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Beverage Vending Machines Equipped with USA Technologies' VM2iQ® First Rebuilt Models to Qualify for ENERGY STAR®

MALVERN, PA, January 18, 2007 - USA Technologies (OTC Bulletin Board: USAT) reported today that five vending machine models from Vendo and Dixie Narco, two major U.S. manufacturers, are the first rebuilt refrigerated beverage vending machines to qualify for ENERGY STAR.

The five models are the first to meet the ENERGY STAR requirements after being refurbished with USA Technologies' VM2iQ. This technology reduces energy consumption and CO2 emissions.

"The ENERGY STAR qualification highlights how quickly and easily older machines can be refurbished and made more efficient to extend their life and deliver greater competitive advantage," said Larry Eils, Executive Director, National Automatic Merchandising Association (NAMA). "This is important recognition of the vending industry responding to the need to lower energy consumption, and taking firm action to help reduce CO2 emissions."

USA Technologies was the first company to launch an EnergyMiser® conversion program, which offers a turnkey package of technology and services to help bottlers take advantage of the new ENERGY STAR specification for rebuilt vending machines.

There are four million refrigerated vending machines in the US alone, and of that installed base, about 200,000 are refurbished and rebuilt each year.

"We are excited that the first models to be ENERGY STAR qualified are equipped with our VM2iQ technology," said Stephen P. Herbert, President and COO, USA Technologies. "Our Company is very pleased to be working with the EPA and the vending industry to address energy consumption and CO2 emissions in this tangible and systematic manner."

An ENERGY STAR qualified rebuilt vending machine consumes 40% less energy than a standard vending machine, which uses 3,000 kilowatt-hours annually, saving customers approximately \$130 per year.

The following models have been retrofitted with the VM2iQ technology in order to meet ENERGY STAR energy performance requirements: Vendo 720 & 840, Dixie Narco 368, 501 and 600.

Rebuilding extends machine life, avoids the cost of safe disposal of inefficient machines, and helps bottlers meet their environmental goals by lowering energy consumption and CO2 emissions. The estimated cost of refurbishing an existing machine with VM2iQ technology to meet ENERGY STAR requirements varies between \$100 - \$400.

USA Technologies' EnergyMiser product line lowers energy consumption in vending machines and coolers by up to 45 percent.

For questions regarding the EnergyMiser Conversion Program, please call USA Technologies, 888.521.6982.

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.