



Press Release, April 19, 2013

Information relating to the Extraordinary General Meeting of Diamyd Medical on April 22 regarding the proposed restructuring of the Diamyd Group

Provided that the Extraordinary General Meeting of Diamyd Medical AB to be held on April 22 resolves in favor of the proposed restructuring of the Diamyd Group, after which Diamyd Medical AB will be renamed Mertiva AB, the incoming Board of Directors in the future Mertiva AB plans to appoint Andreas Bergsten as the President at a statutory meeting following the General Meeting. The proposed restructuring entails, among other effects, that the subsidiary Diamyd Therapeutics AB will be distributed to shareholders and the intention is to list the company on NASDAQ OMX First North. The current President of Diamyd Medical AB, Peter Zerhouni, will remain as President of Diamyd Therapeutics AB.

Background to the restructuring

As previously announced in press releases issued on February 18 and March 21, 2013, the summons to an Extraordinary General Meeting was brought about due to an agreement reached by a group of shareholders in Diamyd Medical AB who together represent a majority of the votes and share capital in the company. The agreement entails, among other factors, that the shares in the subsidiary Diamyd Therapeutics AB, which will be capitalized at approximately SEK 50 million and own the existing diabetes operations and the holding in Periphagen, Inc., will be distributed to shareholders. The company will be renamed Diamyd Medical AB. At the same time, the Parent Company will be renamed Mertiva AB. Liquid assets of more than SEK 300 million and the holdings in Protein Sciences Corporation and Mercodia AB will remain in Mertiva AB. The greater part of the liquid assets in Mertiva AB is proposed to be distributed to the shareholders as soon as possible.

Change of President in Diamyd Medical (future Mertiva)

The incoming Board of Directors of the future Mertiva AB plans to appoint Andreas Bergsten as President in a statutory Board meeting following the Extraordinary General Meeting to be held on April 22.

Andreas Bergsten, born in 1967, is currently working as a consultant in the fields of finance and company management and, in his capacity as a consultant, has worked primarily for venture capital firms. In the past, Andreas has served as CFO of four different companies and, prior to this, he was employed at Citigroup, initially as a financial analyst and subsequently as a key account manager. Andreas holds a Master of Science in Business and Economics from the Stockholm School of Economics and the McGill University MBA Program.

The incoming Board of Directors of the future Mertiva AB intends to bring up the issue of moving the company's listing from NASDAQ OMX Nordic Stockholm to another, unregulated marketplace.

Redemption procedure in Diamyd Medical (future Mertiva) and distribution in kind of Diamyd Therapeutics

As previously announced, the distribution of liquid assets in the future Mertiva AB is proposed to take place by distributing non-restricted equity through voluntary redemption of shares. Shareholders will receive one redemption right per share held and five redemption rights entitle the shareholder to request redemption of one share in the company. For each share redeemed, the shareholder will receive cash payment of SEK 20. The Board of Directors also proposes that the General Meeting approve a dividend in the form of all shares in the wholly owned subsidiary Diamyd Therapeutics AB, whereby three Series A shares in the future Mertiva AB will carry entitlement to one Series A share in the subsidiary and three Series B shares in the future Mertiva AB will carry entitlement to one Series B share in the subsidiary.

Summary of timetable for the redemption procedure and distribution in kind of Diamyd Therapeutics

April 22, 2013	Extraordinary General Meeting in Diamyd Medical. Final day for trading in the Diamyd share, including redemption rights and entitlement to distribution in kind
April 23, 2013	First day of trading in the Diamyd share, excluding redemption rights and entitlement to distribution in kind
April 25, 2013	Record date for receiving redemption rights and entitlement to distribution in kind
April 30 – May 21, 2013	Period of registration to request redemption
April 30 – May 16, 2013	Trading in redemption rights on NASDAQ OMX Stockholm
Around June 14, 2013	Payment of redemption proceeds

Listing of Diamyd Therapeutics (future Diamyd Medical) on NASDAQ OMX First North

As announced earlier, the intention is to make the shares in Diamyd Therapeutics AB available for trading on NASDAQ OMX First North. The first day of trading is expected to be in mid-May 2013. Diamyd Therapeutics AB will be renamed Diamyd Medical AB at the same time as the current Diamyd Medical AB will be renamed Mertiva AB.

Peter Zerhouni, the current President of Diamyd Medical AB (future Mertiva AB) will remain in his position as President of Diamyd Therapeutics AB (future Diamyd Medical AB).

The Board of Directors of Diamyd Therapeutics AB (future Diamyd Medical AB) will initially comprise Anders Essen-Möller (Chairman of the Board), Maria-Teresa Essen-Möller and Erik Nerpin. All of these individuals are currently Board members of Diamyd Medical AB.

For more information, please contact:

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About Diamyd Medical

Diamyd Medical was founded in 1996 and is active in the field of pharmaceutical development. Diamyd Medical is headquartered in Stockholm, Sweden. The Company's development project consists of the protein GAD for the treatment and prevention of autoimmune diabetes. Two Swedish researcher-initiated Phase II studies are ongoing. One study evaluates whether GAD can prevent type 1 diabetes in children who are at high risk of developing the disease and one study evaluates whether GAD in combination with relatively high doses of vitamin D and ibuprofen can preserve the body's own ability to control the blood sugar level in children and adolescents newly diagnosed with type 1 diabetes.

Diamyd Medical also has holdings in the gene therapy company Periphagen Holdings, Inc. (USA), the vaccine company Protein Sciences Corporation (USA) and the diagnostics company Mercodia AB (Sweden).

Diamyd shares are listed on Nasdaq OMX (segment Small Cap) in Stockholm (ticker: DIAM B) and on OTCQX in the US (ticker: DMYDY) administered by the Pink OTC Markets and the Bank of New York Mellon (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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