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## **Arizona State Government and City of Tucson Install VendingMiser® Devices to Help Lower Energy Consumption**

### **USA Technologies Reports Growing Government Demand for its Energy Conservation Solutions**

MALVERN, Pa, October 4, 2006 -- Another State Government and a major city have installed USA Technologies' (OTC Bulletin Board: USAT) VendingMiser energy conservation technology to lower energy consumption and cut energy cost.

USA Technologies announced today that the Arizona Department of Administration was installing VendingMiser, technology from the EnergyMiser product line, on vending machines in General Services Department buildings at the State Capitol in Phoenix.

A spokesperson for the Arizona Department of Administration reported that the EnergyMiser devices would help meet Governor Napolitano's goal to reduce energy consumption in government buildings by 2008, and lower greenhouse gas emissions to the 2000 emission level by as early as Arizona's centennial in 2012. The spokesperson reported that more installations of the EnergyMiser were planned.

Arizona's decision to install EnergyMiser comes after the Pennsylvania Secretary of General Services, James Creedon, visited USA Technologies and committed to exploring programs to install EnergyMiser products throughout Pennsylvania.

USA Technologies also announced that the City of Tucson, Arizona, was installing the EnergyMiser technology on vending machines city-wide. The decision by the City of Tucson comes just weeks after USA Technologies announced that 15 cities in the Los Angeles South Bay area were installing EnergyMiser in vending machines across the region.

"More state and city governments are taking the lead and installing energy conservation technology in this time of energy and environmental crisis for America, and are proving to the nation that intelligent energy solutions can significantly lower consumption, ease America's dependence on foreign oil, and reduce the threat of global warming," said Stephen P. Herbert, President and COO, USA Technologies. "EnergyMiser responds immediately to President Bush's call on America to conserve energy by utilizing energy conservation technology," he said.

USA Technologies' EnergyMiser product line is able to reduce the consumption of electricity in vending machines, coolers, snack machines and various commercial appliances by up to 45 percent. There are an estimated four million refrigerated vending machines and 10 million glass front coolers in the US alone, each estimated to cost \$200-\$300 a year in electricity to operate.

Among USA Technologies city government customers is the City of Austin, Texas, which has already installed several thousand EnergyMiser devices as part of its city-wide "Smart Vendor" Program. They estimate energy savings in the hundreds of thousands of dollars.

### **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.