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## **USA Technologies Issued e-Port® Patent Applicable to Cashless Vending**

### **Technology Authorizes Credit Card Approval, Item Selection, Price and Inventory Control**

Malvern, PA, July 26, 2006 -- USA Technologies, Inc. (OTC Bulletin Board: USAT) announced today it had been issued another e-Port patent related to opening up the \$44 billion vending market to cashless and Intelligent Vending.

"With card companies targeting vending as the next big cashless opportunity, patents applicable to vending technology have never been more critical," said George R. Jensen, Jr., Chairman & CEO, USA Technologies. "We believe that it is important to pursue a patent strategy that not only protects your products, but gives your customers confidence in your products."

The latest e-Port patent, number 7,076,329 for Cashless Vending Transaction Management by a Vend Assist Mode of Operation, comes after USA Technologies signed an historic contract with MasterCard to deploy the first 1000 cashless vending machines equipped with the e-Port Generation Six transaction device.

The vend assist technology gives operators the ability to optimize vending machine sales based on real-time information. The patent protects a vending system that can be configured to interface and control vending activity, such as credit card approval, item selection, price and inventory management, whether connected by wire or wireless. The patent is the 65th patent granted to USA Technologies, establishing the company as a vending industry technology leader and center of competence.

"Our e-Port technology allows consumers to make purchases from vending machines simply by waving their credit card in front of the e-Port radio frequency reader. Nothing could be faster, more efficient or convenient, and MasterCard and other card companies are working with us to bring the technology to market," said Mr. Jensen.

USA Technologies owns a family of Intelligent Vending® patents that apply to radio frequency swipe card and contactless card technology. The Company believes that these technologies are also setting the stage for driving significant revenues from licensing intellectual property.

"In today's competitive marketplace driven daily by new Internet technologies, you must consider leveraging your intellectual property to generate a financial return through licensing. That has been a constant objective of USA Technologies' patent strategy, and as more companies now see value in licensing our technology and industry know-how," said Mr. Jensen.

USA Technologies' leading edge product line is creating value through innovation -- redefining industries, expanding markets, and growing revenues. The company includes among its customers some of the biggest, most prestigious companies in the Fortune 500.

### **Statement under the Private Securities Litigation Reform Act:**

With the exception of the historical information contained in this release, the matters described herein contain forward-looking statements that involve risk and uncertainties that may individually or mutually impact the matters herein described, including but not limited to product acceptance, the ability to continually obtain increased orders of its products, the ability to meet installation goals, economic, competitive, governmental impacts, whether its pending patents will be granted or defensible; validity of intellectual property and patents of USA, the ability of USA to license its patents, the ability of USA to commercialize its developmental products, technological and/or other factors, which could cause actual results or revenues to differ materially from those contemplated by these statements.