

31 January 2008

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

**Exercise of options and grant of restricted shares**

The Company (AIM: PHRM and PHRX) announces that 25,834 share options over common shares of \$0.001 each in the capital of the Company ("Common Shares") were exercised by employees on 31 January 2008.

In addition, 30,000 Common Shares were issued under Phorm's restricted share employee incentive plan ("RSP"), on 31 January 2008, which will vest over a four year period.

Application has been made for the 25,834 Common Shares issued pursuant to the option exercise and the 30,000 Common Shares issued pursuant to the RSP to be admitted to trading on AIM. The shares will rank *pari passu* with existing Common Shares and it is expected that admission will occur at 8.00am on 7 February, 2008. Following the issue of these shares the Company will have 12,221,224 voting common shares in issue, none of which are in treasury.

For Enquiries

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