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SB Authority Index Depicts the Small Business Economy is Struggling

The SB Authority Index Is Up .76% for August 2011

NEW YORK, Sept. 23, 2011 /PRNewswire/ -- Newtek Business Services, NASDAQ: NEWT, [The Small Business Authority](#), announced the release of the SB Authority Index for August 2011 reaching 108.06 points. The SB Authority Index is up .76% from July 2011. Approved SBA loan volumes, the Russell microcap index and Retail Sales caused the increase in the index. However, the index growth was limited by the flat and slight reduction within the other five components.

President and CEO, Barry Sloane said, "The small business economy continues to struggle along as consumer spending and employment trends are clearly reducing economic activity. The recent announcement of monetary policy by the Federal Reserve may increase interest rates to small businesses as most small businesses borrow on a prime rate basis and off the short end of the yield curve. If Federal Chairman Bernanke's "twist strategy" works, long term rates will decline but at the expense of short term interest rates increasing. Again, if the strategy works it will be most beneficial to the long end of the market, which drives residential mortgage rates lower and cost to refinance lower. This should put increased cash and disposable income in hands of consumers and may take several months before we see the effects. Short term rate hikes to small businesses will be effective immediately."

About Newtek Business Services, Inc.

Newtek Business Services, [The Small Business Authority](#), provides the following products and services:

- | **[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.
- | **[Managed Technology Solutions \(Cloud Computing\)](#)**: 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.

Newtek Business Services, Inc., [The Small Business Authority](#), is a direct distributor of a wide range of business services and financial products to the small- and medium-sized business market under the Newtek™ 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 its services to over 100,000 business accounts and has positioned the Newtek™ brand as a one-stop-shop provider of such business services. According to the U.S. Small Business Administration, there are over 27.5 million small businesses in the United States, which in total represent 99.7% of all employer firms.

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>.

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