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USA Technologies' ePort(R) Enables Students to Make Vending Purchases Using NFC Cellular Phones at Gonzaga University

MALVERN, Pa., Jan 29, 2008 (BUSINESS WIRE) -- USA Technologies (NASDAQ:USAT) announced today that vending machines equipped with Near Field Communications (NFC) capable ePorts were unveiled at Gonzaga University in Spokane, Washington.

U.S. Bank, MasterCard Worldwide and Nokia have introduced a mobile payments pilot program in Spokane, Washington. Program participants received a new Nokia mobile phone equipped with MasterCard(R) PayPass(TM) payment functionality, which allows them to pay for purchases with a tap of their mobile phone, instead of sliding a card through a magnetic stripe reader, handing it over to the cashier, or fumbling for cash and coins. NFC is the next wave of cashless payment solutions beyond magnetic stripe and contactless credit and debit cards. NFC encrypts credit and debit card information using short distance radio waves and transmits the data directly to a payment device to enable purchases with cellular phones.

"Issuing banks and card companies are analyzing every kind of cashless payment device for speed and convenience and the ePort G6 is the first, proven cashless transaction device in vending that accepts all forms of cashless payment," said John McLaughlin, vice president of business development, USA Technologies. "USA Technologies is the first to offer NFC wireless technology that allows consumers to make purchases with contactless cards as well as cellular phones from vending machines," he said.

Mobile payments are on the rise in the United States and worldwide, and will be available to a growing number of U.S. Bank customers in the future. As of November 27, 2007, more than 80,000 merchants accept MasterCard PayPass, including many in the Spokane area, such as Regal Cinemas, McDonalds(R), Jack in the Box(R) and 7-Eleven(R). Gonzaga University will also accept PayPass at various vending machines throughout its campus in order to provide busy students and faculty with the fastest and most convenient payment option available.

USA Technologies has taken the leadership position in NFC and cashless vending. The Company has been enabling vending machines to accept NFC transactions since June 2006 and more than 20,000 NFC capable ePort terminals have been deployed across the country.

"According to recent analyst reports, there will be over 188 million contactless cards in the U.S. alone(1) and over 470 million NFC-enabled phones in operation worldwide(2) by 2011. With an estimated 190 million cellular phones in use by American consumers, and handset manufacturers and carriers are squarely focused on delivering payment capability and related services to consumers through this infrastructure," said Mr. McLaughlin.

For more information about the NFC pilot in Spokane, Washington, see the information released January 28, 2008 from U.S. Bank, MasterCard and Nokia. (<http://phx.corporate-ir.net/phoenix.zhtml?c=117565&p=irol-newsArticle&ID=1100553&highlight=>) (Due to its length, this URL may need to be copied/pasted into your Internet browser's address field. Remove the extra space if one exists.)

References:

(1) JupiterResearch, May 2007

(2) Juniper Research, October 2007

About USA Technologies:

USA Technologies is a leader in the networking of wireless non-cash transactions, associated financial/network services and energy management. USA Technologies provides networked credit card and other non-cash systems in the vending, commercial laundry, hospitality and digital imaging industries. The Company has marketing agreements with AT&T Wireless, Honeywell, Blackboard, MasterCard and others. For further information on USA Technologies, please visit www.usatech.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, the ability of the Company to increase revenues in the future due to the developing and unpredictable markets for its products, the ability to achieve a positive cash flow, the ability to obtain orders for its energy management products, the ability to obtain new customers and the ability to commercialize its products, which could cause actual results or revenues to differ materially from those contemplated by these statements.

SOURCE: USA Technologies

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