

**4 September 2008**

**Phorm, Inc. (“Phorm” or “the Company”)**

**Phorm Update**

Phorm (AIM: PHRM and PHRX), the advertising technology company, announced on 14 February 2008 that it had entered into exclusive agreements with UK internet service providers (ISPs), BT PLC, TalkTalk and Virgin Media Inc. Since that time, the Company has been working closely with BT to prepare its network for a trial. Whilst this has taken longer than originally anticipated, significant and accelerating progress has been made. The trial will commence as soon as these preparations are complete.

In addition, Phorm expects that Virgin Media and TalkTalk will commence consumer trials in due course. Following successful completion of these trials and an appropriate planning period, it is currently expected that Phorm’s platform will be rolled-out across these networks.

Furthermore, Phorm has experienced a significant level of commercial interest in the Open Internet Exchange (OIX) from other major ISPs, both in the UK and internationally, as well as major agencies, publishers and ad networks.

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**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](http://www.phorm.com).