for Diamyd shares

Diamyd Medical's CEO Elisabeth Lindner is exercising 5,000 subscription warrants, increasing her holdings in Diamyd Medical to 9,100 Class B shares.

"Diamyd is in a tremendously positive and exciting stage in its development. Converting the options is a unique opportunity for me as an insider to increase my long-term ownership in the company," said Diamyd Medical's President and CEO Elisabeth Lindner.

Out of the 50,000 stock options that Diamyd Medical's CEO acquired in 2008, she is subscribing for 5,000 new shares on her own behalf for a value of SEK 500,000. Lindner is keeping 25,000 of the remaining options, and is selling 10,000 options each to Chairman of the Board Anders Essen-Möller and principal shareholder Bertil Lindqvist.

During the previous week Bertil Lindqvist bought 3,000 shares, thereby increasing his holdings to 3,893,303 Class B shares. Board Member Lars Jonsson also bought 550 shares of Diamyd Medical, and now owns 1,150 Class B shares.

The stock option is being traded up till and including April 8 on the First North Exchange, and can be converted into a Class B share in Diamyd Medical AB from March 16 through April 17, 2009. The redemption price is SEK 100.

About Diamyd Medical:

Diamyd Medical is a Swedish biopharmaceutical 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 the US and Europe. In addition, the Company has initiated clinical studies in the US using enkephalin to treat chronic pain, using its Nerve Targeting Drug Delivery System. The Company has also out-licensed the use of GAD for the treatment of Parkinson's disease.

Diamyd Medical has offices in Sweden and the US. Its shares are listed on the OMX Stockholm Nordic Exchange (ticker: DIAM B) and on OTCQX in the US (ticker: DMYDY) administered by the Pink Sheets and the Bank of New York (PAL). Further information is available on the company's website; www.diamyd.com.

(www.omxnordicexchange.com ticker: DIAM B; www.otcqx.com ticker:DMYDY)

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