



Cashless Payments Grow to 37% In Vending Industry

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Cashless Sales Increase 28% at USA Technologies' ePorts as Consumers Spend More with Card versus Cash

MALVERN, Pa.--(BUSINESS WIRE)-- [USA Technologies, Inc.](#) (NASDAQ:USAT), ("USAT") a leader of wireless, cashless payment and M2M/IoT solutions for small-ticket, self-serve retailing industries, today released data from its 2015 Cashless Knowledge Base Study that demonstrates how a cashless payment platform can be instrumental in driving additional revenues. One of the highlights of this year's study shows average cashless usage at locations equipped with USA Technologies' ePort Cashless Payment System went up to 37 percent during a recent one-month period from 32 percent during a similar one-month period a year earlier. The study is based on a data set of approximately 100,000 vending terminals, over 90,000 of which report both cash and credit sales. The results also showed an increase in average annualized cashless sales when 30-day data from April-May 2014 was compared to 30-day data from April-May 2015. Further, there was an increase in average ticket prices when a card or mobile wallet was used versus cash.

Monthly cashless usage is continuing to grow and USAT projects that, at current rates, cashless usage at locations equipped with USA Technologies' ePort Cashless Payment System could hit 40 percent by this time next year.

Additional Highlights of the 2015 Cashless Knowledge Base:

- Cashless sales continued to increase as ePort terminals matured in the market, over the first 12 months following deployment.
- Average annual cashless sales up from \$2,719 as of May 2014 to \$3,477 as of May 2015 (28 percent increase).
- Consumers are spending, on an average, 32 percent more when they pay with a card versus cash.

In addition, ongoing Knowledge Base Studies continue to show a higher average ticket when consumers make purchases using a cashless payment method at a USAT ePort: from \$1.21 when buying with cash, to \$1.60 when buying with cashless - a 32 percent increase.

"We believe that the results of our 2015 Knowledge Base Study demonstrate the industry's acceptance of cashless and the revenue potential for the vending and unattended markets. USA Technologies has seen a meaningful growth in the use of cashless payment solutions. Based on data from our Knowledge Base and, given the availability of our Performance Optimization program that helps assist owners and operators drive the best return, we believe this is the year for many operators to go 100 percent cashless," stated Jim Turner, Vice President of Deployment Services, USA Technologies.

[Deloitte predicts that 2015](#) will be an inflection point for the usage of mobile phones for NFC-enabled in-store payment, as it will be the first year in which the multiple prerequisites for mainstream adoption - satisfying financial institutions, merchants, consumers, technology vendors and carriers - are sufficiently addressed. [Apple reported, in its earnings call of January 27, 2015, that Apple Pay](#) comprised two out of every three dollars spent on purchases using contactless payments across the three major U.S. card networks. We believe that Apple Pay has been a boost to the whole ecosystem of contactless payments. According to an unnamed source in an article dated November 5, 2014 by Ars Technica, an online publication, Google Wallet saw an increase of 50 percent in weekly transactions using Google Wallet immediately following the launch of Apple Pay.

USA Technologies was able to cull this data from a data set of 100,000 cashless vending terminals in the traditional vending channel (beverage, food and snacks) that had at least 12 months of data available.

USAT's Knowledge Base, used to assess the latest in cashless trends and behaviors, represents cashless payment data, and cash data where available, collected from its ePort Connect® service network — a network that processes cash and cashless transactions across over 30 industry channels and sub-channels to assess the latest in cashless trends and behaviors. Based on our knowledge, USA Technologies is the only company in the small-ticket self-serve vending machine category with access to this volume and detailed historical data made available to customers through its network and team of advisors. This data is used to recommend strategies that help operators optimize their cashless adoption decisions. Qualifying USAT customers receive access to a full suite of deployment support services including consulting services, performance optimization reports and marketing services.

For more information on USAT's 2015 Cashless Knowledge Base Study, contact a USA Technologies sales representative at 1-800-633-0340. Existing customers can also request customized reports which enable them to track individual performance against USAT's Cashless Knowledge Base metrics.

About USA Technologies:

USA Technologies is a leader of wireless, cashless payment and M2M telemetry solutions for small-ticket, self-serve retailing industries. ePort Connect® is the company's flagship service platform, a PCI-compliant, end-to-end suite of cashless payment and telemetry services specially tailored to fit the needs of small ticket, self-service retailing industries. USA Technologies also provides a broad line of cashless acceptance technologies including its NFC-ready ePort® G-series, ePort Mobile™ for customers on the go, and QuickConnect, an API Web service for developers. USA Technologies has been granted 87 patents; and has agreements with Verizon, Visa, MasterCard and Chase Paymentech, and customers such as Compass, AMI Entertainment and others. Visit the website at www.usatech.com.

Forward-looking Statements:

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements, other than statements of historical fact included in this release, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to USAT or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of USAT's management, as well as assumptions made by and information currently available to USAT's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, business, financial market and economic conditions; the extent to which USAT's 2015 Cashless Knowledge Base is predictive of future market conditions, customer and consumer behavior, and average ticket prices & cashless sales across all of USAT's customer locations; the accuracy and reliability of third party projections of cashless usage; the possibility that all of the expected benefits from adoption of cashless payment will not be realized by all vending operators, or will not be realized within the expected time period; and whether, and to what extent, mobile payment technologies have resulted in, and will result in, increased cashless usage. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, USAT does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

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