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Two-Tier Pricing Options Help USA Technologies' Customers Accelerate Adoption of Cashless Payment Solutions

MALVERN, PA, April 9, 2012 -- USA Technologies, Inc. (NASDAQ: USAT), ("USAT"), a leader of wireless, cashless payment and M2M telemetry solutions for small-ticket, self-serve retailing industries, today announced that data from its customer Knowledge Base shows that its recently introduced Two-Tier Pricing Program ("Two-Tier") can be a valuable tool in moving the small-ticket industry to cashless payments. More specifically, cashless sales and usage data extracted from a diverse sample of USAT's Two-Tier customer base, showed greater sales activity in the two weeks after deployment of the Two-Tier Pricing Program than before—an important insight for customers waiting to gauge the effect of two-tier on consumer behavior.

"These recent findings should help alleviate customer concerns about declining cashless sales with a two-tier pricing strategy," said Michael Lawlor, Senior Vice President of Sales and Business Development for USA Technologies. "USA Technologies has been watching consumer response very closely. We knew our Two-Tier Pricing Program would be popular with our vending customers looking for ways to offset the processing costs associated with cashless transactions. Not only does USA Technologies' Two-Tier Pricing Program give them the ability to do that, but now we have positive information about the consumer response to two-tier pricing that we believe strengthens the case for further expansion of cashless payments in vending."

USA Technologies' [Two-Tier Pricing Program](#) gives operators of small-ticket, unattended terminals like vending machines the ability to charge two different vend prices—the standard retail price for credit/debit transactions and a lower discounted price for cash purchases—allowing operators to offset the cost of card processing. As an extension of USAT's ePort Connect® service offering, operators have the ability to adjust prices by account or by machine, utilizing USAT's over-the-air-update system. [ePort Connect](#) is USAT's one-stop suite of services for unattended, small-ticket cashless transactions that currently includes card processing, merchant account services, wireless connectivity, DEX data transfer, online sales reporting, settlement services, level 1 PCI-compliant data security, over-the-air updates and machine health alerts.

In evaluating the impact that the Two-Tier Pricing Program has had on consumer behavior, USA Technologies collected sample data from existing cashless terminals (approximately 450 terminals) that adopted the Two-Tier Pricing since it was first offered by USAT in early 2012. Key metrics were tracked, per terminal, for the two weeks before and after deployment of USAT's Two-Tier Pricing Program to gauge the impact two-tier pricing was having on cashless sales and usage. For the two weeks post deployment, USAT discovered that the percentage of cashless sales to total sales grew. In addition, cashless vends, in total, grew.

"We already know that a cashless payment offering can boost total sales and average price per transaction—explaining those benefits wasn't our goal here," added Jim Turner, USA Technologies' VP of Deployment Services. "Rather, we wanted to use our Knowledge Base to address the perception that cashless sales would go down under a two-tier model. This information is what many of our customers have been waiting for as they continue to evaluate when and where to deploy cashless solutions into their existing base of vending machines. The good news here is that cashless sales still appear to be trending up post Two-Tier deployment. And, since a two-tier pricing strategy enables operators to cover the cost of fees associated with processing card transactions, the cashless business case is now stronger for an even larger population of deployed machines."

"USAT is committed to helping customers accelerate their adoption of cashless technologies—consumers are asking for cashless options and mobile trends only make the investment more compelling," concluded Lawlor. "USAT's Two-Tier Pricing Program clearly strengthens the business case for operators and, using data we collect through our extensive Knowledge Base, we can help our customers make the right cashless decision for their particular industry, location or demographic. In the end, going cashless needs to be as good for our customers as it is for today's consumer."

To learn more about USA Technologies' Two-Tier Pricing Program, visit the ePort Connect section of www.usatech.com under the Products & Services tab.

Forward-looking Statements:

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release, including without limitation the financial position, anticipated connections to our network,

business strategy and the plans and objectives of the Company's management for future operations, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of the Company's management, as well as assumptions made by and information currently available to the Company's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, business, financial market and economic conditions, including but not limited to, the ability of the Company to retain key customers from whom a significant portion of its revenues is derived; the ability of the Company to compete with its competitors to obtain market share; the ability of the Company to obtain widespread commercial acceptance of its products; and whether the Company's existing or anticipated customers purchase ePort devices in the future at levels currently anticipated by the Company. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, the Company does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.