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USA Technologies and Pepi Food Services Featured in Vending Times

MALVERN, Pa., Oct 07, 2010 (BUSINESS WIRE) -- USA Technologies, Inc. (NASDAQ:[USAT](#)), a leader in the networking of wireless non-cash transactions, today announced that its customer, Pepi Food Services had been featured in the cover story of the September 2010 issue of Vending Times magazine entitled: **Pepi's 5-Year Plan: 100% Cashless**. (Read the article online: <http://vendingtimes.p2ionline.com/Flip/Sitebase/index.aspx?adgroupid=133416&view=single&pageno=29&webstoryid=15355191&webstoryid2=15355191>)

"We are pleased to be working with ambitious and innovative operators such as Vic Pemberton and the team at Pepi Food Services," said Stephen P. Herbert, President and COO, USA Technologies. "Their commitment to great customer service and their savvy business sense is evidenced in everything they do. USA Technologies will do everything we can to help them deliver on their vision."

Vic Pemberton, President and Founder, Pepi Food Service said that the motivation for getting started with cashless was pretty simple: 'kids don't carry cash - gotta feed the kids!' Pepi is a family-owned and operated business and Vic quickly realized that even his own children no longer carried cash.

In the Vending Times article, Vic estimates that about 30% of people who walk past a vending machine are not carrying any cash. He says turning away anyone in search of refreshment not only runs counter to his philosophy of always putting the customer first, but simply makes no business sense.

"If it's in your pocket, it has to work in our machines," Vic asserted. "We truly believe that installing a cashless payment system is a must in this market, and that operators who don't make the investment risk going out of business."

Pepi Food Services selected USA Technologies due to, among other things, their turn-key cashless payments system through the ePort Connect Service, their ability to assist in deployment planning to help ensure success and their innovative JumpStart program that enabled them to move forward quickly with no upfront capital cost.

"USA Technologies' end-to-end cashless solution is straightforward," said Donnie Pemberton, Director of Operations, Pepi Food Services. "We have been able to implement cashless quickly and conveniently. If we had to spend time dealing with three or four hardware and service providers, it would take time away from our core business and make it more difficult and costly to go cashless."

(For more information on ePort Connect: <http://www.usatech.com/eport/eport-connect.php>)

In the article, Donnie goes on to say that Pepi has leveraged USAT's JumpStart financing program to ramp up deployment more aggressively than it otherwise would have been able to do. "We're installing them as fast as we can," he said. "The demand is huge and the response is huge. We have one person whose whole job is putting ePorts out."

(For more information on JumpStart: http://www.usatech.com/eport/eport_jumpstart.php)

"USA Technologies' customer Pepi Food Services recognizes the value of adding our ePort Cashless Payment System to their business. They see it in their increased sales and in increased customer satisfaction at their accounts," said Herbert, USA Technologies. "Our customers are telling us that consumers are demanding the option and our customers are recognizing the benefits. That is why we think our JumpStart program has been so popular, and why our customer list continues to grow."

USA Technologies recently announced that during August 2010, it had reached a monthly run rate equal to an annualized run rate of \$100 million in transaction processing for its customers on the ePort Connect Service, and that on September 2, 2010, the Company reached a new record of over 200,000 cashless, wireless transactions processed in a single day. In addition, the Company announced earlier this week that it added 152 new customers to its service and now serves a total of 1,200 customers on the ePort Connect Service. The Company also reported that it hit a new record of nearly \$25 million in transactions processed for customers in quarter ended September 30, 2010.

(To see a chart of the growth in USA Technologies customer transactions click here: http://www.usatech.com/dl/USAT_Transaction_Growth.pdf)

The Company believes these milestones may indicate a "tipping point" (i.e., accelerated adoption) of wireless cashless payment systems in the markets that it serves.

The Company believes that Pepi Food Services' stated goal of going 100% cashless within five years is further evidence of this possible tipping point.

About USA Technologies:

USA Technologies is a leader in the networking of wireless non-cash transactions, associated financial/network services and energy management. USA Technologies provides networked credit card and other non-cash systems in the vending, commercial laundry, hospitality and digital imaging industries. The Company has been granted 78 patents and has agreements with AT&T, Visa, Compass and others. Visit our website at www.usatech.com

About Pepi Food Service:

Pepi Food Services, with branches in Bainbridge, Georgia, Dothan, Alabama and in Albany, Georgia, has been a leader in vending and food services for nearly 25 years, as well as coffee and water services for over 10 years. The company is a local Canteen franchise employing 140 loyal and dedicated professionals who deliver vending, and canteen services to over 400 clients and 50,000+ consumers. Pepi also manages Pepi Coffee Company which services Georgia, Alabama and Florida with a myriad of coffee solutions to over 300 companies in the area, including offices, restaurants, institutions and convenience stores. Visit them online at www.pepifoods.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, including without limitation the anticipated "tipping point" in the markets in which the Company serves, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of the Company's management, as well as assumptions made by and information currently available to the Company'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, whether or not the marketplace continues to adopt cashless transaction processing; whether or not the marketplace continues to purchase the Company's products in the future; the ability of the Company to retain key customers from whom a significant portion of its revenues is derived; the ability of the Company to compete with its competitors to obtain market share in the future; the ability of the Company to obtain widespread commercial acceptance of its products in the future; whether the Company's existing or anticipated customers purchase or lease ePort devices in the future at levels currently anticipated by the Company; whether the Company's customers participate in the Jump Start program in the future at levels currently anticipated by the Company; or whether the Company's shares or publicly traded warrants would continue to meet the eligibility requirements for continued listing on The NASDAQ Stock Market, LLC. 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, the Company 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.

SOURCE: USA Technologies, Inc.

USA Technologies Contact:

George Jensen, Chairman & CEO, 800-633-0340

or

Stephen P. Herbert, President & COO, 800-633-0340

sherbert@usatech.com

or

Investor Relations Contact:

Lippert/Heilshorn & Associates

Stephanie Prince, 212-838-3777

sprince@lhai.com

or

Jody Burfening, 212-838-3777

jburfening@lhai.com