

**10 June 2009**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO THE  
UNITED STATES, CANADA, JAPAN OR AUSTRALIA**

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

**Placing to raise £15 million (US\$24 million) (the "Placing")**

Phorm (AIM: PHRM and PHRX), the innovative technology company, today announces that, through a placing undertaken by Mirabaud Securities LLP and Evolution Securities Limited, on behalf of the Company, Phorm has conditionally placed with institutional investors 3,333,333 new common shares of US\$0.001 in the capital of the Company (the "Placing Shares") at £4.50 per share, to raise approximately £15 million (US\$24 million) before expenses. The Placing is conditional, inter alia, upon admission of the Placing Shares to trading on the AIM market of the London Stock Exchange plc ("AIM"). Canaccord Adams Limited acted as financial adviser to Phorm on the Placing.

Phorm intends to use the proceeds from the Placing to continue the implementation of its service in the UK and Korean markets, and for general working capital purposes, as the Company continues its discussions with other ISPs both in the UK and internationally.

Application has been made for the Placing Shares to be admitted to trading on AIM and trading is expected to commence at 8:00 am on Friday, 12 June 2009. The Placing Shares will represent approximately 19.4% of the enlarged issued common share capital of the Company.

Following the Placing, the total issued share capital of the Company will comprise

17,179,333 common shares with a nominal value of US\$0.001 each, with each common share conveying the right to one vote. Phorm does not hold any shares in Treasury.

Kent Ertugrul, CEO of Phorm, said: "Following the successful launch of Discover, our personalised consumer content proposition, and the accompanying enthusiasm from publishers and ISP partners, I am pleased that the financial community has similarly demonstrated its support for Phorm, with a substantially over-subscribed offering. We are pleased that both existing shareholders as well as a number of equally well-respected financial institutions not previously shareholders in Phorm have participated in this capital raise. With the addition of these new funds, we are well positioned to deliver strong growth as we engage with ISPs across the globe with a view to deployment in multiple markets."

Phorm will publish its full year 2008 results on Thursday, 18 June at 7.00am.  
Further details will be issued shortly.

Enquiries:

Phorm, Inc.  
Sarah Simon +44 20 7297 2433

Citigate Dewe Rogerson +44 20 7638 9571  
Simon Rigby  
Justin Griffiths

Canaccord Adams Limited +44 20 7050 6500  
(Nominated Adviser)  
Mark Williams  
Andrew Chubb

This information is provided by RNS  
The company news service from the London Stock Exchange

END