

e-pay partners with Malaysian ATM banking network to offer prepaid mobile top ups at 4,500 ATMs nationwide

SYDNEY, 18 January 2006, e-pay Asia Limited (ASX/AIM stock code: EPY), a leading provider of electronic payments and mobile top up services, announces that its 60% owned subsidiary, e-pay (M) Sdn. Bhd. ("e-pay" or "the Company") has formed a strategic alliance with Malaysian Electronic Payment System (1997) Sdn. Bhd. ("MEPS"), Malaysia's Automatic Teller Machine ("ATM") banking network, to offer prepaid mobile top ups at more than 4,500 ATMs through Malaysia.

e-pay is Malaysia's largest provider of prepaid mobile top ups servicing approximately 70 million top up transactions per annum through a regional network of 15,000 points of sale in high traffic retail locations such as 7-Eleven, Guardian Pharmacies and petrol stations.

The alliance with MEPS is significant because it will increase e-pay's distribution network by 30% to 19,500 points of sale ("POS"). The addition of POS in e-pay's business is a key driver for achieving revenue and profit growth.

MEPS is a company wholly owned by a consortium of financial institutions and provides shared banking services for ATM network, inter-bank GIRO, Foreign Process Exchange (FPX), e-commerce gateway and electronic cash payments such as MEPS CASH and e-Debit. The MEPS banking network services more than 11 million users in Malaysia.

The Company will rollout the service progressively over the next 12 months and customers will be able to use the service 24 hours a day everyday of the year. The mobile top up service has been designed to be as simple as making cash withdrawals at the ATMs with payment for the service made electronically from the customer's bank account or credit card. The top up of airtime by the mobile operator will happen within seconds following completion of the sale, communicated by a text message sent to the mobile user.

Simon Loh, Managing Director of e-pay Asia said "We are pleased with the achievement of this significant milestone and look forward to working with MEPS, the banks and all the mobile operators to deliver our electronic payment service so that the 14.6 million prepaid mobile users can top up their account anywhere and at anytime in Malaysia."

Dato' Mohd Hata Robani, Managing Director of MEPS said "e-pay is an established industry leader and has been able to offer a one stop solution which is unique. The offer of mobile top up services at MEPS ATMs is another example on how we deliver value added services to our customers. In addition, we are excited about what other opportunities may come of this partnership in the future."

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ABOUT E-PAY ASIA

e-pay Asia Limited ("e-pay"), dual listed on the Australian Stock Exchange (ASX:EPY) and the AIM segment of the London Stock Exchange (AIM:EPY), is the leading provider of electronic prepaid payments and top up services for prepaid mobile users in South East Asia. Headquartered in Kuala Lumpur with its corporate office in Sydney, e-pay now operates in Malaysia, Indonesia, Pakistan and Thailand with plans to expand into China, Vietnam, Singapore and the Philippines. For more information on e-pay Asia, please visit our website www.e-payasia.com