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Newtek Prices its 8th and Largest S&P-Rated Small Business Loan Securitization

Forecasts Originating Between \$465 Million and \$485 Million in SBA 7(a) Loans in 2018

LAKE SUCCESS, N.Y., Nov. 29, 2017 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#) ("Newtek") (Nasdaq:NEWT), an internally managed business development company ("BDC"), today announced that it has priced its eighth and largest small business loan securitization, with the offering of \$75,426,000 of Unguaranteed SBA 7(a) Loan-Backed Notes, Series 2017-1, consisting of \$58,111,000 of Class A Notes and \$17,315,000 Class B Notes (collectively, the "Notes"), rated "A" and "BBB-", respectively, by Standard and Poor's Financial Services LLC. The Company anticipates this transaction to close next week. The Notes had a 79.50% advance rate, and were priced at an average initial yield of 3.59% (Note Interest Rates will be floating rate) across both classes.

The Notes are collateralized by the right to receive payments and other recoveries attributable to the unguaranteed portions of SBA 7(a) loans made by Newtek Small Business Finance, LLC ("NSBF") pursuant to Section 7(a) of the Small Business Act, and overcollateralized by NSBF's participation interest in the unguaranteed portions. Deutsche Bank Securities Inc. is acting as sole bookrunner for the sale of the Notes.

Barry Sloane, Chairman, President and Chief Executive Officer of Newtek Business Services Corp. said, "We are thrilled to announce the pricing of our largest securitization to date with strong investor demand and some of the best economics in the Company's securitization history, which we believe is testament to our continued solid performance and trusted business model. This deal was backed by \$94.875 million in unguaranteed portions of SBA 7(a) loans made by NSBF with an average unguaranteed retained loan balance of approximately \$200,000. Furthermore, in this securitization we received an approximate 3.25% improvement in the advance rate over our most recent securitization in November 2016, making this 79.5% advance rate the highest advance rate of all our securitizations to date. In addition, we achieved better pricing with an approximate 100 basis point reduction in the interest rate spread over LIBOR on each class compared to our November 2016 securitization. With the SBA's approval of our largest securitization and the previously announced increase in our Capital One revolving credit facility to \$100 million, we believe we are well positioned to originate between \$465 million and \$485 million of SBA 7(a) loans in 2018."

About Newtek Business Services Corp.

[Newtek Business Services Corp.](#), Your Business Solutions Company[®], is an internally managed BDC, which along with its controlled portfolio companies, provides a wide range of business services and financial products under the Newtek[®] brand to the small- and medium-sized business ("SMB") market. Since 1999, Newtek has provided state-of-the-art, cost-efficient products and services and efficient business strategies to SMB accounts across all 50 states to help them grow their sales, control their expenses and reduce their risk.

Newtek's and its portfolio companies' products and services include: [Business Lending](#), [SBA Lending Solutions](#), [Electronic Payment Processing](#), [Technology Solutions \(Cloud Computing, Data Backup, Storage and Retrieval, IT Consulting\)](#), [eCommerce](#), [Accounts Receivable Financing & Inventory Financing](#), [The Secure Gateway](#), [The Newtek Advantage™](#), [Insurance Solutions](#), [Web Services](#), and [Payroll and Benefits Solutions](#).

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Note Regarding Forward Looking Statements

This press release contains certain forward-looking statements. Words such as "believes," "intends," "expects," "projects," "anticipates," "forecasts," "goal" and "future" or similar expressions are intended to identify forward-looking statements. All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Such risks and uncertainties include, among others, intensified competition, operating problems and their impact on revenues and profit margins, anticipated future business strategies and financial performance, anticipated future number of customers, business prospects, legislative developments and similar matters. Risk factors, cautionary statements and other conditions, which could cause Newtek's actual results to differ from management's current expectations, are contained in Newtek's filings with the Securities and Exchange Commission and available through <http://www.sec.gov/>. Newtek cautions you that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected or implied in these statements.

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