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USA Technologies Awarded Eighth Energy Management Patent for Vending Machines and Coolers

63 Granted Patents Drive Company's Leadership in Key Emerging Markets

MALVERN, PA, August 23, 2005 -- USA Technologies (OTC Bulletin Board: USTT) announced today it had been awarded its eighth core energy management patent, making it a global leader in designing and marketing energy management technology for refrigerated vending machines and coolers.

The latest patent is also one of the most important in the Company's energy management family of patents, and brings USA Technologies' total arsenal of patents to an unprecedented number for a company its size with 63 granted and 25 pending.

Issued was Patent Number 6,931,869 entitled "Refrigerated Vending Machine Exploiting Expanded Temperature Variance During Power Conservation Mode".

"This is a milestone announcement because the patent protects USA Technologies' intellectual property relating to the technology that intelligently puts the vending machine or cooler in a power saving mode to save energy," said Brock Kolls, Senior Vice President of Research and Development, USA Technologies. "It determines when to switch into energy saving mode based on outside temperature and activity of the vending machine or cooler. This patent essentially protects the IP that is wrapped around USA Technologies' core energy management technology."

There are an estimated 70 million vending machines and coolers worldwide. USA Technologies is the industry leader in providing energy management devices for the vending and cooler industry and already has an installed base approaching 150,000 units.

USA Technologies leads in patents for networked wireless activation and cashless transaction technology for vending machines, kiosks, point of sale terminals, and various commercially operated machinery.

"Our intellectual property, products and patents put us in the middle of three rapidly emerging mega markets -- energy management, cashless transactions, and networked wireless connectivity," said Mr. Kolls. "Our energy management product line responds to the President's call to develop technology that responds to the global energy crisis; our e-Port® technology responds to the growing demand worldwide for cashless transactions, particularly from credit card companies targeting vending as the next cashless opportunity; and our USALive® Network provides all the necessary wireless connectivity. USA Technologies not only has the technology to respond to the demand, but we have the patents to protect the technology, both for our customers and the Company," he said.

"Additionally, we have been successful in taking our patents beyond just protecting the technology," said Mr. Kolls. "We have begun to monetize the significant investments we have made in developing our intellectual property via a licensing campaign."

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 within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements relate to future events or our future financial performance and involve known and many involve unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by forward-looking statement including, but not limited to prospects for future market growth. In some cases, you can identify forward-looking statement by terminology such as "may," "will," "should," "expects," "anticipates," "believes," "estimates," "potential," "continue," or the negative terms or other comparable terminology. Although we believe that the expectations in the forward-looking statements contained in this release are reasonable, we cannot guarantee future results, levels of activity, and performance achievements including the success of our anticipated product demonstration, ability to obtain orders for or install products described in this release, our ability to obtain new customers and our ability to commercialize products (including the eZ80Acclaim! Flash MCU for e-Port solution and the e-Port on a chip). These forward-looking statements are based on our current expectations, and we disclaim any obligation to update these forward-looking statements for subsequent events or to explain why actual results differ unless otherwise required by law. You should not place undue reliance on these forward-looking statements.