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USA Technologies Launches Financing Subsidiary

'One-Stop-Shop' Expected To Drive New Business

MALVERN, Pa, October 25, 2006 -- USA Technologies (OTC Bulletin Board: USAT) today announced the launch of USAT Capital Corp, LLC a financing subsidiary allowing customers to acquire the Company's products through either rental or lease purchase financing.

"The Company already provides the most effective cashless and energy management solutions to the vending, hospitality and commercial laundry industries. By adding the new financing subsidiary we have created a 'one-stop-shop' that makes it easy for our customers to purchase USA Technologies' products," said David DeMedio, Chief Financial Officer, USA Technologies.

The launch of USAT Capital Corp, LLC is in response to growing customer requests for financing support when purchasing the Company's products. The Company is offering both lease purchase and rental programs for all its product lines, including e-Port®, e-Suds®, energy conservation products and Business Express®.

USAT Capital Corp, LLC has a commitment from a large financial institution to purchase up to \$20 Million of the LLC's rental or lease purchase contracts, and the Company is looking to secure additional financing sources in the near future. Since its launch, the financing program has already financed sales of its e-Port® cashless vending solution.

"By offering our customers a financing alternative, USA Technologies has in place the support mechanism to meet the customers' every demand and requirement, from technology and 'turnkey' services to financing and after sales support," said Mr. DeMedio.

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.