Press Release, November 11, 2009

Summons to the Annual General Meeting of Diamyd Medical AB

The shareholders of Diamyd Medical AB (publ) are hereby summoned to the Annual General Meeting on Friday December 11, 2009 at 3:00 p.m. at the IVA Conference Center, Grev Turegatan 16 (Wallenberg auditorium) in Stockholm.

Attendance
Shareholders who wish to attend the meeting must be recorded in the register of shareholders held by Euroclear Sweden AB by December 4, 2009 (the record day is Saturday December 5), and must notify the Company of their intention to attend the Meeting by mail to Diamyd Medical, Linnégatan 89 B, SE-115 23 Stockholm, by e-mail to investor.relations@diamyd.com or on the Company's website, www.diamyd.com, by 4.00 pm on Monday December 7, 2009. The notice must state the shareholder's name, address, telephone number, personal identity number or company registration number, registered shareholding and the name of any shareholder's representative. Shareholders whose shares are registered in custodial accounts must ask the custodian to temporarily register the shares in the shareholder's name (registration of entitlement to vote) in order to have the right to take part in the Annual General Meeting. The shares must be re-registered no later than December 4, 2009.

Proposed agenda
1. Election of Chairman of the Meeting.
2. Establishment and approval of the register of voters.
3. Approval of the agenda.
4. Election of one or two persons to certify the minutes.
5. Verification of whether the Annual General Meeting is validly assembled.
6. A review of the past year, CEO Elisabeth Lindner
7. Presentation of the annual accounts and audit report submitted and the consolidated annual accounts and consolidated audit report.
8. Resolutions:
   a. On the adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet.
   b. On disposition of the Company's profits or losses in accordance with the adopted balance sheet.
   c. On discharge from liability for Board Members and the Chief Executive Officer.
9. Establishment of remuneration of the Board of Directors and the auditors.
10. Establishment of the number of Board Members.
11. Election of the Board of Directors, the Chairman of the Board of Directors and any substitute directors.
12. Resolution on guidelines for remuneration of senior executives.
13. Resolution on the nomination committee for the 2010 Annual General Meeting
14. Resolution on amendments to the Articles of Incorporation.
    a. Division of shares (split)
    b. Amendment to the summoning procedure
    c. Prior application to and right to attend shareholders' meeting etc.
15. Resolution on the authorization of new share issues.
16. Resolution on option program.

17. Other issues that rest with the Annual General Meeting in accordance with the Companies Act (2005:551).

Proposed resolutions

Chairman of the meeting, item 1

The Nomination Committee proposes that attorney Erik Nerpin be elected Chairman of the meeting.

Disposition of the Company's profits or losses, item 8 b

The Board proposes that no dividend should be paid out for fiscal year 2008/2009.

Election of Board Members and remuneration etc., items 9-11

The Nomination Committee proposes the re-election of current directors Anders Essen-Möller, Lars Jonsson, Sam Lindgren and Henrik Bonde, and the election of Maria-Teresa Essen-Möller. The Committee proposes the re-election of Anders Essen-Möller as Chairman of the Board.

Maria-Teresa Essen-Möller, b. 1970, is a brand and market strategy consultant who has also done work with Diamyd Medical AB and Elekta AB. She has a Master's degree in Economics from Linköping University.

The proposed Board Members' remuneration is SEK 100,000 for each of the Board Members who are not employed at the Company, totaling SEK 400,000. (The Chairman of the Board is a Company employee.) Remuneration includes work on Board committees. It is proposed that the auditors should receive remuneration according to an approved account.

The Nomination Committee may add to its proposal of Board of Directors by an additional Director, in which case the remuneration to the Board of Directors would be raised accordingly. Any proposed augmentation of the Board will be publicized through a press release.

Guidelines for compensation of senior executives, item 12

The Board proposes that the shareholders' meeting's resolved guidelines for remuneration to the CEO and other senior executives should be primarily the same as the guidelines that were approved at the 2008 Annual General Meeting. The main import of the guidelines is that the total compensation is according to market conditions and is a mix of salary, pension benefits or other benefits as well as terms for notice; however no bonus shall be paid according to the currently proposed guidelines. It shall be permissible to deviate from the guidelines if there are special reasons to do so in particular cases.

Resolution on the Nomination Committee for 2010, item 13

The Nomination Committee proposes the designation of the Nomination Committee for the 2010 Annual General Meeting in essentially the same way that was approved for the 2009 Annual General Meeting, i.e. as follows. The Nomination Committee shall be composed of representatives of the three largest shareholders in the Company in terms of the number of votes and the Chairman of the Board of Directors (issuing the call). The identity of the members of the Nomination Committee must be made public no later than six months prior to the 2010 Annual General Meeting. If the ownership structure changes substantially before the Nomination Committee's work is complete, the composition of the Nomination Committee may be changed. If a member leaves the Nomination Committee before its work is complete, the other members shall designate a replacement. The Nomination Committee will prepare proposals for the following decisions at the 2010 Annual General Meeting: (i) election of the Chairman of the Annual General Meeting, (ii) election of Board Members and the Chairman of the Board of Directors, (iii) Directors' remuneration, (iv) election of the Company's auditors, (v) payment of the Company's auditors, and (vi) rules for the nomination process for the 2011 Annual General Meeting.

Amendments to the Articles of Incorporation, item 14

The Board of Directors proposes the following amendments to the Articles of Incorporation.

a). The Board of Directors proposes that the Company executes a 2:1 division (i.e. a split), meaning that each share is divided into two shares. As a result of the split, the number of shares will double but the share

capital will remain unchanged. The proposal means an amendment to section 6 of the Articles of Incorporation where it concerns the number of Company shares that will be amended to a minimum of 18 million and a maximum of 72 million. After the entire recently completed new share issue is recorded, there will be 28,627,126 shares, consisting of 1,437,876 Series A shares and 27,189,250 Series B shares.

b). The Board of Directors proposes that section 10 of the Articles of Incorporation concerning the summons to the shareholders' meeting be adjusted to the new regulations expected to come into force in 2010. The proposal is conditional upon the introduction of these regulations. The proposal means that (i) the summons must be advertised on the Company's website and in the newspaper Post- och Inrikes Tidningar, and that notification that a summons has been issued must be advertised in the newspaper Svenska Dagbladet, and (ii) that a summons to an extra shareholders' meeting must be issued at least three and no earlier than six weeks before the meeting.

c). The Board of Directors proposes that the provisions in section 11 concerning prior application to and right to attend shareholders' meeting be adjusted to the Companies Act.

Authorization of new share issues, item 15
In order to make it possible to acquire companies, businesses or individual commercial assets, as well as to raise capital, the Board of Directors proposes that the shareholders' meeting should authorize the Board to decide on new share issues of a maximum total of 10 percent of the number of shares on one or more occasions before the next Annual General Meeting, and that the Board may be able to deviate from the shareholders' preferential rights in doing so. Payment may be made in cash, through a contribution or by offsetting.

Resolution on option program, item 16
The Board of Directors proposes that the shareholders' meeting should approve an employee option program for Group employees. The option program shall consist of a maximum of 217,000 employee options. Each option shall entitle the bearer to acquire 1 Series B share at a price corresponding to 130 percent of the volume-weighted share price for Diamyd's Series B share on the NASDAQ OMX exchange on ten trading days after the Annual General Meeting. The employee options are to be assigned without compensation and are not transferable. The employee options shall have a duration of three years. It is proposed that Diamyd issue a total of 290,000 subscription warrants to a subsidiary to cover the Company's obligations toward the holders of the employee options, as well as its obligation to pay social security contributions on the gain when the employee options are exercised. The terms shall be adjusted to applicable legislation for employees in the US. The employee's salary level, experience and position at the Company shall be observed when allocating options. The purpose of the option program and the reason to deviate from the shareholders' preferential rights is to reinforce interest in the Group's business and to make the connection explicit between employment benefits and the Company's results. If all 290,000 subscription warrants are exercised to subscribe for new shares, the newly-subscribed shares will make up approximately 2 percent of the share capital.

Other information
For resolutions on items 14 and 15 to be valid, the resolution must be supported by shareholders representing at least two-thirds of both the reported votes and the shares represented at the meeting. For a resolution on item 16 to be valid, the resolution must be supported by shareholders representing at least nine-tenths of both the reported votes and the shares represented at the meeting.

At the time of the summons there are 14,291,986 shares, made up of 718,938 Series A shares (1 vote) and 13,573,048 Series B shares (1/10 of a vote). There are 2,076,242.8 votes. After registration of the remaining portion of the new share issue, there will be a total of 14,313,563 shares, made up of 718,938 Series A shares and 13,594,625 Series B shares. There will be a total of 2,078,400.5 votes.

The Company's annual accounts and audit report, and the Board and Nomination Committee's complete proposed resolutions, as well as other requisite documents and the proxy form, will be available at the Company's offices at the address above, as well as on the Company website www.diamyd.com, from November 27, 2009 at the latest. A copy will be sent to any shareholders who so request.

Stockholm, November 2009
Diamyd Medical AB (publ)
The Board of Directors

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About Diamyd Medical
Diamyd Medical is a Swedish diabetes 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 Europe and the US. In addition, the company has initiated clinical studies in the US in the area of chronic pain, using its Nerve Targeting Drug Delivery System (NTDDS). The company has also out-licensed the use of GAD for the treatment of Parkinson's disease. The company currently has three clinical-phase products.

Diamyd Medical has offices in Sweden and in the US. Shares are listed on Nasdaq OMX 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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