

30 March 2009

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

Korean Market Trial

Phorm (AIM:PHRM and PHRX), the advertising technology company, today announces that it is beginning a market trial with leading Korean internet service provider (ISP) KT.

According to the Organisation for Economic Co-operation and Development (OECD), Korea has approximately 15 million broadband customers, making it the sixth largest broadband market in the world. Furthermore, with household penetration of around 90%, Korea has higher broadband take-up than markets including the UK, the US and Japan. Zenith Optimedia estimates that Korea's online advertising market was worth \$1.6 billion (15.5% of total domestic marketing spend) in 2008, making it the seventh largest market globally. KT is the leading ISP in Korea with an estimated market share of 44%.

The Company also announces the appointment of Daniel Park as CEO of Phorm Korea and the opening of its office in Seoul. An established and well-known industry figure, Daniel joins Phorm from SK Communications, Korea's second largest internet portal, where he was Senior Vice President of the Search and Portal Division.

In addition to its accelerating activity in Asia, Phorm has already signed exclusive agreements with the UK's three leading ISPs, BT, TalkTalk and Virgin Media, and is also very encouraged by discussions which it is having with other global ISPs. Furthermore, the commercial potential and high levels of user privacy protection provided by Phorm's technology have recently been recognised by UK regulatory bodies such as Ofcom, The Department for Business, Enterprise & Regulatory Reform (BERR) and the Information Commissioner's Office.

Kent Ertugrul, Founder and Chief Executive of Phorm, commented: "Just as KT has led the way in helping to create one of the world's leading online societies, we believe that today's announcement will put Korea at the forefront of a new revenue model for the Internet which creates exciting opportunities for all concerned. This system promises to boost the value chain that connects consumers, content creators and advertisers. We also believe that this technology offers a new model for online privacy by demonstrating how users can browse in complete anonymity, with no storage of browsing history while showing offers which they find useful."

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About Phorm:

Phorm is an innovative advertising technology company specialising in interest-based advertising which preserves users' personal privacy and security. Phorm's partners include leading Internet Service Providers (ISPs), Publishers, Ad Networks and Advertisers.

Phorm is a Delaware, US incorporated company, with offices in New York and London.

The Company was admitted to the AIM market of the London Stock Exchange in 2004 and has over 100 employees.

For more information, please visit: www.phorm.com