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NASDAQ:NEWT

Newtek Business Services Corp. Revises 2020 Annual Dividend Forecast to a Range of \$1.90 to \$2.20 per Share

November 4, 2020

Issues 2021 Annual Dividend Forecast in a Range of \$2.00 to \$2.50 per Share

BOCA RATON, Fla., Nov. 04, 2020 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#), (Nasdaq: NEWT), an internally managed business development company ("BDC"), today announced that it is revising its 2020 annual dividend forecast to a range of \$1.90 to \$2.20¹ per share, tightened from the previous range of \$1.80 to \$2.30 per share. In addition, Newtek issued its 2021 annual dividend forecast in a range of \$2.00 to \$2.50¹ per share. The revised dividend forecast for 2020 and the dividend forecast for 2021 do not include any potential impact of any possible future authorization of the U.S. Small Business Administration ("SBA") Paycheck Protection Program (PPP).

Barry Sloane, Chairman, President and Chief Executive Officer said, "We are very pleased how the Company has performed during the past nine months; the most challenging months in Newtek's 22-year operating history. While there are different probabilities as to where the 2020 annual dividend will fall, depending on if the government provides a new stimulus package as well as shifts in our business and portfolio companies businesses, we are proud that the Company is forecasting that it is on track to generate 2020 dividends that are similar, within a range of variability, to the 2019 annual dividend of \$2.15 per share. Although there appears to be a consensus among all the political forces in Washington that an additional stimulus package is needed, the election has delayed a compromise. We are hopeful and optimistic about a post-election agreement, but there is no guarantee that a compromise can be reached. However, should Congress provide a new stimulus package during the fourth quarter, we believe it could give our 2020 annual dividend forecast upside, and in turn we may be able to provide a greater return to our shareholders. Additional earnings from a future PPP may be paid in a form of a special dividend which could occur in the fourth quarter of 2020 or in 2021."

Mr. Sloane continued, "We are also pleased to be able to provide an annual dividend forecast for 2021. The range of \$2.00 to \$2.50 per share, while reasonably wide, includes potential market volatility due to unknown effects of the pandemic, and does not include any potential impact of a future PPP financing program. However, we are optimistic on the 2021 business outlook based on economic rebound, in addition to the attitude and momentum we have witnessed from business owners despite the negative environment. Our historical track record pre-pandemic, our solid performance during the pandemic, coupled with our seasoned management team, give us a strong level of optimism that we will be able to continue to perform within the range of the forecasts we have provided. We look forward to discussing the 2020 and 2021 forecasts and the considerations surrounding the forecasts in more detail during our third quarter 2020 earnings conference call that is scheduled for tomorrow at 8:30am ET."

Note regarding Dividend Payments: The Company's Board of Directors expects to maintain a dividend policy with the objective of making quarterly distributions in an amount that approximates 90 - 100% of the Company's annual taxable income. The determination of the tax attributes of the Company's distributions is made annually as of the end of the Company's fiscal year based upon its taxable income for the full year and distributions paid for the full year.

¹Amount and timing of dividends, if any, remain subject to the discretion of the Company's Board of Directors.

[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 \(Cloud Computing, IT Consulting\)](#), [eCommerce](#), [Accounts Receivable Financing & Inventory Financing](#), [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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