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NASDAQ:NEWT

Newtek Business Services Corp. Provides Update on Operations

March 18, 2020

BOCA RATON, Fla., March 18, 2020 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#), (NASDAQ: NEWT), an internally managed business development company ("BDC"), today announced that it's working together with its employees and portfolio companies to deal with the current challenging environment created by the spread of COVID-19 (Coronavirus). Last week, Newtek successfully tested and enacted its Business Continuity plan, without any impact to its business operations. Newtek and its portfolio companies are fully operational and servicing its borrowers and customers without interruption. Newtek and its portfolio companies employees' health and safety are of paramount importance, as is providing the service and support our borrowers and customers have come to expect. The Company has been able to affect social distancing in our offices by moving to an odd- and even-day work schedule. In addition, as a result of the prior planning by the Company with the assistance of Newtek Technology Solutions and IPM, the Company is fully able to support any of our employees' need to work from home for extended periods of time, leveraging our secure VPN infrastructure and cloud-based phone system to access our systems and ensure that customer data is secure. The Company has been and will continue to be diligent in monitoring this evolving situation and take any necessary and appropriate actions to keep its employees safe and healthy, while also ensuring our business operations remain fully functional.

Barry Sloane, Chairman, President and Chief Executive Officer said, "Our referrals across the board, particularly our government loan program referrals have increased eight times to ten times in the last two weeks. In addition, our inbound call volume has increased by several multiples per day. We currently have the capacity to fund government-guaranteed loans to assist with the recovery of the small business community and the U.S. economy. We plan on working closely with the Small Business Administration to point people in the right direction for disaster recovery. Important to note is the geographic and industry diversification of our SBA loan portfolio. Specifically, our SBA loan portfolio comprises up to 35% in the four most densely populated states of New York, California, Texas and Florida."

Mr. Sloane continued, "We look forward to working with clientele to ensure the health of our businesses in local communities in all 50 states. We are hopeful that the Bill that Senator Rubio has proposed, which could have many potential benefits to the small business community including up to a 90% government-guarantee on SBA loans, could support the U.S. economy and recovery time from the Coronavirus. Furthermore, our portfolio company (Newtek Merchant Solutions and Mobil Money) payment processing volume has been down approximately 10% since the beginning of the month, and we do expect further temporary deterioration in this business."

Mr. Sloane concluded, "Our interests are closely aligned with our shareholders, and we will continue to work through the ongoing impacts of Coronavirus, and provide the investment community with material updates as we navigate this challenging time."

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 and financial solutions 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 relationships 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](#), [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," "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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