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USA Technologies Works With MasterCard to Prepare \$40 Billion Vending Industry for Contactless Payments

MasterCard® PayPass? Eliminates the Need to Fumble With Cash and Coins at Vending Machines

Malvern, PA, and Purchase, NY, October 26, 2005 – USA Technologies (OTC Bulletin Board: USTT) and MasterCard International today announced they are working together to provide a faster and more convenient payment option for use at vending machines. USA Technologies believes that its e-Port® cashless payment and networking services, combined with the MasterCard® PayPass? contactless payment solution, could revolutionize the \$40 billion global vending industry by providing consumers with a welcome payment alternative to cash and coins.

Following successful trials conducted at MasterCard's corporate facilities, more than 500 vending machines throughout New York City and Atlanta, Georgia will now be specially equipped to accept MasterCard PayPass.

"PayPass is ideal for quick payment environments where speed is essential, such as vending machines," said Cathleen Conforti, Global PayPass Product Manager, MasterCard International. "PayPass is fast, convenient and eliminates the hassle of fumbling with cash and coins or looking for exact change. Consumers simply tap their PayPass-enabled card or fob on the vending machine's payment terminal and they are on their way."

The e-Port payment terminal from USA Technologies installs easily into existing cash-only vending machines, enabling them to accept traditional credit and debit cards as well as contactless cards and fobs. The solution provides consumers with multiple payment options, while increasing sales opportunities for merchants.

"Together, PayPass and e-Port combine to create a unique payment solution that could quickly change the global vending marketplace as we know it," said George R. Jensen, chairman and CEO, USA Technologies. "Vending is one of the fastest emerging cashless opportunities, and we are taking the lead in jump starting payment card use in vending."

About MasterCard PayPass

MasterCard PayPass is a new "contactless" payment program that provides consumers with a faster and more convenient way to pay. Using PayPass, consumers simply tap their payment card, or alternative PayPass form factor (such as a fob), on a specially equipped terminal. The transaction takes place in seconds and typically requires no signature. PayPass allows payments to be completed quickly, securely and easily, without the hassle of fumbling with cash and coins. PayPass also provides better record keeping than cash.

PayPass is ideal for quick payment environments where speed is essential, such as vending machines, quick serve restaurants, gas stations, drug stores, movie theaters, and sports arenas.

The following merchants have announced that they will accept MasterCard PayPass: participating McDonald's, 7-Eleven, CVS, Ritz Camera Centers, Boater's World Marine Centers, Sheetz, Regal Entertainment Group (Regal Cinemas, United Artists Theatres and Edwards Theatres), Duane Reade and Meijer Stores. PayPass is also accepted at QWEST Field, M&T Bank Stadium, Lincoln Financial Field, FedExField, Giants Stadium, Arrowhead Stadium and Ford Field, home of the Seattle Seahawks, Baltimore Ravens, Philadelphia Eagles, Washington Redskins, New York Giants / New York Jets, Kansas City Chiefs and Detroit Lions respectively, and at Citizens Park, which is home to the Major League Baseball Philadelphia Phillies.

For more information about MasterCard PayPass, visit [MasterCard PayPass](#).

About MasterCard International

MasterCard International is a leading global payments solutions company that provides a broad variety of innovative services in support of our global members' credit, deposit access, electronic cash, business-to-business and related payment programs. MasterCard manages a family of well-known, widely accepted payment card brands including MasterCard®, Maestro® and Cirrus® and serves financial institutions, consumers and businesses in over 210 countries and territories. The MasterCard award-winning Priceless® advertising campaign is now seen in 105 countries and in 48 languages, giving the MasterCard

brand a truly global reach and scope. For more information go to www.mastercardinternational.com.

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.