



**A Leader in Cashless Transactions,
Networked Services, and Energy Management**



OTCBB: USTT



Forward Looking Statement

With the exception of the historical information contained in this presentation, 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 the ability of the Company to increase revenues in the future due to the developing and unpredictable markets for its products, the ability to achieve a positive cash flow, the ability to obtain orders for or install its products including the G-5 e-Port, the ability to obtain new customers and the ability to commercialize its products, which could cause actual results or revenues to differ materially from those contemplated by these statements.

Five key drivers of growth

Energy Management



**VendingMiser®
CoolerMiser™**



**U.S. Market
(Number
Placements)**

8 Million Vending
10 Million Coolers

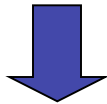
**Worldwide
Market
(Number
Placements)**

30 Million Vending
40 Million Coolers

Cashless Vending



e-Port



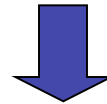
8 Million Vending

30 Million Vending

Commercial Laundry



eSuds™

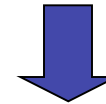


1.3 Million Laundry

Self Serve Business Center



USA BUSINESS EXPRESS™



30,000 Hotels

300,000 Hotels

Unattended Kiosk



**Sony
PictureStation**

Energy Management



- VendingMiser®
- VM2IQ™

Customer Economics

- Less than 1 year payback
- \$120 savings/placement/year

Energy Management



- CoolerMiser™
- CM2IQ™

Customer Economics

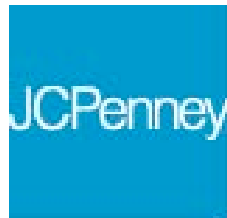
- Less than 1 year payback
- \$100 savings/placement/year

Energy Management

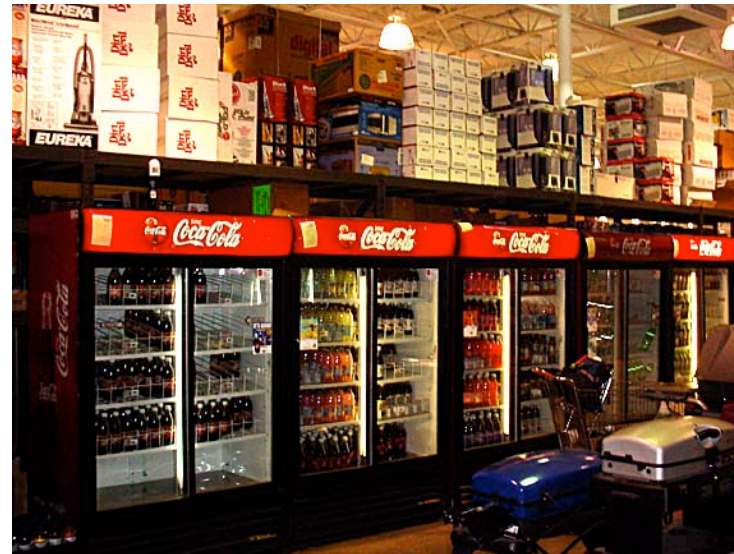
MICHIGAN STATE
UNIVERSITY



bloomingdale's



BALTIMORE/WASHINGTON INTERNATIONAL AIRPORT



e-Port® for Cashless Vending



- **Enables cashless payments including credit/debit**
- **Designed for rapid retrofit – 5 minutes or less**
- **Instantly on network**
 - Turnkey wireless connection
 - Provides operators with online access to sales data
- **Multiple forms of cashless payment including credit/debit cards**

Customer Economics

- Increase sales by approximately 20%
- Less than 1 year payback
- Increase in average purchase from \$1.06 to \$1.87

G5 e-Port®



- World's first 'one-piece' design for credit card vending
- Less expensive
- Easy five minute installation
- Wireless with Cingular

Web-Based Reporting for Distributed Assets



USA
TECHNOLOGIES
ACTIVITY

General

- [Logout](#)
- [My Homepage](#)
- [Contact Us](#)

Reports

- [Saved Reports](#)
- [Build a Report](#)
- [Diagnostics](#)

Administration

- [Terminals](#)
- [Users](#)
- [Report Register](#)
- [Regions](#)
- [Preferences](#)

Setup

- [Activate e-Port](#)
- [New Bank Acct](#)

Day By Day Detail


Beginning Date Range: April 09, 2004
Ending Date Range: April 15, 2004
Transaction Type: All
Terminal(s): All
Run Date: 04/15/2004 02:57 PM

Day: Thursday, 04/15/2004 [View Details](#)

Terminal	Make/Model	Cash Amount	Credit Amount	Pass Amount	Refund Amount	Total Amount
E4071227	Royal (RVCC 660)	⌘7.50				⌘7.50
E4071231	Dixie Narco (5000)	⌘5.50	⌘1.00			⌘6.50
E4071233	National (167 Snack)	⌘0.75				⌘0.75
E4071236	National (167 Snack)	⌘9.00				⌘9.00
E4071251	Dixie Narco (5000)	⌘7.50				⌘7.50
E4071257	Dixie Narco (5000)	⌘5.00				⌘5.00
E4071263	Royal (RVCC 660)		⌘1.00			⌘1.00
E4071266	National (167 Snack)	⌘0.75	⌘1.50			⌘2.25
E4071270	National (Gen. Mdse 431)	⌘11.75				⌘11.75
E4071271	Dixie Narco (BevMax)	⌘1.00	⌘3.00			⌘4.00
E4071273	Crane (Unknown)		⌘2.00			⌘2.00
E4071279	National (167 Snack)	⌘2.25	⌘2.25			⌘4.50
E4071370	Royal (RVCC 804-9)		⌘2.50			⌘2.50
E4072460	DN (5000)	⌘10.00				⌘10.00
E4072477	DN (5000)	⌘15.00				⌘15.00
E4081022	Crane National (431 - Shoppertron)	⌘17.25	⌘2.25			⌘19.50
Totals:		⌘93.25	⌘15.50			⌘108.75

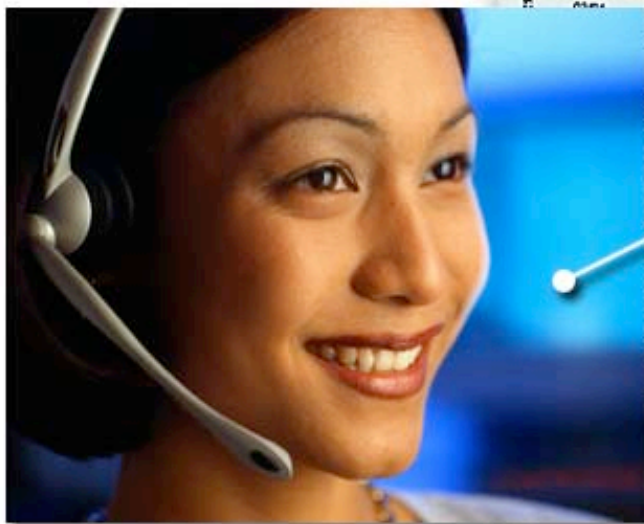
24/7 Customer Service



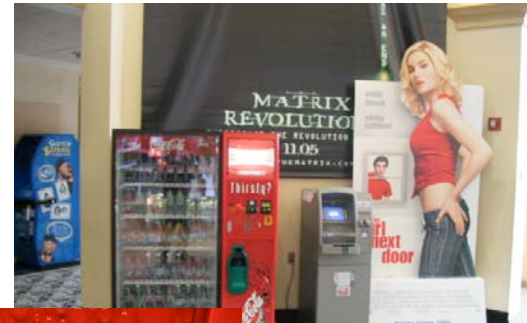
bp  *Cardmember Statement* Page 2 of 3

ALL OTHER TRANSACTIONS

Transaction Date	Post Date	Reference Number	Description	Debits	Credits	OVER
02/25	02/25	2449241E1B20WYMBD	ATLANTA BREAD COMPANY FRAZER PA			
02/27	02/27	2443522E4H18H9GPF	JET ROCK BAR & GRILL D #2 PHILADELPHIA PA	\$4.57		
02/27	02/27	2422443E852H4QBD4	WESTBROOK MCGRATH DULUTH GA	\$20.00		
02/27	02/27	2430133E44AHVYGAT	ADVANCED VETERINARY HOSPI HOLIDAY FL	\$175.00		
02/27	02/27	2432684E2605OMFP8	GIANNI'S PIZZA PUB HUDSON FL	\$154.70		
02/27	02/27	2439900E448V7R5E3	WALGREEN 0004608 HUDSON FL	\$34.00		
02/27	02/27	2440369EQ1N0H3H33	FAIRWAY LIQUORS HUDSON FL	\$30.00		
02/28	02/28	2444500EQ1N2V0M6FL	PUBLIX #487 SA1 HUDSON FL	\$43.97		
02/28	02/28	2413629EQ905M40D4	LOWE'S #1605 SPRING HILL FL	\$115.91		
02/28	02/28	2461043EQ0033M8N3	HUDSON CITY HUDSON FL	\$36.16		
03/01	03/01	2469216EQ0001HFMX	CS ONLINE SERVICE 0004 800-848-8990 VA	\$9.88		
03/02	03/02	2418405EQ018400PA	EXXONMOBIL #3 04890456 KING OF PA	\$21.95		
03/02	03/02	2416407EQ1K2GYTOR	CPSPHILADELPH0100024 PHILADELPHIA PA	\$22.58		
03/02	03/02	2449241E7322AK303	CRAB SHACK PORT RICHEY FL	\$64.00		
03/03	03/03	2461043EQ03787T43	STAPLES #211 PORT RICHEY FL	\$29.44		
03/03	03/03	2432184EQ79A4JK60	VEND AT PEPSI COCA 888-5614748 PA	\$45.58		
03/03	03/03	2449241EQ822JMMCO	ATLANTA BREAD COMPANY FRAZER PA	\$1.25		
03/03	03/03	2461043EQ03735DLO	ECKERD DRUGS #0130 HUDSON FL	\$9.65		
03/03	03/03	2475542EQX0BL99NT	WINN DIXIE 0710 891 HUDSON FL	\$46.34		
03/04	03/04	2432301EQH0D41V2ML	DAYONET PNT OX & MED S HUDSON FL	\$53.97		
03/04	03/04	2445501EQH1V2ZE236	CLEMENS MARKET FRAZER PA	\$52.68		
03/04	03/04	2449241EQH2280TJ	ATLANTA BREAD COMPANY FRAZER PA	\$21.54		
03/04	03/04	7426650EQ0142VKV1	PAYMENT - THANK YOU	\$9.65		
03/05	03/05	2449241EQK00302M6	ATLANTA BREAD COMPANY FRAZER PA		\$4,700.00	
03/05	03/05	2449241EQK00302M6	US AIRWAYS, 037749031 MILTON FL	\$9.65		
03/05	03/05	0311041USW	BOSTON BOSTON	\$302.70		
03/05	03/05	2471705EQHTM8BARZ	BOSTON PHILADELPHIA			
03/06	03/06	241003NEK55R6FKY5	PO MAGIC SOFTWARE 509-2769309 WA	\$30.00		
03/06	03/06	2411039EK2706PTFM	BADF ADEL PA	\$30.00		
03/06	03/06	2443565EK18TTFJ	TRADES OF AFRICA INC KING OF PRUSS PA	\$115.07		
03/06	03/06	2461043EK322AT	GERTRUDE HAWK CHOCOLATES KING OF PRUSS PA	\$300.00		
03/07	03/07	2412479EK119R1A7	AEROSOLEG #84 KING OF PRUSS PA	\$30.13		
03/07	03/07	2424611EQ33Y00M8A	BOSTONMANHANNV CLRG813 PHILADELPHIA PA	\$29.99		
03/07	03/07	2411032EM7H00PKGM	BED BATH & BEYOND #30 PHILADELPHIA PA	\$59.99		
03/07	03/07	2439000EK8AS9Y75	NAUTICA OF PHILADELPHIA PHILADELPHIA PA	\$106.99		
03/07	03/07	2444500ELNFTGREDY	BURLINGTON COA00001974 PHILADELPHIA PA	\$29.98		
03/07	03/07	2448279EL8VX741XJ	MARDHALLS #0482 PHILADELPHIA PA	\$45.96		
03/07	03/07	2461043EL03TAFGL9	ACME MARKET 7702 511 PAOLI PA	\$51.84		
03/08	03/08	2416405EM018X50T	BANISTER #1536 PHILADELPHIA PA	\$142.34		
03/08	03/08	2438775EL23251K2H	EXXONMOBIL 18 09710918 HALVERN PA	\$67.48		
03/08	03/08	2449241EQM20T842H	INTERL SHOPPES PHILADELPHIA PA	\$19.12		
03/09	03/09	2432301EQ73PAH02HP	ATLANTA BREAD COMPANY FRAZER PA	\$88.45		
03/09	03/09	7492900EN00TZYS7	OUTBACK #3018 FRAZER PA	\$6.84		
03/09	03/09		CROWS NEST TRING GB	\$51.00		
03/09	03/09		GB POUND STERLING	\$26.69		



e-Port®



BALTIMORE/WASHINGTON INTERNATIONAL AIRPORT

Cashless Transactions





e-Port
Intelligent
Vending



eSuds.net
Laundry
Services



**BUSINESS
EXPRESS**
Unattended
Business
Centers



**Unattended
Kiosks**



**Energy
Miser**



Licensing

Cashless Trends and Estimates

- **1.7 Billion Credit Cards in Circulation (400% increase in the 90's)**
- **\$200 Billion in Micro-payments (\$1-\$5) by year-end 2005**
- **1.5 Billion 'Everyday Devices' connected to web by 2010**
- **Total market value \$700 Billion by 2010**
- **Nilson Report projects that 50% of the 8 million vending machines in the U.S. will be equipped with cashless technology by 2009**
- **Nilson reports that USA Technologies currently represents 90% of credit card vending.**

e-Suds™



- Online availability of washers and dryers
- Payments via student ID or PIN
- “Cycle Done” notification
 - Email
 - Cell Phone
 - Pager

Customer Economics

- Less than 1 year payback
- 15% increase in sales
- Insulate contracts/gain share

Web-Based Reporting for e-Suds™

eSuds.net :: Room Status
 http://www.esuds.net/RoomStatus/showRoomStatus.do?dormId=318

Access Your Account

eSuds Get out of the laundry room and on with your life.

Carnegie Mellon University » Pittsburgh Campus *This screen refreshes every 60 seconds*

RESIDENCE HALLS

[Boss House](#)
[Morewood A Laundry](#)

MOREWOOD A LAUNDRY

Summary
 0 out of 4 washers available.
 2 out of 4 dryers available.

To be notified when a machine becomes available: select the box next to the machine for which you want to be notified, enter your e-mail address, and click "Notify Me".

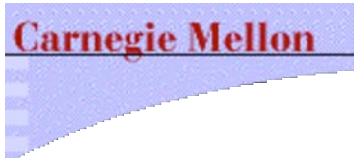
Email Address:

Washer #	Washer Type	Availability	Est. Min. Remaining
<input type="checkbox"/> 1	Washer	In Use	14
<input type="checkbox"/> 2	Washer	In Use	14
<input type="checkbox"/> 3	Washer	In Use	7
<input type="checkbox"/> 4	Washer	In Use	12

Dryer #	Dryer Type	Availability	Est. Min. Remaining
<input type="checkbox"/> 5	Stacked Dryer	Cycle Complete	0
<input type="checkbox"/> 6	Stacked Dryer	Available	0
<input type="checkbox"/> 7	Stacked Dryer	Cycle Complete	0
<input type="checkbox"/> 8	Stacked Dryer	Available	0

MOREWOOD A TOWER (TOP VIEW)

e-Suds™



GoucherCollege

Business Express®



- **Nearly 400 units installed nationwide**
- **Major hotel partners**
- **Hotel Industry's Top Technology 2003**
- **Hotel Industry's Overall Top Product 2003**

Business Express®



Business Express®

STARWOOD

HOTELS & RESORTS WORLDWIDE, INC.



FOUR SEASONS
Hotels and Resorts



THE RITZ-CARLTON®

HYATT®



Marriott
HOTELS · RESORTS · SUITES

Unattended Kiosks



Sony PictureStation

- \$500 million industry in 2004, with explosive growth projected*
- Initial roll-out 2004
- Users can print from their digital memory stick, PC card, etc.
- Credit card payment systems
- Kiosks are wirelessly networked to provide Sony with key data

*Source: Frost & Sullivan

Sony



Current Customers



Fortune 50 Retailer



- **PepsiCo-** The world leader in convenience food with \$29 Billion in revenue (VendingMiser, VM2iQ, CoolerMiser, CM2IQ, e-Port)
- **Current contract in place to provide VendingMiser and VM2IQ to one of Pepsi's largest customers, a Fortune 50 retailer with thousands of locations in North America**
- **ARAMARK** is a leading provider of services to business, educational, healthcare and governmental institutions and sports, entertainment and recreational facilities with 9.4 Billion in r'04 revenue (e-Port, VendingMiser, VM2IQ)
- **Compass Canteen-** One of the most recognized names in vending with hundreds of thousands of locations (VendingMiser, VM2IQ, e-Port)

Current Customers



- Sodexo- Operates more than 10,000 locations (VendingMiser, VM2IQ, e-Port)



- US Navy- 68 Bases Worldwide (VendingMiser, VM2IQ)



- Albertsons- one of the world's largest food and drug retailers, with annual revenues of approximately \$36 billion (PlugMiser, VendingMiser)



- Disney- 42 Million visitors annually to Disney World Orlando (e-Port)



Current Customers



- **Marriott- more than 5200 properties worldwide (Business Express, e-Port, Kiosk, VendingMiser, VM2IQ)**



- **Starwood Hotels- More than 700 hotels that include the brands St. Regis, The Luxury Collection, Sheraton, Westin, W and Four Points by Sheraton (Business Express, e-Port, Kiosk, VendingMiser, VM2IQ)**



- **Sony is a leading manufacturer of audio, video, digital imaging, and communications products for the consumer and professional markets. Revenues of 20.8 Billion for the U.S. (Kiosks)**



Strategic Partnerships



- Nearly 10 year ‘partnership’
 - IBM Business Partner
 - Development
 - Hosting of USALive



A Division of Mars, Inc.

- 3 year Licensing Agreement
 - Cashless Vending
 - Unattended Point-of-Sale



- GSM Contract for Customer Connections
 - Affordable and Reliable Access



Strategic Partnerships



- Strategic Alliance for Business Express®



- Integration to Campus Payment System which is present on over 400 University Campuses



ZiLOG

- 5 year Strategic Alliance
 - Combined e-Port® Code with eZ80Acclaim!™
 - Reduced costs of e-Port® substantially



Sales & Marketing Strategy

- **Direct sales: 10 dedicated salespeople**
- **Strategic co-marketing relationships**
- **Attendance at industry conferences and events**
- **65 independent sales reps and resellers**



Recent Developments

July 27, 2005

- **USA Technologies announced that PepsiCo. placed an initial order of \$810,000 on behalf of one of its customers to help reduce the cost of running vending machines in its customer's stores.**

March 2005:

- **USA Technologies announced at its Shareholders Meeting that it had negotiated an agreement with PepsiCo, Inc. to sell EnergyMiser products. PepsiCo, in turn, is expected to install the EnergyMisers in vending machines and coolers operated by another Fortune 50 company prominent in the retail industry, with thousands of locations nationwide, and overseas.**

January 2005:

- **Entered into an agreement to sell its VendingMiser® and CoolerMiser™ energy management solutions exclusively in Italy through a major Italian consulting integration company, THS International S.r.l. based in Milan, Italy.**

October 2004:

- **Signed a 5-year contract with U.S. General Services Administration (GSA), that enables all Federal Government authorities, agencies and facilities to directly purchase USA Technologies' energy products. U.S. Navy places first \$600,000 order for the VendingMisers, and shipment has begun.**



Barriers to Entry

- **Strong Patent Portfolio – 63 granted, 25 pending**
- **Existing commercial partners & products**
- **Hosting partner – IBM**
- **Wireless partner - Cingular Wireless**
- **Few competitors**



Experienced Management Team

George R. Jensen, Jr. **Chairman and Chief Executive Officer**

Stephen P. Herbert **President and Chief Operating Officer**

David M. DeMedio **Chief Financial Officer**

H. Brock Kolls **Senior VP, Research & Development**

Financial Snapshot

(as of 6/30/05)



OTCBB Exchange:	USTT
Industry:	Business Services/Technology
Operations based in:	Malvern, PA
Shares Outstanding:	426 million
Fully Diluted:	540 million
Insider Ownership:	10%
Public Float:	385 million
Current Price:	\$0.13
Market Cap.:	\$55 million
Shareholder Equity	\$9 million
Fiscal Year End:	June 30
No. of Employees:	47

Why Invest in USA Technologies?



- **Highly motivated and dedicated Management team**
- **Leader in cashless transaction and network services for the self serve market**
- **Growth by delivering extraordinary value to our customers, starting with convenience to the consumer, higher sales due to credit card purchasing power, and data to run their business better along with theft reduction.**
- **Existing strong partnerships**
- **Multiple revenue streams with recurring revenues with excellent profit opportunity**
- **Not dependent on any one product, customer or industry**
- **Patent protected**
- **Open ended global markets with significant growth opportunities**
- **Worldwide mega trends to fuel growth – cashless transactions now surpassing cash and checks combined, networked economy, and rising energy costs.**



COMPANY CONTACT:

USA Technologies Inc. (OTCBB: USTT)

100 Deerfield Lane, Suite 140

Malvern, PA 19355

Phone (800) 633-0340

Fax (610) 989-0344

www.usatech.com

**George R. Jensen, Jr.
Chairman and CEO
gjensen@usatech.com**

**Stephen P. Herbert
President and COO
sherbert@usatech.com**

The background of the slide is a faded, semi-transparent image of the United States flag, showing the stars and stripes. A solid blue horizontal bar is positioned at the top of the slide.

THANK YOU!

QUESTIONS & ANSWERS