

USA Technologies Embarks on Summer e-Suds? Laundry Deployment

Six More Colleges, Universities to Offer Students Online Service; Seventh Expands Operations

MALVERN, Pa, August 17, 2006 -- USA Technologies (OTC Bulletin Board: USAT) announced today it had embarked on a large e-Suds online laundry service installation this summer at six new colleges and universities.

A seventh major university, already a successful e-Suds customer, was expanding its laundry operations and installing more units to give students greater access.

So far this summer, more than 1,300 college laundry machines have been brought online and connected to the e-Suds system for a value of nearly \$250,000 in the seven colleges and universities.

"e-Suds sales continued to grow this summer. Much of these sales can be attributed to our newest distributors and resellers - <u>Coinmach, Caldwell and Gregory</u>, and <u>Blackboard</u>," said Wendy Jenkins, Vice President, Marketing.

Partnering USA Technologies in the installations are: Blackboard Inc., the nation's leading provider of software and services to the education industry; Caldwell and Gregory, a provider of Maytag commercial laundry equipment; and Coinmach, America's largest laundry operator with nearly 900,000 machines.

USA Technologies' e-Suds service is now operational in 20 universities and colleges nationwide, including Rutgers, Temple, American, Carnegie Melon and Akron Universities, the University of Cincinnati, and Goucher College. The Company also reported more orders were in the pipeline to supply four more colleges and universities later in the summer, and discussions were underway with additional campuses.

"Campus administrators say e-Suds leads to immediate new business, and students enjoy it because it takes the drudgery out of doing laundry, freeing them up to better utilize their time," said Ms. Jenkins. The e-Suds service allows students to use their computer terminals to check availability and reserve washer and dryers. Students activate and pay for the service with their student ID card and are notified by e-mail or text message when the laundry is done.

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 obtained increased orders of its products, the ability to meet installation goals, economic, competitive, governmental impacts, whether its pending patents will be granted or defendable; 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.