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USA Technologies Achieves Milestone for Monthly Transaction Processing Volume

Over \$10 Million Processed in February; On \$120 Million Annualized Run Rate

MALVERN, Pa.--(BUSINESS WIRE)-- USA Technologies, Inc. (NASDAQ: USAT), a leader in the networking of wireless, non-cash transactions, today announced that for the month of February 2011, the Company processed a record 6.4 million small-ticket transactions representing \$10.3 million—a 24% increase in monthly dollars processed compared to September 2010 when the company last announced these figures, and a new milestone for the Company. The current monthly processing rate equates to over \$120 million in annualized transactions, up 20% from the \$100 million annualized transaction rate achieved in September 2010.

The Company also reported that on February 12, 2011, it had reached a record of over 300,000 cashless transactions processed in a single day on its ePort Connect Service, up 50% from the last reported record of 200,000 in a single day on September 2, 2010.

"In January, we announced the results of our second fiscal quarter, during which we saw an increase in the number of new ePort customers to over 1,400 and the number of devices connected to our service to approximately 109,000," said George R. Jensen Jr., Chairman and CEO, USA Technologies Inc. "The combination of increased customers and connections, and increased consumer usage has led to a significant increase in monthly dollars processed and transaction volume, resulting in this milestone of over \$10 million processed in a single month. We believe that as cashless technology becomes more pervasive, the growth of our monthly transaction volume becomes a strong indicator of the mainstreaming of cashless for small-ticket, unattended, point-of-sale industries like vending and kiosk."

As of December 31, 2010 the Company billed monthly fees for approximately 90,000 of its connections. License and transaction fee revenue for the December 31, 2010 quarter was \$3,755,690, compared to \$2,073,786 for the corresponding quarter a year ago. License and transaction fee revenue is expected to increase as ePort terminals which were shipped to customers in the December 31, 2010 quarter begin or continue to generate license and transaction revenue. The Company counts its ePort connections upon shipment of an active terminal to a customer under contract, at which time activation on its network is performed by the Company, and the terminal is capable of conducting business via the Company's network and related services.

"We believe the exponential growth in our transaction processing volumes highlights both the increase in consumer acceptance of our technology at the point of sale, as well as the growth in the number of our customers and connections," concluded Mr. Jensen. "We believe that, with approximately 109,000 connections to our service and rapid growth in transactions driven by consumer demand, the small-ticket, unattended cashless payments market is reaching its tipping point. USA Technologies is proud to be a pioneer and a leader in this space."

About USA Technologies:

USA Technologies is a leader in the networking of wireless non-cash transactions, associated financial/network services and energy management. USA Technologies provides networked credit card and other non-cash systems in the vending, commercial laundry, hospitality and digital imaging industries. The Company has been granted 79 patents and has agreements with AT&T, Visa, Compass and others. Visit our website at www.usatech.com.

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; whether the Company's customers continue to operate or commence operating ePorts shipped to such customers

under the Jumpstart program or otherwise at levels currently anticipated by the Company; 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.

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