

22 April 2009

Phorm, Inc. ("Phorm" or the "Company")

**All-Party Parliamentary Group on Communication
Investigation into internet traffic**

We welcome the decision by the All-Party Parliamentary Group on Communication to examine internet traffic.

We look forward to working with the Group, some of whose members we have met in the last year. In those meetings and going forward we will be happy to explain the enormous potential of Phorm's internet advertising service with its industry leading privacy standards.

Consumers will be given a clear choice over whether to participate in a system that uniquely stores no personal data such as browsing histories or IP addresses. Furthermore, our technology will redistribute the significant online advertising revenues in a more balanced way, helping ISPs to invest in better services for UK internet users. Our British-developed service has the capability to reshape the online advertising industry and enable us to become a new competitive force in this sector.

We shall be in touch with John Robertson, MP and Derek Wyatt, MP in due course to make arrangements to offer our expert opinion.

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