



Press release, July 29, 2016

Diamyd Medical signs agreement with Janssen R&D, JDRF and UAB regarding ongoing GABA/GAD-trial

Diamyd Medical (Nasdaq Stockholm First North, Ticker: DMYD B) today announced that it has signed an agreement with Janssen Research & Development, the Juvenile Diabetes Research Foundation (JDRF) and the University of Alabama at Birmingham regarding the ongoing clinical trial "Effect of GABA or Combination GABA/GAD on the Progression of Type 1 Diabetes Mellitus in Children". The agreement entails that Janssen Research & Development and JDRF will support the trial with approximately USD 600 000 to be used to study GABA-biomarkers and to increase the number of patients in the trial.

"The agreement is positive for the trial" says Ulf Hannelius, President and CEO of Diamyd Medical. "Our in-licensed GABA-technology has been shown to influence autoimmune and inflammatory diseases in a positive direction when used alone, and the combination GABA/Diamyd[®]-vaccine has in a diabetes model shown a strong synergistic effect in preserving beta cell function. We look with greatest interest forward to this new collaboration."

About Diamyd Medical

Diamyd Medical is dedicated to finding a cure for autoimmune diabetes through pharmaceutical development and investments in stem cell and medical technology.

Diamyd Medical develops the diabetes vaccine Diamyd[®], an Antigen Based Therapy (ABT) based on the exclusively licensed GAD-molecule. The Company's licensed technologies for GABA and Gliadin have also potential to become key pieces of the puzzle of a future solution to prevent, treat or cure autoimmune diabetes, and also certain inflammatory diseases. At this time six clinical studies are ongoing with Diamyd[®]. Diamyd Medical is one of the major shareholders in the stem cell company Cellaviva AB. Stem cells can be expected to be used in Personalized Regenerative Medicine (PRM), for example for restoration of beta cell mass in diabetes patients where the autoimmune component of the disease has been arrested. Diamyd Medical also has holdings in the medtech company Companion Medical, Inc., San Diego, USA and in the gene therapy company Periphagen, Inc., Pittsburgh, USA.

Diamyd Medical's B-share is traded on Nasdaq Stockholm First North under the ticker DMYD B. Remium Nordic AB is the Company's Certified Adviser.

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