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USA Technologies' ePort Connect Service Reaches 123,000 Connections and 2,079 Customers; Growth Driving Record Number of Transactions and Dollar Amount Processed for July

7.8 Million Transactions Processed Representing \$13.4 Million in Small-Ticket Transactions—Increases of 82% and 72%, respectively, from July last year

MALVERN, Pa.--(BUSINESS WIRE)-- USA Technologies, Inc. (NASDAQ: USAT), a leader of wireless, cashless payment and M2M telemetry solutions for self-serve retailing industries, today announced that it added approximately 4,000 new connections during July 2011 and added 105 new customers to its ePort Connect Service® bringing the totals to 123,000 connections and 2,079 customers, and making this the fastest start to a fiscal year for the Company in three years. New connections to the Company's network have achieved a pace that — if sustained - would exceed last year's record of new connections added.

In addition, for the month of July 2011, the Company processed a record 7.8 million transactions representing \$13.4 million in small-ticket transactions, increases of 82% and 72%, respectively, [compared to July 2010](#). This continued growth further strengthens the Company's leadership position in the small-ticket, unattended, wireless payments space and puts the Company on an annualized run rate of \$160 million in processing volume.

"The market continues to find tremendous value in our turnkey cashless payment service, ePort Connect," said George Jensen, Chairman and CEO of USA Technologies. "The [ePort Connect Service](#) offers owners of unattended, self-serve retail a unique, one-stop suite of services for small-ticket cashless transactions; eliminating the need to engage with multiple service providers. Transactions processed by the network continue to grow exponentially, highlighting the increase in consumer acceptance of our technology at the point of sale. We are extremely pleased with July's growth."

USA Technologies continues to benefit from the [adoption of cashless payment technology](#) by vending operators and other owners of unattended, point-of-sale equipment. As [an industry leader](#), USA Technologies continues to experience demand from customers who see the value in its turn-key, comprehensive ePort Connect Service in addition to its leading-edge ePort cashless payments devices. The ePort Connect Service provides card processing, merchant account services, wireless connectivity, DEX data transfer, online sales reporting, settlement services, level 1 PCI-compliant data security, over-the-air updates, and machine health alerts — a comprehensive service package unmatched in the self-serve retail market.

USA Technologies recently announced the results of a [vending sales analysis](#) for the month of July 2011 that found consumers spent one-third more when utilizing its ePort Cashless Payment system versus a cash purchase, and that cashless purchases made up approximately 26% of all sales at these vending machines.

"Because not all devices have been installed since we expanded our [JumpStart program](#) late in the June 30, 2011 quarter, July volumes only reflect a small proportion of their incremental volume," Jensen added. "We believe these are extremely encouraging performances — mostly a product of the increased volume on our installed base — given the limited contribution of the thousands of new connections since JumpStart was expanded. Our recent cashless vending study found that consumers spent more when using our ePort cashless payment system than when paying with cash. These findings, in combination with the JumpStart program and our unique turnkey ePort Connect service is resulting in additional customers and connections, and driving new highs in transactions processed each month. We believe with over 123,000 connections to our network, 2,079 customers on our service and \$160 million in annualized processing volume, USA Technologies is the [provider of choice](#) in the small-ticket, unattended cashless payments space."

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 79 patents and has agreements with Verizon, Visa, Compass, Crane and others. Visit our 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, including without limitation the financial position, anticipated connections to our network, business strategy and the plans and objectives of the Company's management for future operations, 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, business, financial market and economic conditions, including but not limited to, the ability of the Company to retain key customers from whom a significant portion of its revenues is derived; whether the Company's customers continue to operate or commence operating ePorts received under the JumpStart program or otherwise at levels currently anticipated by the Company; the ability of the Company to compete with its competitors to obtain market share; the ability of the Company to obtain widespread commercial acceptance of its products; and whether the Company's existing or anticipated customers purchase ePort devices in the future at levels currently anticipated by the Company. 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.

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