Year End Report, Stockholm, October 24, 2008

Year End Report for Diamyd Medical AB (publ), Fiscal Year 2007/2008
(www.omxgroup.com ticker: DIAM B; www.otcqx.com ticker: DMYDY)

September 1, 2007 – August 31, 2008

- The 5-year results of a Phase II study demonstrates that Diamyd® significantly reduces the risk that LADA patients will need insulin treatment
- Great interest in Diamyd at the American ADA conference in June
- The warrants that accompanied the new shares issued during the spring were listed for trading on First North
- Diamyd's licensing partner Neurologix initiates Phase II studies with GAD in Parkinson's disease
- Positive 30-month results of a Phase II study with Diamyd® for type 1 diabetes were published together with an editorial in the most prestigious medical journal in the world, The New England Journal of Medicine (after reporting period)
- Ten percent of the type 1 diabetes patients have been screened in a European Diamyd® Phase III study (after reporting period)
- The NTDDS product NP2 with Enkephalin proves to be effective against diabetes pain in preclinical studies (after reporting period)
- Diamyd received great exposure at the EASD conference in Rome (after reporting period)
- Group net sales for the year amounted to kSEK 1,092 (531). Net sales for the fourth quarter were kSEK 133 (115)
- The loss before taxes for the year amounted to MSEK -63.9 (-53.5). The loss before taxes for the fourth quarter was MSEK -20.3 (-15.6)
- Group liquid assets amounted to MSEK 81.9 (68.8) as of August 31, 2008
- Result per share after dilution was SEK -6.3 (-5.5)

CEO OVERVIEW

The summer has been a time of intense activity for Diamyd Medical. The Swedish part of our Phase III study in type 1 diabetes has begun, and we have applied to regulators and ethics committees in eight more European countries for approval of the study. The study has either been approved or is close to approval in most of the countries, and we have nearly 70 European clinics under contract. In the US we will have 20 clinics under contract soon. The process is time-consuming because the majority of the American clinics have their own local ethics committees, but it is proceeding swiftly nevertheless.

At the time of writing, we have screened more than 10 percent of the patients for the European study, and administered injections to more than 10 percent of the Swedish patients. A handful of patients in the US have received injections up to this point. I am grateful and delighted that our team has such a wonderful spirit of enterprise, and is so committed that we have succeeded with these measures of progress in such a short time and with limited resources.

In October we had a great breakthrough when the prestigious scientific journal The New England Journal of Medicine, together with an editorial published the results of our Phase II study with the diabetes vaccine Diamyd® in children and adolescents with type 1 diabetes. We see this as the ultimate scientific validation of the results of our study.

We also announced the 5-year results of our Phase II study in adult patients with autoimmune diabetes, which demonstrated that treatment with Diamyd® has a significant effect in preventing the need for insulin treatment.

One building block is laid upon another, and they demonstrate unequivocally that the Diamyd® diabetes vaccine has a significant clinical effect and great potential to help children, adolescents and adults with diabetes.

In the turbulent times caused by the financial crisis that is reigning over the entire world, I am both proud and humble that Diamyd Medical has fared so well nevertheless. At the present time we have secure financing and stable long-term owners with decision powers, and our research demonstrates positive results time after time. Diamyd is a virtual company with low fixed costs as well as low variable costs relative to the industry, this minimizes our burn rate.

Our strategy stands firm, and we have achieved our objectives, one after another. We expect to have included the last patient in the Phase III program in the third quarter 2009; the program will then yield the first Phase III results at the end of 2010. At that point we will apply for market approval for the world's first diabetes vaccine!

Elisabeth Lindner, President and CEO, Diamyd Medical AB

SIGNIFICANT EVENTS DURING THE PERIOD

ADA, Diamyd was well represented at ADA (American Diabetes Association, 68th Annual Meeting), the large American annual diabetes conference that was held in San Francisco this year. GAD and Diamyd's research were described in three different sessions, and TrialNet president Jay Skyler announced during his presentation that the planned intervention study with Diamyd® for type 1 diabetes is intended to start in the coming months.

The warrants that accompanied each newly issued share from the directed placement of the spring 2008 were listed for trading on the marketplace First North as of June 10, 2008.

Mangold Fondkommission AB has taken over the role of liquidity provider for Diamyd Medical's B share and warrant as of June 10, 2008.

Phase III studies with Diamyd® for type 1 diabetes began in Europe and the US in the spring and summer. In Europe, Sweden is proceeding according to plan and eight additional European countries are at various stages of the startup process. The study has begun in the US according to plan. Patients have been screened and received injections on both continents.

5-year results from the Diamyd® Phase II study with LADA patients were presented at the EASD conference (European Association For The Study Of Diabetes, 44th Annual Meeting) in Rome, Italy in September. The results demonstrated that, even after five years, vaccination with Diamyd® significantly reduces the risk that LADA (Latent Autoimmune Diabetes in Adults) patients will need insulin treatment. No serious treatment-related side effects were observed in the study, which strengthens the safety profile of Diamyd®.

Diamyd's licensing partner Neurologix Inc. reported that they have initiated a Phase II study with the GAD gene in Parkinson's disease. This demonstrates that GAD can also be used successfully in therapeutic areas other than diabetes.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

30-month results from the company's Phase II study in type 1 diabetes were published in the New England Journal of Medicine, the most influential medical journal in the world. The results demonstrates that children and adolescents who received the Diamyd® diabetes vaccine for type 1 diabetes maintained the ability to produce their own insulin, without the vaccine causing any serious side effects.

NTDDS with Enkaphalin is effective for diabetes pain, according to an article published in the scientific journal Journal of Neuroscience. This refers to the company's NP2 product, which is based on Diamyd Medical's patented NTDDS platform.

BUSINESS OVERVIEW

Diamyd Medical is a biopharmaceutical diabetes company that currently develops therapies from two independent technical platforms in the areas of diabetes and diabetes-related complications. One of the platforms originates from the GAD65 molecule and is the basis for Diamyd®, a therapeutic diabetes vaccine. The second platform, called NTDDS, utilizes gene therapy to deliver medication directly to nerve cells.

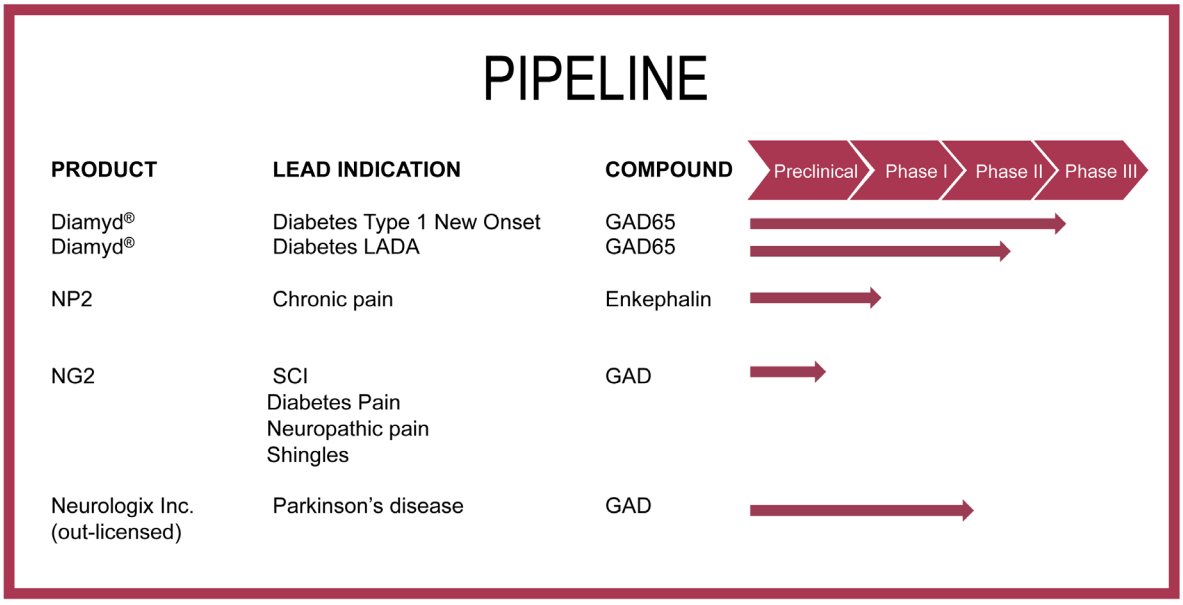
Platforms

DIAMYD PRODUCTS	
DIABETES	DIABETES RELATED COMPLICATIONS
DIAMYD® TYPE 1	NTDDS - NP2
DIAMYD® LADA	NTDDS - NG2

Business Model

Diamyd Medical is a virtual company with a focused in-house team that outsources operations to qualified partners that have expert qualifications. This model efficiently manages costs and provides resource flexibility while ensuring delivery of quality results as the Company's projects move forward.

Pipeline



Diamyd® for Type 1 Diabetes; Clinical Trials

Two parallel Phase III studies with the therapeutic vaccine Diamyd® have been initiated in Europe and the US. Patients have been screened and received injections on both continents. Both studies are randomized, double-blind and placebo controlled. Approximately 320 newly diagnosed young type 1 diabetes patients will be included in each study. Each study will include three treatment arms. A third of the patients will be treated with two injections of Diamyd® 20µg (days 1 and 30), one third will be treated with four injections of Diamyd® 20µg (days 1, 30, 90 and 270), and one third will receive a placebo. The results from each study will be analyzed 15 months after all patients received their first injection. If the studies have a positive result, they will be used for market registration.

The company reported positive results from a similar completed 30-month randomized, double-blind, placebo controlled Phase II study of 70 children and adolescents with type 1 diabetes. Significant long-term efficacy was demonstrated in preserving beta cell function, i.e. endogenous insulin producing capacity. The treatment was well received by patients, their doctors, and family members. In addition, the results strongly support the safety of the drug. No serious side effects related to Diamyd® treatment were reported in the study. The study was recently published in the prestigious journal The New England Journal of Medicine.

Diamyd® for LADA; Clinial Trials

The results from a five-year follow up of a Phase II study of 47 LADA patients demonstrated that Diamyd® significantly reduces the risk that LADA patients will need insulin treatment. Only 14 percent of the patients in the group that received 20 µg of Diamyd® needed insulin after 5 years, vs. 64 percent in the placebo group. The results were presented at the European EASD diabetes conference in September 2008.

No serious side effects related to Diamyd® treatment have been reported in any study, which further strengthens the safety profile of the Diamyd® therapeutic diabetes vaccine.

NTDDS

Diamyd Medical's patented Nerve Targeting Drug Delivery System (NTDDS) is a platform for specific delivery of proteins to nerve cells. This system has several advantages over other gene delivery strategies, as the NTDDS is nerve specific and does not cause systemic effects. NTDDS does not integrate into the chromosome and therefore reduces the risk of side effects. The NTDDS lead projects are drugs for treatment of pain using Enkephalin (NP2) and GAD (NG2).

Diamyd has gained FDA approval to conduct a Phase I clinical trial to test the safety of NP2 in patients with severe chronic cancer pain. The study is now being initiated in the US. The study is designed as a dose-escalating study in which various doses will be tried.

GAD and other neurological diseases

Apart from being a major antigen in autoimmune diabetes, GAD is also an enzyme that converts the excitatory neurotransmitter glutamate into the inhibitory neurotransmitter GABA. Several neurological and movement related disorders may be connected with disturbances in the glutamate-GABA balance, and GAD may come to play an important role in the treatment of such diseases.

Diamyd Medical has sublicensed rights to the GAD65 gene to Neurologix, Inc. for the development of a GAD-based therapy to treat Parkinson's disease. Neurologix Inc. has initiated a Phase II study in Parkinson's disease.

RISK FACTORS

There are no guarantees that Diamyd Medical's research or clinical studies will result in required approvals from regulatory agencies, development of drugs, or commercial success.

There are no guarantees that the company will develop products that can be patented, nor that granted or licensed patents can be retained, renewed, or provide sufficient protection for current or future discoveries.

The company cannot guarantee that there will not be a need in the future to approach the capital market for financing to ensure business development and research and development projects.

Biopharmaceutical companies such as Diamyd Medical are generally associated with high risk.

Financial Performance

Net sales - Group net sales for the year amounted to kSEK 1,092 (531). Q4 net sales amounted to kSEK 133 (115). Sales fluctuate from quarter to quarter and consist primarily of Diamyd®-related products such as GAD-protein sold to academic researchers. The company received a license payment from Neurologix Inc. during the year.

Costs - Group costs for the year were MSEK 68.9 (56.0). Costs were MSEK 23.1 (15.6) for the fourth quarter.

Result – The loss before taxes for the year amounted to MSEK -63.9 (-53.5). The loss before taxes for the fourth quarter was MSEK -20.3 (-15.6).

Financial position and liquidity – The Group's liquid assets amounted to MSEK 81.9 (68.8) as of August 31, 2008.

Change in equity - As of May 31, 2008, the Company's equity amounted to MSEK 120.8 (105.1), resulting in a solvency ratio of 92.0 (92.0) percent.

Personnel - The Group had 13 (11) employees as of August 31, 2008, of which 5 were men and 8 were women.

Parent company - The Parent Company's net sales amounted to SEK 0 (0) since all sales occur in subsidiaries. Investments for the period were MSEK 0 (0). The net loss for the Parent Company during the year amounted to MSEK -64.9 (-47.6). The Parent Company's net loss for the fourth quarter was MSEK -56.8 (-44.7). Investments for the period in tangiable and intangiable assets were MSEK 0 (0).

Shares – The total number of shares in the Company as of August 31, 2008 was 10,901,570.

Employee option programs – Two employee option programs were adopted in 2007. There are 140,000 outstanding warrants in these two programs.

Annual report – The annual report will be published on the Company's website on November 27, 2008 or before.

Annual Shareholders' Meeting – Diamyd Medical AB's Annual Shareholders' Meeting will be held on December 11, 2008.

Group´s Consolidated income statement

kSEK	Note	3 months Jun-Aug 2007/2008	3 months Jun-Aug 2006/2007	12 months Sep-Aug 2007/2008	12 months Sep-Aug 2006/2007
OPERATING INCOME					
Net sales		133	115	1,092	531
Other operating income		719	149	891	540
Total operating income	**1**	**852**	**264**	**1,983**	**1,071**
OPERATING EXPENSES					
Raw materials and consumables		-8	-6	-31	-18
External research and development costs		-13,387	-10,596	-41,706	-29,049
Patents- and licenses expenses		-371	-569	-1,342	-1,908
Personnel		-6,458	-3,694	-17,179	-13,554
Other external expenses		-2,832	-1,011	-8,315	-10,941
Depreciation, patents	3	-47	449	-258	-403
Depreciation, equipment		-19	-43	-104	-146
Total operating expenses		**-23,122**	**-15,470**	**-68,935**	**-56,019**
OPERATING LOSS		**-22,270**	**-15,206**	**-66,952**	**-54,948**
Financial income and expenses					
Dividends from other bonds		380	350	380	350
Other interest income and similar items		1,563	508	2,636	2,574
Other interest expense and similar items		-	-1,245	-9	-1,447
Total financial income and expenses		**1,943**	**-387**	**3,007**	**1,477**
Loss before taxes		**-20,327**	**-15,593**	**-63,945**	**-53,471**
Income taxes		91	266	-22	266
NET LOSS FOR THE PERIOD		**-20,237**	**-15,327**	**-63,967**	**-53,205**
Earnings per share before dilution, SEK		-1,9	-1,6	-6,3	-5,5
Earnings per share after dilution, SEK		-1,9	-1,6	-6,3	-5,5
Number of shares		10,901,570	9,772,478	10,901,570	9,772,478
Average number of shares		10,901,570	9,659,558	10,209,192	9,659,558
Number of shares after dilution		10,901,570	9,750,960	10,901,570	9,750,960

Group's Condensed consolidated balance sheet

Summary in kSEK	Note	Aug 31 2008	Aug 31 2007
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	3	16,627	16,885
Tangible assets		390	414
Financial assets		21,418	21,418
Total non-current assets		**38,435**	**38,716**
CURRENT ASSETS			
Inventory		12	11
Trade receivables		123	86
Other receivables		750	3,107
Prepaid tax		911	789
Prepaid expenses and accrued income		2,214	2,709
Financial assets available for sale		6,402	–
Short-term investments		–	–
Liquid assets		81,890	68,803
Total current assets		**92,302**	**75,505**
TOTAL ASSETS		**130,737**	**114,221**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Issued Capital		10,902	9,772
Other Capital Contributions		424,115	349,995
Other reserves		271	311
Accumulated loss including loss for the year		-314,512	-254,944
Total shareholders' equity		**120,776**	**105,134**
Current liabilities			
Trade payables		6,101	4,016
Other payables		839	220
Prepaid income and accrued expenses		3,021	4,851
Total current liabilities		**9,961**	**9,087**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**2**	**130,737**	**114,221**

Change in Shareholder's Equity (Group)

kSEK	Share capital	Other capital contributions	Reserves	Accumulated losses	TOTAL
Opening balance, September 1, 2006	**8,735**	**288,938**	**160**	**-202,231**	**95,602**
Revaluation of short-term investments	–	–	77	–	77
Translation gain	–	–	74	–	74
Total revenues and costs posted directly to shareholders' equity	**–**	**–**	**151**	**–**	**151**
Loss for the year	–	–	–	-53,205	-53,205
Total revenues and costs	**–**	**–**	**151**	**-53,205**	**-53,054**
New share issue	912	48,332	–	–	49,244
Option premiums	55	2,695	–	–	2,750
New share issue	70	10,030	–	–	10,100
Employee options	–	–	–	492	492
Closing balance, August 31, 2007	**9,772**	**349,995**	**311**	**-254,944**	**105,134**
Opening balance, September 1, 2007	**9,772**	**349,995**	**311**	**-254,944**	**105,134**
Translation gain			-40		-40
Total revenues and costs posted directly to shareholders' equity			**-40**		**-40**
Loss for the year				-63,967	-63,967
Total revenues and costs			**-40**	**-63,967**	**-64,007**
New share issue	1,130	67,353			68,483
Option premiums		6,767			6,767
Employee options				4,399	4,399
Closing balance, August 31, 2008	**10,902**	**424,115**	**271**	**-314,512**	**120,776**

Parent Company's Income Statement

kSEK	Note	3 months Jun-Aug 2007/2008	3 months Jun-Aug 2006/2007	12 months Sep-Aug 2007/2008	12 months Sep-Aug 2006/2007
OPERATING INCOME					
Other operating income		185	–	–	–
Total income		185	–	–	–
OPERATING EXPENSES					
Employee benefit expenses		-22	–	-233	–
Other external expenses		-4,241	-13,604	-12,543	-17,019
Other operating expenses		–	–	-12	–
Total operating expenses		**-4,263**	**-13,604**	**-12,788**	**-17,019**
OPERATING LOSS		**-4,078**	**-13,604**	**-12,788**	**-17,019**
FINANCIAL INCOME AND EXPENSES				**–**	
Results from group participation		-55,506	-32,005	-55,334	-32,005
Dividends from other bonds		380	350	380	350
Interest income and similar items		2,307	378	2,795	2,459
Interest expenses and similar items		–	–	–	-1 426
Total financial income and expenses		**-52,819**	**-31,101**	**-52,159**	**-30,622**
Loss before taxes		**-56,897**	**-44,705**	**-64,947**	**-47,641**
Taxes on loss for the year		18	–	18	–
NET LOSS FOR THE PERIOD	**3**	**-56,879**	**-44,705**	**- 64,929**	**-47,641**

Parent Company's Balance Sheet

kSEK	Note	Aug 31 2008	Aug 31 2007
ASSETS			
Non-current assets			
Intangible assets			
Acquired research and development	3	16,627	16,627
Financial assets			
Shares in group companies		1,200	1,701
Receivables at group companies		12,267	6,784
Other long-term bond holdings		21,418	21,418
Total non-current assets		**51,512**	**46,530**
CURRENT ASSETS			
Other receivables		148	398
Prepaid expenses and accrued income		1,524	1,424
Financial instruments available for sale		6,403	–
TOTAL TRADE AND OTHER RECEIVABLES		**8,075**	**1,822**
Short-term investments		20,247	–
Liquid assets		47,731	59,631
TOTAL CURRENT ASSETS		**76,053**	**61,453**
TOTAL ASSETS		**127,565**	**107,983**
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Restricted equity			
Issued capital		10,902	9,772
Statutory reserve		96,609	141,673
Share premium reserve restricted		–	–
Non-restricted equity			
Share premium reserve non-restricted		74,120	78,184
Loss brought forward		4,445	-75,607
Net loss		-64,929	-47,641
Total shareholders' equity	**2**	**121,147**	**106,381**
Long-term liabilities to subsidiary		5,606	181
CURRENT LIABILITIES			
Trade payables		362	630
Other payables		9	72
Prepaid income and accrued expenses		441	719
Total current liabilities		**812**	**1,421**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**127,565**	**107,983**
Assets pledged		157	157
Contingent liabilities		–	–

Cash Flow Statement

Summary in kSEK	3 months Jun-Aug 2007/2008	3 months Jun-Aug 2006/2007	12 months Sep-Aug 2007/2008	12 months Sep-Aug 2006/2007
Cash flow from operations before changes in working capital				
Operating loss	-21,974	-15,207	-66,952	-54,948
Interest received	1,043	361	2,515	2,574
Interest paid	-9	-26	-9	-26
Dividend received	380	350	380	350
Non-cash flow items				
Depreciation	66	-576	362	549
Other non-cash flow items	3,304	469	3,899	568
Income tax paid	65	-189	–	-205
Net cash flow from operating activities before changes in working capital	**-17,125**	**-14,818**	**-59,805**	**-51,138**
Increase (-) decrease (+) inventory	0	-2	0	-1
Increase (-) decrease (+) receivables	-150	2,177	2,855	-278
Increase (+) decrease (-) liabilities	3,615	3	846	-138
Net cash flow from operating activities	**-13,660**	**-12,640**	**-56,104**	**-51,555**
Cash flow from investing activities				
Group's contributions	–	–	–	–
Change in long-term receivables at subsidiary	–	–	–	–
Purchase of intangible assets		–	–	–
Purchase of tangible assets	-59	-78	-63	-435
Purchase of financial assets	–	–	-6,445	45,551
Net cash flow from investing activities	**-59**	**-78**	**-6,508**	**45,116**
Cash flow from financing activities				
Change in long-term liabilities at subsidiary	–	–	–	–
Option premiums	–	–	6,767	–
New share issue	–	–	68,483	62,094
Net cash flow from financing activities	**–**	**–**	**75,250**	**62,094**
Total cash flow for the period	**-13,719**	**-12,718**	**12,638**	**55,655**
Cash and cash equivalents at beginning of period	96,098	81,626	68,803	13,190
Net foreign exchange difference	-489	-105	449	-42
Cash and cash equivalents at end of period	**81,890**	**68,803**	**81,890**	**68,803**

Accounting policies

The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards established by the International Accounting Standards Board and the interpretations published by the International Financial Reporting Interpretations Committee as endorsed by the European Commission for application in the EU. This interim report was prepared as per IAS 34, Interim Financial Reporting, which is consistent with the requirements stated in the Swedish Financial Accounting Standards Council's recommendation RR 31, Interim Reporting for Groups. The Group applies the same accounting policies and calculation methods as in the 2006/2007 annual report. The interim report should be read alongside the 2006/2007 annual report. Accounting in the parent company is prepared as per RR 32.

Note 1 - Segment results

Segment results for the financial year

	2007/2008			2006/2007		
	GAD	**NTDDS**	**Koncernen**	**GAD**	**NTDDS**	**Koncernen**
Total segment income	1,092	-	1,092	531	–	531
Other income	353	538	891	117	423	540
Total income	**1,445**	**538**	**1,983**	**648**	**423**	**1,071**
Segment results	-52,223	-14,729	-66,952	-42,859	-12,089	-54,948
Financial income			2,636			2,574
Financial costs			-9			-1,447
Total financial income and expenses			2,627			1,127
Dividends from holdings			380			350
Loss before income tax			-63,945			-53,471
Income tax expense			-22			266
Net loss for the year			**-63,967**			**-53,205**

Note 2 – Equity and liabilities

All company debts are non-interest-bearing.

Note 3 – Accounting adjustment

In 2006, the company acquired a license for the NTDDS research and development project. Last year the company amortized the license. Since an acquired research and development project in accordance with IAS 38 should not be amortized, we have corrected corrected the previous year's financial statement. The effects of this adjustment are summarized below. There is no effect in the year end numbers for FY 2006/2007. The effect of the adjustment on the result per quarter amounted to kSEK 415. The previous year's quarterly figures have been adjusted so that they are comparable with the current year's figures.

Note 4 – Employee option program

On December 11 2007, the shareholders' meeting of Diamyd Medical AB (publ) approved an employee option program with underlying warrants. This was a modification to the employee option program that was approved at the extra shareholders' meeting on May 22, 2007.

Note 5 – Related-party transactions

During the year companies represented by immediate family members of the Chairman were retained as

consultants. Total compensation for the year amounted to kSEK 604 (696) for IT services excluding VAT. Pricing was set according to the arm's length principle. Salaries to immediate family members of the Chairman amounted to a total of kSEK 789 (824) during the year. No other members of the Board of Directors or executive management, or their immediate family members, are or have been directly or indirectly involved in any business transactions with the Company that is or was unusual in its character or terms and conditions, and took place during the current fiscal year. Neither has the company given any loans, provided guarantees or surety for the benefit of any member of the Board of Directors, executive management or the Company's auditors.

kSEK	**2007/2008**	**2006/2007**	**2005/2006**
Purchase of inter-company services	7,085	11,334	–
Salaries	789	824	468
Consulting fees	604	696	581
Services rendered by former CEO	68	268	358

Key ratios

	3 months Jun-Aug 2007/2008	3 months Jun-Aug 2006/2007	12 months Sep-Aug 2007/2008	12 months Sep-Aug 2006/2007
Return on equity, %	-13.7	-13.7	-54.6	-53
Return on capital employed, %	-13.7	-12.9	-54.5	-51.8
Return on assets, %	-13.2	-11.9	-50.4	-47.4
Shareholders' equity per share, SEK	11.1	10.8	11.1	10.8
Shareholders' equity per share after dilution, SEK	11.1	10.7	11.1	10.8
Cash flow per share, SEK	-1.3	-1.3	1.2	-1.0
Solidity, %	92.4	92.0	92.0	92.0
Number of shares	10,901,570	9,772,478	10,901,570	9,772,478
Average number of shares	10,901,570	9,772,478	10,209,192	9,772,478
Number of shares after dilution	10,901,570	9,831,104	10,901,570	9,831,104

Financial Calendar

Annual report	November 27, 2008
Annual General Meeting of Shareholders	December 11, 2008
Quarterly report (September-November)	February 4, 2009
Quarterly report (December-February)	April 22, 2009
Quarterly report (March-May)	July 1, 2009
Quarterly and year-end report (September-August)	October 23, 2009

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 have been initiated in both the US and Europe. The company has furthermore initiated clinical studies in the area of 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 at 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. This information was officially published on the 24th of October 2008 at 08:00 AM.

For additional information, please contact:

Stockholm - Elisabeth Lindner**,** President and CEO +46 8 661 0026 elisabeth.lindner@diamyd.com

Pittsburgh - Darren Wolfe**,** President +1 412 770 1310 darren.wolfe@diamyd.com

For press material and pictures:

Sonja Catani, Chief Communications Officer +46 8 661 0026 sonja.catani@diamyd.com