



November 22, 2005

ViVOtech and USA Technologies Partner to Develop Contactless Payment System for the \$1.32 Trillion Micro-Payments Segment

Santa Clara, CA and Malvern, PA, November 22, 2005—ViVOtech, the leading supplier of contactless payment solutions and USA Technologies (OTC Bulletin Board: USTT), a leader in the networking of wireless non-cash transactions for financial/network services and energy management, today announced a joint effort to deliver the first radio frequency cashless credit card transaction technology to the micro-payments segment.

Known as PayPass from MasterCard, ExpressPay from American Express and Blink and Tap N' Go technologies by others in the payment industry, the credit card associations in conjunction with issuing banks started providing credit cards embedded with RFID (Radio Frequency Identification) technology last year. Additionally, thousands of major retailers and merchants nationwide have been equipped to accept these new cards.

The contactless credit card initiative is targeting the micro-payments segment that is defined by transactions that are \$5.00 dollars or less. As reported in the Wall Street Journal last week, the Tower Group concluded, "The market for valued at \$5 or less accounted for \$1.32 trillion in consumer spending in 2003, representing more than 400 billion transactions." The article also cited other research statistics which stated, "More than 37 million Americans are willing to use their cards for \$5 or less and an estimated 6.5 million Americans would be comfortable using credit cards for transactions less than \$1, according to a study released late last year by Ipsos-Insight, the latest available from the market research firm."

As part of this partnership, ViVOtech, and USA Technologies have been working together to capitalize on this enormous market opportunity. To do this, the Companies integrated USA's e-Port® cashless transaction technology with ViVOtech's ViVOpay contactless readers and software services. The integrated technology platform enables vending machines to accept contactless payments, allowing vending operators to increase the average dollar amount spent per machine at peak hours, while reducing cash handling costs. Earlier this month, vending machines in Atlanta and New York City were equipped with the companies' integrated solutions.

"We are delighted to partner with USA Technologies and bring contactless capabilities to vending machines—a move that will revolutionize the vending industry," said Mohammad Khan, president and founder of ViVOtech. "Since consumers will no longer need to carry exact coins to enjoy a drink or a snack, vending will be more convenient and popular than ever, driving up sales and profits for operators."

"The convergence of two powerful market trends made USA Technologies adopt RF or contactless technology for our customers. These trends are the increase of consumers making transactions less than \$5 and how vehemently the credit card authorities are working towards replacing consumers traditional credit cards with new card embedded with contactless technology," said Stephen P. Herbert, President and COO, USA Technologies. "ViVOtech is the leader in contactless payment technology with more than 120,000 contactless payment readers being deployed in Quick Service Restaurants, Corporate Cafeterias, Movie Theaters, Convenience, Grocery, and Drug Store. We are proud to be their partner."

On November 26th, USA Technologies and MasterCard International announced they were working together to combine USA Technologies' e-Port® cashless payment and networking services with the MasterCard PayPass contactless payment solution to give consumers a faster, more convenient payment option for use at vending machines.

More than 500 vending machines especially equipped with ViVOtech's ViVOpay readers to accept MasterCard PayPass are currently being installed at locations in New York City and Atlanta, Georgia.

ViVOtech and USA Technologies are driving next generation electronic payments for the vending industry worldwide.

About ViVOtech

ViVOtech provides an end-to-end transaction platform that allows consumers to make contactless payments with radio frequency-enabled credit cards, debit cards, key fobs, cell phones, PDAs and identity cards. The company's products are backwards compatible with today's existing PoS infrastructure, providing seamless upgrades. With more than 120,000 of its contactless payment readers deployed around the world, ViVOtech products are found in Fast Food Restaurants (QSR), Casual Dining Establishments, Vending Machines, Corporate Cafeterias, Parking Garages, and Movie Theaters as well as

Convenience, Grocery, and Drug Stores. ViVOtech is headquartered in Santa Clara, Calif., with offices in Europe and Asia. In 2005, ViVOtech received the prestigious Frost & Sullivan technology award for its role in transforming the contactless payment industry. www.vivotech.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.