

USA Technologies Demonstrates Energy Management Technology to 1,500 Energy Professionals

\$100 Million in Annual Federal Sector Energy Savings Estimated

MALVERN, PA, August 15, 2005 -- USA Technologies (OTC Bulletin Board: USTT) will demonstrate to the Federal Government energy sector this week how its energy management technology could save the U.S. government \$100 million or more in energy costs.

The Pennsylvania-based company will demonstrate its full energy management product line, that includes VendingMiser®, VM2IQ?, CoolerMiser?, CM2IQ?, SnackMiser?, and PlugMiser?, at the Energy 2005 Show at the Long Beach Convention Center, California. The Energy Show is hosted by the U.S. Department of Energy, Efficiency and Renewable Energy, and by the Federal Energy Management Program (FEMP).

"There are an estimated one-million vending machines and coolers located in Federal Sector public buildings, each costing about \$300 a year to operate," said Wendy Jenkins, Vice President of Marketing, of USA Technologies. "USA Technologies' energy management product line could immediately reduce that expense by nearly half. We will have a team at Energy 2005 to show prospective customers just how quickly and easily their vending machines, coolers and other electronics can be converted to operate more efficiently," she said.

More than 1,500 energy managers and professionals will participate at the show which will feature the latest in new and renewable energy management technologies.

USA Technologies already has a strong Federal Sector customer base after being awarded a five-year contract with the General Services Administration (GSA), on schedule 70. Schedule 70 allows Federal and State Government agencies to purchase its product line at pre-approved prices, guickly and conveniently, and online.

"Our GSA contract allows both Federal and State agencies to participate in the program under a cooperative purchasing contract, and already we have closed significant sales totaling in the thousands of units with various government agencies and the defense forces," said Ms Jenkins. "Our goal is to install a VendingMiser on every vending machine and cooler in Government owned buildings, and already we are in negotiations with agencies in a growing number of States."

USA Technologies' program to drive greater energy conservation in the Federal and State sectors is consistent with the recent signing by the President of the Energy Policy Act of 2005, which includes investment in energy efficiency and conservation technologies, research and development and energy tax provisions.

USA Technologies has launched a nationwide marketing campaign to promote and generate greater awareness of its energy management product line, which is also receiving widespread attention overseas, including Italy, Germany and Spain.

Later this month the Company will feature its product line at the Environmental Protection Agency's (EPA) Air Innovations Conference, and is planning a major exhibition at the October NAMA (National Automated Merchandising Association) show, the vending industry's preeminent exposition.

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.