

NewtekOne®

NASDAQ:NEWT

Newtek Announces the Signing of a Letter of Intent for New \$75.0 Million SBA 504 Credit Facility with Capital One

March 29, 2018

LAKE SUCCESS, N.Y., March 29, 2018 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#) ("Newtek" or the "Company") (Nasdaq: NEWT), an internally managed business development company ("BDC"), today announced the execution of a letter of intent for a proposed \$75.0 million senior secured revolving credit facility through Capital One, National Association ("Capital One"). The facility will be available to a newly formed wholly owned portfolio company, Newtek Business Lending, LLC ("NBL"), to originate loans under the SBA 504 loan program to small businesses for the purposes of, among others, financing the purchases of buildings, land and machinery, as well as construction of new facilities or modernizing, renovating or converting existing facilities. We expect the facility to contain a \$75 million accordion feature which would allow NBL to increase the borrowing available under the facility to \$150 million, subject to lender approval. This SBA 504 facility will be separate and distinct from the \$100 million SBA 7(a) revolving credit facility that Newtek Small Business Finance, LLC, has through Capital One. The facility is subject to final documentation and approvals.

Barry Sloane, Chairman, President and Chief Executive Officer said, "Capital One has been a great partner for over 10 years. This new facility, once closed, will be integral to our goal of expanding our portfolio company SBA 504 loan program originations. We are pleased that the market has continued to recognize Newtek's and our portfolio companies' proven track record of loan originations and loan performance through multiple interest rate cycles, demonstrated by the growth in available funding and continued improvement of financing terms through Capital One and our other lenders. In addition to the new proposed Capital One SBA 504 facility, the existing line of credit used to finance portfolio company originated SBA 504 loans is in the process of being increased to \$40.0 million from \$25.0 million. We intend to consolidate portfolio company SBA 504 lending within NBL going forward. We believe with a dedicated staff and the increase in available financing, our portfolio company is well positioned to meet guidance of closing between \$75 million to \$100 million in SBA 504 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 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.

SOURCE: Newtek Business Services Corp.

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