



September 24, 2010

SBA Component Beneficial In Small Business Bill, Newtek Says

NEW YORK, September 24, 2010 - Congress has completed passage of the Small Business Jobs Bill, H.R 5297, continuing higher government guarantees and lower fees on Small Business Administration (SBA) 7(a) loans which will be highly beneficial for small business, according to Barry Sloane, President and CEO of [Newtek Business Services, Inc.](http://www.newtekbusinessservices.com) (NASDAQ: NEWT)

Newtek (www.newtekbusinessservices.com), a provider of products and services for small business, is a non-bank SBA lender, forecast to provide \$70 million in SBA loans in 2010, according to the company. Since 2003, Newtek has originated \$300 million in SBA loans.

"The bill extends the SBA loan sweeteners, first allocated as part of the 2009 Reinvestment and Recovery Act, which reduce fees for borrowers and increase the government guarantees bank and non-bank lenders receive on agency loans. The bill, expected to be signed by President Obama next week, also raises the maximum on SBA loans from \$2 million to \$5 million," Sloane said.

"This legislation provides continuing funding through the end of the year and possibly beyond for these loan sweeteners, which have been extremely popular and are sorely needed by small businesses throughout the United States," he said. "Newtek anticipates the benefits from H.R. 5297, along with our expected Capital One Bank financing and securitization initiatives will significantly improve the performance of our small business lending segment in 2011. We plan on announcing our future guidance and expected improvements from this segment at our upcoming third quarter shareholder conference call in November."

About Newtek Business Services, Inc.

Newtek Business Services, Inc., [The Small Business Authority](http://www.newtekbusinessservices.com), is a direct distributor of a wide range of business services and financial products to the small- and medium-sized business market under the NewtekTM brand. Since 1999, Newtek has helped small- and medium-sized business owners realize their potential by providing them with the essential tools needed to manage and grow their businesses and to compete effectively in today's marketplace. Newtek provides one or more of its services to over 100,000 business accounts and has positioned the NewtekTM brand as a one-stop-shop provider of such business services. According to the U.S. Small Business Administration, there are over 29.6 million small businesses in the United States, which in total represent 99.7% of all employer firms.

Newtek's business service lines include:

- | **Electronic Payment Processing:** eCommerce, electronic solutions to accept non-cash payments, including credit and debit cards, check conversion, remote deposit capture, ACH processing, and electronic gift and loyalty card programs.
- | **Web Hosting:** Full-service web host which offers eCommerce solutions, shared and dedicated web hosting and related services including domain registration and online shopping cart tools.
- | **eCommerce:** a suite of services that enable small businesses to get up and running on-line quickly and cost effectively, with integrated web design, payment processing and shopping cart services.
- | **Business Lending:** Broad array of lending products including SBA 7(a) and SBA 504 loans.
- | **Insurance Services:** Commercial and personal lines of insurance, including health and employee benefits in all 50 states, working with over 40 insurance carriers.
- | **Web Services:** Customized web design and development services.
- | **Data Backup, Storage and Retrieval:** Fast, secure, off-site data backup, storage and retrieval designed to meet the specific regulatory and compliance needs of any business.
- | **Accounts Receivable Financing:** Receivable purchasing and financing services.
- | **Payroll:** Complete payroll management and processing services.

For more information, please visit www.newtekbusinessservices.com.

Note Regarding Forward Looking Statements

Statements in this press release including statements regarding Newtek's beliefs, expectations, intentions or strategies for the future, may be "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. 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>.

Contact:

Michelle Manoff
Rubenstein Public Relations
212-843-8051
mmanoff@rubensteinpr.com

Barry Sloane
Newtek Business Services, Inc.
212-356-9550
bsloane@newtekbusinessservices.com