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USA Technologies Launches Conversion Program for Existing Rebuilt Refrigerated Beverage Vending Machines to Become ENERGY STAR® Qualified

Testing Services and VendingMiser® Technology Offer Unique Solution to Help Bottlers Lower Energy Consumption

MALVERN, Pa, October 20, 2006 -- USA Technologies (OTC Bulletin Board: USAT) announced today the EnergyMiser® Conversion Program to help vending machine owners and operators nationwide upgrade their installed vending machines to meet ENERGY STAR requirements.

The VendingMiser Conversion Program is a comprehensive turnkey package of services and technology provided by USA Technologies for bottlers to capitalize on the new ENERGY STAR Rebuilt Refrigerated Beverage Vending Machine Program.

The announcement comes days after the Environmental Protection Agency (EPA) announced the ENERGY STAR Rebuilt Refrigerated Beverage Vending Machine Program, which allows older and existing machines to qualify and carry the ENERGY STAR mark.

"The ENERGY STAR Rebuilt Refrigerated Beverage Vending Machine Program is an important new initiative that will have a significant effect on reducing the nation's energy drain and lowering the emission of C02," said Stephen P. Herbert, president and COO, USA Technologies.

USA Technologies reported it has developed three critical services in support of the process needed to rebuild and qualify a used beverage refrigerated vending machine as ENERGY STAR.

1. A Vending Machine Chamber Testing and Data Analysis center approved to test any make and model of vending machine following the ASHRAE Standard 32.1-2004.
2. An EPA ENERGY STAR Documentation Submission process. Before a rebuilt machine can carry the ENERGY STAR mark, a Qualified Product Information form must be completed and submitted to the EPA. These forms are used to record and document test information for EPA review and approval.
3. VM2iQ® Product Installation and Maintenance Training.

Only those machine-component combinations that have been approved for ENERGY STAR qualification and listed on the ENERGY STAR Qualified Product List can bear the ENERGY STAR mark.

"The EPA's Rebuilt Beverage Vending Machine Program is an important new initiative that will have a significant effect on the $40 billion vending industry," Mr. Herbert.

There are four million refrigerated vending machines in the U.S. alone, and of that installed base, approximately 200,000 are refurbished and remanufactured each year.

"Our VM2IQ can help bring these 200,000 machines up to ENERGY STAR compliance. That's a significant incentive for the vending industry that we believe will help drive sales of the VM2IQ and help us achieve our sales objectives for fiscal year 2007 and for years to come," he said.

On average, ENERGY STAR qualified new and rebuilt refrigerated beverage vending machines are 40 percent more energy efficient and can save building and business owners more than 1,600 kWh/year, or nearly $130 annually on utility bills.

USA Technologies is listed as one of five ENERGY STAR partners on the ENERGY STAR vending machine web site.

For questions regarding the EnergyMiser Conversion Program, please call USA Technologies, 888.521.6982.

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.