



August 28, 2006

USA Technologies to Demonstrate EnergyMiser® Product Line to Pennsylvania Government

Technology Estimated to Save State \$56M Annually in Energy Costs

MALVERN, Pa, August 28, 2006 -- USA Technologies (OTC Bulletin Board: USAT) announced today it will demonstrate to the Pennsylvania Government on August 30 how its EnergyMiser Product line could save the State an estimated \$56 million in energy costs annually.

The Company will explain to James Creedon, the Pennsylvania General Services Secretary, that the technology could reduce annual energy consumption in the State by 642,845,226 kilo watt hours. Secretary Creedon will be visiting USA Technologies headquarters at Malvern, Pennsylvania, for several hours.

"Our objective is to show the Pennsylvania General Services Secretary and other political leaders the energy savings power of the EnergyMiser product line and prove that energy conservation through the use of smart technology can make a huge difference," said Stephen P. Herbert, President & COO, USA Technologies. "EnergyMiser is technology that responds immediately to President Bush's call on America to conserve energy, and to utilize energy conservation technology," he said.

USA Technologies' EnergyMiser product line is able to reduce the consumption in vending machines, coolers, snack machines and various commercial appliances, including computer terminals and plug loads by up to 45 percent. The technology operates on occupancy and ambient temperature.

General Services Secretary Creedon oversees one of the largest operating departments of Pennsylvania state government, with responsibility for state purchasing, the management of non-highway capital projects, and responsibility to manage, maintain and protect state buildings and facilities. The DGS also manages the state's minority and women-owned business contracting program, the Commonwealth Media Services and serves as the state's real estate agent and insurance broker.

Secretary Creedon will meet with the USA Technologies top executive team, with customers and industry representatives. He will see a demonstration of the technology, and a State and National analysis of the energy saving power of the product line.

Included among USA Technologies' EnergyMiser customers are some of the biggest companies in the U.S. including U.S. Military bases, Government agencies, major cities, 22 energy utilities and thousands of schools, colleges and universities.

The Orange County School District in Florida installed 1,000 EnergyMisers and is saving school taxpayers \$180,000 a year. Pepsi-Cola is installing 20,000 EnergyMisers on vending machines operated by one of America's biggest retail stores chains. Austin Energy, Austin, Texas, has installed 5000 units city wide and is saving in excess of \$1 million a year. Fifteen cities that make up the South Bay Cities Council of Governments in California installed EnergyMisers to immediately begin saving \$40,000 a year, and plan to install another 1000 units to save in excess of \$150,000 a year.

"These and many other EnergyMiser customers are showing amazing leadership in this time of high energy prices and increasing energy demand, and are proving to the nation that conservation technology can significantly lower consumption and ease America's dependence on foreign oil imports," said Mr. Herbert. "From the biggest companies in the world, right down to small communities, consumers are coming together to do what they can, utilizing technology to lower America's drain on the national power grid," he said.

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.