

Fonix Reports 3rd Quarter Financial Results

SALT LAKE CITY, UT (November 19, 2008) Fonix Corporation (OTC BB: FNIX) announces company highlights and financial results for the quarter ended September 30, 2008, including for its wholly owned subsidiary, Fonix Speech, Inc., which specializes in embedded speech interfaces for mobile devices, handheld electronic products, video game systems and processors.

Third quarter company highlights include:

- **Fonix enables Apple iPhone 3G for Video Games**
- **Fonix iSpeak activated for Apple iPhone 3G**
- **Due diligence and governmental approval for the GaozhiSoft acquisition still in process**
- **Fonix Voice In controls Ubisoft End War game**
- **Fonix re-structures debt on balance sheet**

Fonix revenues were \$223,000 for the quarter ended September 30, 2008, compared to \$339,000 for the same period in 2007, a decrease of 34%. Fonix revenues were \$1,069,000 for the first nine months of 2008, compared to \$1,344,000 for the same period in 2007, a 19% percent decrease. Operating expenses decreased 23 percent from \$840,000 for the quarter ended September 30, 2007 to \$643,000 for the same period in 2008. Operating expenses decreased 25 percent from \$3,229,000 for the nine-month period ended September 30, 2007 to \$2,423,000 for the same period in 2008.

“Recurring revenues and one-time engineering fees for the year have decreased due to the slowing global economy,” says Roger D. Dudley, Fonix CEO. “We continue to cut operating costs and expect the current engineering team to produce new applications that will drive revenue for the iPhone and video game market. We expect the GaozhiSoft acquisition will be completed in the 4th quarter, subject to government approvals, and this transaction will be accretive.”

About Fonix

Fonix Corporation (OTC BB: FNIX), based in Salt Lake City, Utah, currently operates through its wholly owned subsidiary, Fonix Speech, Inc., an innovative speech recognition and text-to-speech technology company that provides value-added speech solutions. Fonix Speech offers voice solutions for mobile/wireless devices; interactive video games, toys and appliances; computer telephony systems; the assistive market and automotive telematics. Fonix Speech provides developers and manufacturers with cost-effective speech solutions to enhance devices and systems. Visit www.fonix.com for more information, or call (801) 553-6600 and say “Sales.”

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Statements released by Fonix that are not purely historical are forward-looking within the meaning of the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding the Company’s expectations, hopes, intentions and strategies for the future. Investors are cautioned that forward-looking statements involve risk and uncertainties that may affect the Company’s business prospects and performance. The Company’s actual results could differ materially from those in such forward-looking statements. Risk factors include general economic, competitive, governmental and technological factors as discussed in the Company’s filings with the SEC on Forms 10-K, 10-Q and 8-K. The Company does not undertake any responsibility to update the forward-looking statements contained in this release.

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