

Houston to Deploy USA Technologies' VendingMiser® City-wide to Lower Energy Consumption and C02 Emissions

Mayor Encourages Business and Community to Follow City's Lead

MALVERN, PA, October 5, 2007 - USA Technologies (NASDAQ: USAT) announced today that the City of Houston, Texas, is installing VendingMisers, an energy control product from the EnergyMiser® line, in beverage vending machines in city buildings as part of a concerted program to reduce energy consumption and C02 emissions.

The City of Houston has purchased nearly 300 VendingMiser devices for refrigerated beverage vending machines in city-owned and operated buildings, facilities and parks. The city expects the VendingMisers will reduce vending machine electricity consumption by 40-50 percent, representing an annual savings of nearly \$35,000.

The decision comes after the Mayor of Houston, Bill White, in the 2007 State of the City address, challenged Houston commercial business and the general community to join the city in slowing energy consumption in the next three years.

"This is just one of many actions we are taking throughout the City to manage our costs and save energy," said Mayor White.
"Our goal is to make Houston the energy conservation capital of the world. It makes good business sense."

The action also comes after the Texas Legislature passed legislation requiring vending machines in public buildings to be equipped with energy saving devices as part of a program to improve energy efficiency in the state.

Earlier this year, Oklahoma City installed EnergyMisers on vending machines in the Cox/Ford Convention Center, Civic Center, city fire stations, and other government buildings. More recently, Humboldt County on Northern California's coast launched a program to lower energy consumption and C02 emissions by installing EnergyMisers in 400 refrigerated vending machines across the county.

"There has been a steady increase in the number of local governments and communities purchasing EnergyMisers to lower the cost of operating vending machines and coolers, and the trend is accelerating as the demand and cost of energy shows no sign of easing," said Stephen P. Herbert, President and COO, USA Technologies.

The Houston order was purchased through the General Services Administration (GSA), which allows federal, state and local governments and agencies to purchase the EnergyMiser product line directly from USA Technologies.

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.