

Press release, August 24, 2015

Diamyd Medical's associated company Cellaviva launches service for private family saving of stem cells

Diamyd Medical (Nasdaq Stockholm First North, Ticker: DMYD B) announced today that the Company's associated company Cellaviva AB on September 1 launches its service in which expecting parents in Sweden can save stem cells from their newborn child. Stem cells from the baby's umbilical cord are saved and stored for at least 20 years in Cellaviva's biobank. See today's press release from Cellaviva, http://www.mynewsdesk.com/se/cellaviva-ab.

Diamyd Medical is with its share holding of approximately 39% one of the principal owners of Cellaviva. The reason for Diamyd Medical to be one of the major owners of Cellaviva is, as previously announced, based on Diamyd Medical's vision that in the future, it should be possible to differentiate insulin-producing cell from stem cells. These could then help the donor, or close relatives who have developed type 1 diabetes.

About Cellaviva

Cellaviva is the first private umbilical cord blood bank in Sweden to offer families the opportunity to save stem cells from their newborn children. The operations are under the supervision of the Health and Social Care Inspectorate (IVO). Website: www.cellaviva.se.

About Diamvd 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. Diamyd[®] is considered to be the world's furthest developed Antigen Based Therapy (ABT) for treating the disease. 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 offers private family saving of stem cells in umbilical cord blood. 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.

For further information, please contact:

Anders Essen-Möller, President and CEO

Phone: +46 70 55 10 679. E-mail: anders.essen-moller@diamyd.com

Diamyd Medical AB (publ)

Kungsgatan 29, SE-111 56 Stockholm, Sweden. Phone: +46 8 661 00 26, Fax: +46 8 661 63 68

E-mail: info@diamyd.com. Reg. no.: 556242-3797. Website: www.diamyd.com.