

**26<sup>th</sup> March 2010**

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

**Commercial Deployment in Brazil**

Phorm (AIM: PHRM and PHRX), the internet personalisation technology company, today announces the commercial launch of its Open Internet Exchange ("OIX") platform and deployment of Web Discover in Brazil. The Company also announces that it has secured R\$10 million (US\$ 5.6 million) of pre-booked revenues from advertisers.

Phorm has been working with Brazil's leading Internet Service Providers ("ISPs"), publishers and advertisers for some time, and today is pleased to announce the first phase of a country-wide roll-out in conjunction with Estadão, iG, Oi, Terra and UOL. The Company expects to announce further ISP and content partners in due course.

Phorm's Web Discover product is being launched in Brazil under the local brand name 'Navegador'. The service will bring relevant content to consumers based on their web browsing interests and will be made available in due course to all websites in Brazil, free of charge to both them and consumers.

Phorm's business model, which is based on the principle of an exchange, means that the fixed cost base is not expected to change materially as a result of the generation of significant revenue and nation-wide roll-out. Phorm expects to make more announcements regarding revenue and further deployments in due course.

Kent Ertugrul, Founder and Chief Executive of Phorm, commented: "Our commercial deployment in partnership with many of Brazil's leading internet players reflects the many lessons learnt from experiences in other markets. We're very pleased to be moving into a new phase where our system is being operated on a commercial basis and scale. Today's announcement is also indicative of the value that our service can deliver to our partners around the world. Beyond Brazil, we have successfully completed two trials in Korea, about which we will update the market in due course, and we are now active in almost every other major internet market worldwide."

## NOTES TO EDITORS

Brazil's continued economic development is driving its adoption of the internet with broadband subscriptions growing at over 14 percent in the year to Q4 2009 reaching more than 11.4 million users, according to industry sources. Worth some GBP 371 million in 2009 according to IAB Brazil, online display advertising spend in Brazil grew by 30% last year, and is expected by industry sources such as Zenith Optimedia and PWC to post continued strong growth in 2010 and subsequent years.

### **About Phorm:**

Phorm is a global personalisation technology company that makes content and advertising more relevant to the consumer. Phorm's innovative platform preserves user privacy and delivers a more interesting online experience. Phorm's partners include leading ISPs, Publishers, Ad Networks and Advertisers.

Phorm is a Delaware, US incorporated company, with offices in New York, Seoul, Moscow, Sao Paulo and London. The Company was admitted to the AIM market of the London Stock Exchange in 2004 and has over 150 employees and direct contractors.

For more information, please visit: [www.phorm.com](http://www.phorm.com)

### **About Estadao:**

According to the 2006 prestige brand index, the newspaper O Estado de S. Paulo is considered the most credible newspaper in Brazil and has readers in their biggest supporters. The majority of the audience is males and in the A and B demographic categories.

### **About iG:**

iG, one of the best portals in Brazil, offers high quality content to Internet users, as well as a diverse portfolio of products and services. With 10 years of operation, iG pioneered the democratization of the Internet with the launch of free dial-up service.

### **About Oi:**

The leading telecommunications service provider in Brazil, Oi is the sole fully integrated operator in Brazil and a pioneer in the delivery of converged services across the country. The company offers local voice, long distance, mobile telephony, data communications, internet and entertainment. With the purchase of Brazil Telecom in 2009, Oi was able to gain a national footprint. In December 2009, the company had approximately 61.9 million revenue generating units, being 21.3 million fixed lines in service, 36.1 million mobile users, 4.2 million broadband accesses and 234k TV subscriptions.

### **About Terra:**

Terra is a leading Internet and digital media publisher with an average Brazilian audience of 28 million unique visitors per month. It brings together in one place the most relevant professional and amateur content, offering tools for interactivity and a unique navigation experience. Present in 18 countries including the United States, Terra has 60 million unique visitors per month, or more than 8 million unique users on YouTube, with an average of 66 million streams a month and a collection of about 250 thousand videos.

**About UOL:**

UOL is Brazil's leading Internet portal with more than 15 million unique visitors and more than 1.7 billion page visits per month, according to Ibope. The pioneer of the Internet in Brazil, UOL has 2.6 million paying subscribers for product, content and access services. It offers the most extensive content in Portuguese, with more than 1,000 journalism, information, entertainment and service channels. Credibility and innovation are the values of the company, which has the most comprehensive product and service platform on the Internet for online advertising, communication, e-commerce, hosting and security.

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