



Press release, December 9, 2010

Bulletin from Annual General Meeting: One of the most significant years in Diamyd's history

At Diamyd Medical's Annual General Meeting on December 9, Elisabeth Lindner, President and CEO of Diamyd, said that the past year was one of the most significant years in the history of the company and that the foundation has been laid upon which a new Swedish pharmaceutical company can be built.

"I am very pleased that we continued to deliver according to plan in the past year," says Elisabeth Lindner, President and CEO of Diamyd Medical. "Following an eventful year, we will now continue to develop Diamyd into a new Swedish pharmaceutical company."

In addition to the signing of a partnership agreement with Ortho-McNeil-Janssen Pharmaceuticals, Inc. for the global development and marketing rights for the antigen-based drug candidate Diamyd[®], several important milestones have been achieved. Among other events, Diamyd[®] was granted orphan drug designation in the US and the drug candidate NP2 Enkephalin showed promising safety data and pain relief in a Phase I study in cancer pain. In addition, the last patient was recruited in the company's US Phase III trial and has received the initial injection with either Diamyd[®] or placebo, which means study results can be reported by summer 2012. Results of the European Phase III trial with Diamyd[®] are scheduled to be reported in spring 2011.

The following items were addressed at the Meeting:

Diamyd Medical's President and CEO Elisabeth Lindner gave a retrospective view of the past year and summarized the most significant events that took place during the fiscal year and after year-end.

The company's income statement and balance sheet were adopted and the Board members and the Chief Executive Officer were discharged from liability for the 2009/2010 fiscal year. The Annual General Meeting approved the Board's proposal that no dividend be paid for the 2009/2010 fiscal year.

Anders Essen-Möller was re-elected as Chairman of the Board and Lars Jonsson, Sam Lindgren, Henrik Bonde, Maria-Teresa Essen-Möller and Göran Petterson were re-elected to the Board. Joseph Janes was elected as a new Board member. Joseph Janes was born 1965, holds a B.A. Juris Doctor and lives in the US. Janes is highly familiar with the company's operations as a result of the time he spent as a Board member in Diamyd Medical between 2005 and 2007, during which he served as Chairman between 2006 and 2007.

The Annual General Meeting approved the Board's proposed guidelines for remuneration and terms of employment for the CEO and other senior executives. The Meeting also approved the Nomination Committee's proposed remuneration to Board members and the Chairman of the Board.

The Annual General Meeting authorized the Board to issue new shares for a maximum total of 10 percent of the number of shares on one or more occasions before the next Annual General Meeting, and permitted the Board to deviate from the shareholders' preferential rights when so doing. In addition, The Annual General Meeting authorized the Board, for the period until the next Annual General Meeting, to repurchase series B shares in Diamyd Medical. The maximum number of shares repurchased shall be such that Diamyd Medical shares held in treasury from time to time do not exceed 5 percent of all shares in the Company.

The Annual General Meeting approved the Board's proposal to make adjustments to the terms and conditions of outstanding employee option programs to the extent that the holders of options are able to exercise the earned options on any date up to the date of maturity and not just during a specified period.

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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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