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Active quarter for Diamyd Medical

In today's quarterly report Diamyd Medical's President and CEO, Elisabeth Lindner, comments on the very active period the company has had during the last part of 2008.

During the last quarter the company has focused on meeting and negotiating with both the scientific and financial sector. On the scientific side the company achieved one of its milestones; the successful Phase II study with children and adolescents with type 1 diabetes was published in the prestigious medical journal *the New England Journal of Medicine*. Together with leading diabetes researchers the company has also applied to initiate two of each other independent prevention studies, where the diabetes vaccine Diamyd® will be tested in order to prevent type 1 diabetes in persons at high risk of developing the disease.

"The highest priority for the company right now is to secure continued financing and to recruit patients to the ongoing Phase III studies in the US and Europe", says Elisabeth Lindner, President and CEO of Diamyd Medical. "We are actively pursuing outlicensing of our products and are also evaluating other partnership opportunities with companies that work in the area of autoimmune diabetes."

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Diamyd Medical is a Swedish biopharmaceutical company focusing on development of pharmaceuticals for treatment of autoimmune diabetes and its complications. The company's most advanced project is the GAD-based drug Diamyd® for type 1 diabetes and for which Phase III trials are ongoing in both the US and Europe. Furthermore, the company has started clinical studies within 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.

Diamyd Medical has offices in Sweden and in the US. The share is quoted 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 web site: www.diamyd.com

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