



March 16, 2010

USA Technologies Files Registration Statements for Public Offering and Subsequent Rights Offering

MALVERN, Pa., Mar 16, 2010 (BUSINESS WIRE) -- USA Technologies (NASDAQ:USAT), a leading supplier of networked devices and wireless non-cash transactions, associated financial/network services and energy management, today announced that it has filed two registration statements with the Securities and Exchange Commission. The first registration statement relates to a proposed public offering of up to \$3 million of USAT common stock and related three-year warrants. The second registration statement relates to a proposed rights offering of USAT common stock and related three-year warrants. The proposed rights offering would be commenced as soon as practicable following the closing of the proposed public offering.

The offering price of the proposed public offering would be determined prior to the effective date of the registration statement. The subscription price of the proposed rights offering would not be greater than the offering price of the proposed public offering and would be determined prior to the effective date of the registration statement. Assuming the proposed rights offering would be fully subscribed, the amount raised in the rights offering would be up to \$12 million, less the amount raised in the prior public offering.

USAT plans to use the proceeds from the offerings for general corporate purposes, including working capital and providing financing for the manufacture of ePort(R) cashless payment products anticipated to be used by its customers participating in its JumpStart Program.

Under the proposed rights offering, USAT would distribute one non-transferable subscription right to each holder of record of every share of its common stock on the record date. Each non-transferable right would entitle the holder to purchase one share of common stock at the subscription price and a warrant that would entitle the holder to purchase one share of common stock for three years from the date of issuance.

USAT would also distribute the non-transferable subscription rights to each holder of its publicly-traded warrants that are traded on the NASDAQ Global Market under the symbol "USATW" on the record date, and to two of its warrant holders who are entitled to participate in the rights offering pursuant to the terms of the warrants held by them. Each such warrant holder would receive one non-transferable subscription right for each share of common stock into which the warrants would be exercisable as of the record date.

The record, commencement and expiration dates for the proposed rights offering would be determined at the time that the registration statement relating to the rights offering becomes effective.

The Company has engaged Source Capital Group, Inc. to act as the placement agent for the proposed public offering and the dealer-manager for the subsequent proposed rights offering and MacKenzie Partners, Inc. to act as the information agent for the proposed rights offering.

A registration statement relating to the securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of any securities in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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 agreements with AT&T, Visa, MasterCard, Elavon, Compass and others.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:

All statements other than statements of historical fact included in this release 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, the ability of the Company to successfully complete the proposed public offering and/or the proposed rights offering; 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; the ability of the Company to receive reductions from the credit card companies of transaction processing charges in the future as anticipated by the Company; 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.

SOURCE: USA Technologies

USA Technologies Contact:

George Jensen, Chairman & CEO

Stephen P. Herbert, President & COO

sherbert@usatech.com

800-633-0340

or

Investor Relations Contact:

Porter, LeVay & Rose

Marlon Nurse, Vice President

212-564-4700

Copyright Business Wire 2010