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Newtek Business Services, Inc. Prices and Sells Fourth Small-Business Loan Securitization

NEW YORK, Dec. 18, 2013 /PRNewswire/ -- Newtek Business Services, Inc., (NASDAQ: NEWT) (www.thesba.com) [The Small Business Authority](#)[®], announced today that it has completed the securitization and sale of an additional \$24.4 million of Standard and Poor's ("S&P") A-rated senior-secured securities collateralized by its non-guaranteed portions of SBA 7(a) small-business loans. This transaction was accomplished as an amendment to the 2013-1 securitization of \$23.6 million S&P A-rated senior-secured securities, which closed on March 20, 2013. Guggenheim Securities, LLC acted as the placement agent for the sale of the additional trust notes and placed this issue with four institutional investors. With this amendment, Newtek has completed the securitization and financing of approximately \$63.8 million of non-guaranteed portions of SBA 7(a) small-business loans within the past 12 months. S&P rated this securitization's trust Notes as 'A' based on the collateral in the entire, upsized pool.

Barry Sloane, President and Chief Executive Officer of Newtek Business Services, Inc. said, "We are thrilled to announce our second securitization sale this year, and our fourth to date. This is the first time in the Company's history that we financed the uninsured portions of our SBA 7(a) government-guaranteed loans in two separate transactions within the same calendar year. The dramatic growth in our loan origination volume in 2013 over previous years, created the need to issue two separate financings, which we have chosen to combine into one issuance. Details of the securitization can be found on S&P's website at www.standardandpoors.com."

Mr. Sloane continued, "Securitizations provide an attractive form of non-recourse financing and the collateral and securities issued are match-funded for term. Issuing securitizations enables us to repay our revolving credit facility with Capital One Bank, N.A., and increases our access to capital and hence the capability to continue to fund more loans for small businesses across all 50 states. In fact, we anticipate increasing our loan origination volume to a range of \$230 million to \$270 million in 2014 and, as a result, may either issue larger securitizations or come to the market more frequently on a go-forward basis. We want to thank Guggenheim Securities, our placement agent and Capital One Bank, our senior lender, for providing capital for our business."

About Newtek Business Services, Inc.

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 one or more of its services to over 100,000 business accounts and has positioned the Newtek[®] and The Small Business Authority brands 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.

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.
- | [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.

- | **The Newtek Advantage™**: A mobile real-time SMB management platform that puts all of a business's critical transactions and economic, eCommerce and web site traffic data on a smartphone, tablet, laptop or PC. *The Newtek Advantage™* provides the intelligence that businesses require and will give them the advantage to succeed. This revolutionary platform will allow owners and operators of small- and medium-sized businesses to manage their businesses from their mobile device anywhere, anytime, all without an IT department.

The Small Business Authority® is a registered trade mark of Newtek Business Services, Inc., and neither are a part of or endorsed by the U.S. Small Business Administration.

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>.

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

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