



November 15, 2016

Newtek Issues its 7th and Largest S&P-Rated Small Business Loan Securitization

NEW YORK, Nov. 15, 2016 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#) ("Newtek") (NASDAQ:NEWT), an internally managed business development company ("BDC"), today announced that it has completed its seventh and largest small business loan securitization. The securitization resulted in the issuance and sale of \$43,632,000 of Class A Notes and \$9,812,000 Class B Notes, rated "A" and "BBB+", respectively, by Standard and Poor's Financial Services LLC (the "Notes").

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. acted as sole book-running manager and Capital One Securities, Inc. acted as co-manager for the sale of the Notes and placed the Notes with five institutional investors, two of whom were new to Newtek's securitization program. The Notes were priced and sold to investors at an average initial yield of 3.77% (Note Interest Rate will be floating rate) across both classes and had a 76.25% advance rate for both classes of S&P-rated Notes.

Barry Sloane, Chairman, President and Chief Executive Officer of Newtek Business Services Corp. said, "We are excited to have worked with Deutsche Bank and Capital One on our seventh and largest small business loan securitization to date. This is the first time we issued a securitization with two classes of S&P rated Notes. Moreover, in this securitization we received the highest advance rate of all our securitizations to date of 76.25% of the face value for the underlying collateral. Our yield to investors, across both classes of Notes, of 3.77% for non-recourse term-financed match-funded floating-rate debt is significantly below our cost of funding for a baby bond issuance or other debt financing, and we are able to retain the unguaranteed portions of these SBA 7(a) Loans on our balance sheet. We look forward to additional securitization transactions in 2017 and are excited about our approach to financing our nationwide loan business."

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 over 100,000 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 \(Cloud Computing, Data Backup, Storage and Retrieval\)](#), [eCommerce](#), [Accounts Receivable Financing](#) & Inventory Financing, [The Secure Gateway](#), [The Newtek Advantage[™]](#), [Insurance Solutions](#), [Web Services](#), and [Payroll and Benefits Solutions](#).

Newtek[®] and Your Business Solutions Company[®] are registered trademarks of Newtek Business Services Corp.

Note Regarding Forward Looking Statements

This press release contains certain forward-looking statements. Words such as "believes," "intends," "expects," "projects," "anticipates," "forecasts," 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.

Contact: Jayne Cavuoto

Telephone: (212) 273-8179 / jcavuoto@newtekone.com

 Primary Logo

Source: Newtek Business Services Corp.

News Provided by Acquire Media