

December 1, 2008

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

Phorm Announces Board Changes

Phorm (AIM: PHRM and PHRX), the advertising technology company, announces the following changes to the Company's Board:

Norman Lamont is appointed to the Board as a Non-Executive Director. Mr. Lamont was a Cabinet Minister under both Margaret Thatcher and John Major, served as Chancellor of the Exchequer from 1990 to 1993 and was a member of the House of Commons for twenty-five years.

Kip Meek, currently Chairman of the Broadband Stakeholders Group and of Ingenious Consulting Network, joins the Board as a Non-Executive Director. From 2003 until 2007, he was an Executive Board member of Ofcom. Mr. Meek was previously Managing Director of Spectrum Strategy Consultants and Partner at Coopers & Lybrand, where he led the Media and Telecoms practice.

Stefan Allesch-Taylor, Chief Executive of Fairfax, an international, independent investment bank, is appointed a Non-Executive Director on the Board. As one of the founders of Fairfax, he has a strong business background and considerable AIM market experience.

Stephen Partridge-Hicks is appointed to the Board as a Non-Executive Director. Mr. Partridge-Hicks is the co-founder and Managing Director of Gordian Knot, an FSA regulated investment management company registered in England. Prior to establishing Gordian Knot and Sigma Finance Corporation, a \$57 billion investment fund, he worked at Citibank in London. He has extensive knowledge and experience within the financial sector in the UK.

Steven Heyer, David Dorman, Christopher Lawrence and Virasb Vahidi will step down from the Board with immediate effect. Virasb Vahidi, Chief Operating Officer, will also leave the Company with immediate effect.

Messrs. Heyer, Dorman, Lawrence and Vahidi will take this action as a result of differences with Mr. Ertugrul as to the management and future direction of the Company.

Kent Ertugrul, CEO of Phorm, commented: "I would like to thank Steve, Dave, Chris and Virasb for the important contributions they have made to Phorm's development. Their skills, experience and contacts have been immensely valuable and have been instrumental in the great strides we have made in developing the Company's strategy and building relationships with ISPs, advertisers and publishers.

"Meanwhile, I welcome Lord Lamont, Kip, Stefan and Stephen to the Board. They bring extensive experience on government, business, regulatory matters and financial markets. As we move into the next phase of our development, the priority will be to build momentum in the rollout of our strategy. The new Board members that we are announcing today will play an important role in helping us to achieve the Company's goals."

Save as set out in the Appendix, there are no further details in relation to the above appointments which require disclosure under paragraph (g) of Schedule 2 to the AIM Rules.

NOTES TO EDITORS:

For Phorm Enquiries:

Investor Relations +44 (0) 207 297 2067

Brunswick Group

Craig Breheny +44 (0) 20 7404 5959
Azhar Khan

Citigate Dewe Rogerson

Simon Rigby +44 (0) 20 7638 9571
Justin Griffiths

Canaccord Adams Limited

(Nominated Adviser) +44 (0) 20 7050 6500
Mark Williams
Andrew Chubb

About Phorm:

Phorm is an innovative technology company specialising in delivering behaviourally and contextually targeted advertising while preserving users' personal privacy and security.

Phorm's partners include leading Internet Service Providers (ISPs), Publishers, Ad Networks and Advertisers.

Phorm is a Delaware corporation with offices in New York, London and Moscow. 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.

Appendix

Information provided in accordance with paragraph g of Schedule 2 to the AIM rules:

1. Details of full name, age, previous names:

Full Name: Stefan Paul Allesch-Taylor

Age: 39

2. Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner

Powderblue Pictures Ltd - present
Fairfax I.S. PLC (formerly Fairfax I.S. management Ltd) - present
Fairfax Group Ltd - present
Fairfax Capital Ltd - present
Tactica Fund PCC PLC - present
Tactica Fund Management Ltd - present
Fairfax Investment Management Limited - present
Develica Management Ltd - Resigned: 30/06/05
Accsys Technologies PLC - Resigned: 09/05/07
Savoy Asset Management Ltd - Resigned: 10/04/06
Library of Life (Europe) Ltd – Resigned: 28/01/04
Tactica Advisory (UK) Ltd – Resigned: 17/09/08
*Medicsight Inc – Resigned: 08/12/03

1. Details of full name, age, previous names

Full Name: Richard Stephen Partridge-Hicks (“Stephen Partridge-Hicks”)

Age: 51

Previous name: Richard Stephen Hicks

2. Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner:

Gordian Knot Limited
Sigma Finance Corporation

1. Details of full name, age, previous names

Full Name: Norman Stewart Hughson Lamont (The Right Hon. Lord Lamont of Lerwick)

Age: 66

2. Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner:

Balli Group plc – present
Compagnie internationale de participations bancaires et financiers SA (CIPAF) – present
RAB Capital plc – present
Jupiter Second Split – present
Jupiter Adria – present
Small Companies Dividend Trust PLC - present
Pantin Hotels Management Ltd – present
Jupiter Off-shore Portfolio Fund Limited – present
Union Resources Limited – present
Banca Comerciala Robank, Romania – Resigned: 2005
European Growth & Income Trust – Resigned: 2005
Jupiter Finance and Income Trust – Resigned: 2005
East European Food Fund – Resigned: 2005
Galileo plc – Resigned: 2005

Scottish Re Group Limited – Resigned: 2007

1. Details of full name, age, previous names

Full Name: Kingsley John Neville Meek (“Kip”)

Age: 53