

# NewtekOne®

NASDAQ:NEWT

## Newtek Business Services Corp. Increases its 2021 Annual Dividend Forecast to a Range of \$2.40 to \$2.90 per Share

March 22, 2021

### Company Provides Forecasts on Key Metrics for 2021

BOCA RATON, Fla., March 22, 2021 (GLOBE NEWSWIRE) -- [Newtek Business Services Corp.](#), (Nasdaq: NEWT), an internally managed business development company ("BDC"), today announced that it is increasing its 2021 annual dividend forecast to a range of \$2.40 to \$2.90<sup>1</sup> per share, from the previous 2021 annual dividend forecast range of \$2.00 to \$2.50 per share. The midpoint of the 2021 annual dividend forecast range would represent an approximate 29% increase over the 2020 annual dividend.

Barry Sloane, Chairman, President and Chief Executive Officer said, "After what had been an unprecedented year, and one of the most challenging in our 23-year operating history, I am pleased to say that we are extremely positive about the year ahead and feel that we are well positioned to capture market opportunities. As such, we are forecasting a record annual dividend for 2021 in the range of \$2.40 to \$2.90 per share, to reflect what we anticipate will be the effects of our growth throughout 2021. The midpoint of the 2021 annual dividend forecast range would represent an approximate 29% increase over the 2020 annual dividend. Of note, we recently declared our first quarter 2021 dividend of \$0.50 per share payable on March 31, 2020 to shareholders of record as of March 22, 2021."

Mr. Sloane explained, "We are now operating on all cylinders across our and our portfolio companies' business and finance solutions product offerings. We expect to achieve improved origination performance in our SBA 7(a) and portfolio company's SBA 504 loan products throughout 2021 compared to 2020. In fact, we are forecasting Newtek Small Business Finance ("NSBF") to fund approximately \$600 million in SBA 7(a) loans in 2021, and Newtek Business Lending, Newtek's wholly owned portfolio company that originates and funds SBA 504 loans, to fund between \$35 and \$40 million of SBA 504 loans in the first quarter of 2021, and approximately \$125 million of SBA 504 loans in the full year 2021. In addition, NSBF is continuing to fund Paycheck Protection Program ("PPP") loans through the third round of government stimulus. The company anticipates NSBF funding between \$350 to \$400 million of PPP loans by March 31, 2021. If Congress extends the PPP through June 30, 2021, NSBF believes it can ultimately fund \$500 million of PPP loans in 2021. Moreover, we are in the process of negotiating new joint-venture agreements and hope to finalize and launch new joint ventures during the second quarter of 2021, and restart our non-conforming conventional loan program shortly thereafter."

Mr. Sloane continued, "We also anticipate our payment processing and managed technology portfolio companies to outperform 2020 due to the anticipated reopening of the U.S. economy and our renewed focus on growth in these businesses. Notably, we have recently acquired the talent of three new senior executives, with depth and breadth of experience, to join Newtek Merchant Solutions ("NMS"), one of our payment processing portfolio companies, to assist with Newtek's growth in the payments space. Specifically, NMS hired David Simon as Chief Operating Officer; Andrew Jadatz as Senior Vice President of Product Development; and Mr. Shawn Ecksel as Senior Vice President of Business Development. We expect these new executives to have a significant positive impact on NMS' growth trajectory in the payments space. In addition, Newtek Technology Solutions ("NTS"), our managed technology portfolio company, promoted Jared Mills to the role of President. Jared's proven track record and depth of experience made him a natural fit to lead NTS, and we expect his leadership to drive the growth of this business. We are extremely positive about our growth opportunities in 2021 and beyond, and we look forward to discussing these forecasted metrics in more detail during our year-end 2020 earnings conference call 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.

<sup>1</sup> Amount 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](#).

[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.*

SOURCE: Newtek Business Services Corp.

**Investor Relations & Public Relations**

Contact: Jayne Cavuoto

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



Source: Newtek Business Services Corp.