

Press release, May 22, 2015

Diamyd Medical increases investment in Companion Medical

Diamyd Medical (Nasdaq Stockholm First North, Ticker: DMYD B) announced today that Diamyd Medical increases its investment in Companion Medical by USD 150,000. This is done in connection with a financing transaction in which Eli Lilly invests USD 3 million in Companion.

Diamyd Medical is a shareholder in the medical device company Companion Medical. Companion has announced that the company has completed a financing transaction in which Eli Lilly invests USD 3 million in Companion. The funding will be used to complete Companion's development of an insulin injector pen connected to a smartphone app. In connection to this, Diamyd Medical is investing an additional USD 150,000 in Companion.

Diamyd Medical holds, which was announced in April 2014 when Diamyd Medical made its initial investment in Companion, distribution rights to Companion's future products in the Nordic region.

Diamyd Medical's shareholding in Companion Medical is after the investment approximately 8.5 %.

About Companion Medical

Companion Medical, Inc. is a San Diego based medical device company currently focused on the diabetes space. Companion is developing advanced tools and technologies for people living with diabetes who require insulin. While insulin pumps currently offer the best tools available, the vast majority of people with diabetes either cannot or will not use a pump. Companion is developing an innovative solution that combines the best attributes of current solutions with advanced data management technologies to address the large global market for insulin delivery systems. Website: www.companion-medical.com

About Diamyd Medical

Diamyd Medical is dedicated to working toward a cure for type 1 diabetes and LADA. The Company's projects include development of combination regimens with the GAD-based diabetes vaccine Diamyd[®] for arresting the destruction of insulin-producing beta cells. The Company exclusively licenses UCLA-rights to GAD65, the active ingredient in the vaccine, for which the last patent expires in 2032. Additionally, the Company exclusively licenses UCLA patents for using GABA for the treatment of diabetes and other inflammation-related conditions.

Diamyd Medical is one of the major shareholders in the stem cell company Cellaviva AB, which is establishing a Swedish commercial bank for private family saving of stem cells in umbilical cord blood and other sources of stem cells. Stem cells can be expected to be used in Personalized Regenerative Medicine (PRM), for example, to restore beta cell mass in diabetes patients where autoimmunity has been arrested.

Remium Nordic AB is the Company's Certified Adviser.

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