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The Small Business Authority Releases The April 2012 SB Authority Index

The SB Authority Index Shows Slight Decline in the Small Business Economy

NEW YORK, May 30, 2012 /PRNewswire/ -- Newtek Business Services, NASDAQ: NEWT, <u>The Small Business Authority</u>, announced the release of the SB Authority Index for April 2012 reaching 111.42 points. The SB Authority index is down .06% from March 2012. The decline was led by approved SBA gross lending volume and the Russell microcap index.

President and CEO, Barry Sloane said, "The SB Authority index has been increasing over the past 16 months and we are sorry to report the streak of increases from the previous month has been broken as The SB Authority index is down slightly from March 2012. As in most cases, financial markets lead the economy. The leading causes for the indexes decline in the last month was fueled by equity prices in the Russell microcap index and approved SBA gross lending volumes. Liquidity and financing are the mothers' milk of the economy and the reduced cost of equity capital and availability in debt could be a precursor to weak economic activity in the small business market. Unless these capital market factors reverse course, this may be a caution for weaker economic statistics going forward."

About Newtek Business Services, Inc.

Newtek Business Services, *The Small Business Authority*, provides the following products and services:

- <u>Electronic Payment Processing</u>: 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.
- <u>eCommerce</u>: 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 through our lending subsidiary, Newtek Small Business Finance, Inc.
- 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., <u>The Small Business Authority</u>, 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 https://www.sec.gov.

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