

e-pay Asia announces 277% increase in earnings to \$2.1m for Q2

LONDON – 18 July 2006 -The Directors of e-pay Asia Limited (“e-pay, the Company”), a leading provider of mobile top up services and payment solutions, are pleased to announce that the consolidated entity (“e-pay”) delivered net earnings after minority interests of A\$2.1 million, or fully diluted earnings per share of 1 cents for the three months period ending 30 June 2006, **an increase of 277%** when compared to the corresponding quarter in 2005.

	<i>3 months ended 30 June 2005</i>	<i>3 months ended 30 June 2006</i>	<i>Increase</i>
	A\$ m	A\$ m	
Revenue	72.50	131.48	81%
Gross profit	2.26	4.37	93%
EBITDA	1.38	3.31	140%
EBITDA Margin (%)	1.9%	2.5%	32%
NPAT (before minority interests)	0.96	2.66	178%
Net earnings attributable to shareholders		2.10	277%
Earnings Per Share (cents)			

Note: The consolidated results shown above do not include Pakistan and Thailand.

Commenting on the strong results for the quarter, Mr. Simon Loh, Managing Director of e-pay said,

“Strong organic growth in mobile top up sales plus new revenue streams from petrol top up and software licensing boosted our results for the quarter.

EBITDA margins continue to climb as a result of the Company's strategy to focus its sales strategy on growing SMS based distribution channels.

Cash flow during the quarter remained strong and reflects our business model which requires limited capital expenditure and is strongly cash generative.”

We expect continued strong growth in our core mobile top up business as well as significant new business opportunities going forward as we address new markets such as China via our own proprietary technology as well as leveraging off our new low cost mobile technology platform acquired via the recent acquisition of Mobiepay.”

e-pay executives are beginning a global road show, which will provide an update on its financial performance to date as well as detail progress within its core business to current and potential institutional shareholders in London, Malaysia, Sydney and Melbourne over the next few weeks.

The Company shall release its quarterly cash flow and interim half year financial reports for the periods ended 30 June 2006 on or about the 31st of July 2006.

End

For more information

If you are enquiring from Asia or the Americas, please contact Jonathan Soon, Director & Company Secretary of e-pay Asia Limited on +61416168816 or jonathan@e-payasia.com. If in the United Kingdom or other parts of Europe, please contact Shane Dolan, Director of Biddicks in London on +44207448 1000 or shane.dolan@biddicks.co.uk.

About the companies mention in this announcement:

e-pay Asia Limited (ASX/AIM: EPY), dual listed on Australia Stock Exchange and the AIM segment of the London Stock Exchange, is a leading provider of prepaid mobile airtime and electronic payment solutions in South East Asia. Headquartered in Kuala Lumpur with its corporate office in Sydney, e-pay Asia operates in Malaysia, Indonesia, Pakistan and Thailand with plans to expand into China, Vietnam, Singapore and other parts of Asia. For more information on the Company, please visit our corporate website www.e-payasia.com