



Press Release, May 4, 2009

Diamyd[®] study published in Europe's leading scientific diabetes journal

Diamyd Medical reports that the respected scientific journal Diabetologia has published an article containing the results of a study demonstrating that the Diamyd[®] vaccine significantly reduces the risk that patients with LADA (Latent Autoimmune Diabetes in Adults) will require treatment with insulin still after five years. The results that now have been published, were previously presented at the EASD meeting in Rome, August 2008.

Approximately ten percent of all diabetes patients have LADA, and patients with the disease normally require treatment with insulin within a few years from diagnosis.

- "Increasing attention is being paid to LADA patients as a group. There is currently no treatment that can slow the course of the disease, and our positive results are receiving a lot of attention from both doctors and patients," says **Elisabeth Lindner, President and CEO** of Diamyd Medical.

The title of the article is "GAD65 vaccination: 5 years of follow-up in a randomised dose-escalating study in adult-onset autoimmune diabetes." The authors are C.-D. Agardh, K. F. Lynch, M. Palmér, K. Link and Å. Lernmark.

The study included 47 LADA patients who were, with a four week interval, treated with two injections of the Diamyd[®] diabetes vaccine in varying doses or with placebo. The patients were then followed for five years. The patients treated with 20 micrograms of Diamyd[®] showed the best results. The results after five years demonstrate that the Diamyd[®] vaccine significantly reduced the risk that the patient would need insulin treatment compared with placebo. The vaccine has also proven to be safe, and has not been linked with any serious side effects.

The article is published on the journal's website (www.diabetologia-journal.org), and will also be published in the print edition in the near future. The article is available for free for one month via the following link: <http://www.springerlink.com/content/f612483413663654/fulltext.pdf>.

Diabetologia is the leading European scientific journal in the diabetes field. Diabetologia is a monthly publication; the print edition has a circulation of 7,000.

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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 started clinical studies in the US 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 in the US. Shares are listed on the Nasdaq OMX Nordic (ticker: DIAM B) and on OTCQX in the US (ticker: DMYDY) administered by the Pink OTC Markets and the Bank of New York (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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