



March 20, 2013

Newtek Issues Small Business Loan Trust 2013-1

Newtek Successfully Prices & Finances Third Small Business Loan Securitization

NEW YORK, March 20, 2013 /PRNewswire/ -- Newtek Business Services, NASDAQ: NEWT, [The Small Business Authority](#)®, announced today that it has sold \$20.909 million single A-rated securities through [Guggenheim Securities](#) as the placement agent. The collateral consisted of 113 loans with an aggregate principal balance of \$23.569 million. These loans were made by Newtek to small- and medium-sized businesses and were used to refinance debt, acquire real estate, and purchase business, machinery and equipment. The securitization funded and closed on March 20, 2013. [Guggenheim Securities](#) placed the issue with four institutional investors.

Barry Sloane, Chairman, President and Chief Executive Officer of [Newtek Business Services](#) said, "This securitization will fully repay our outstanding senior secured warehouse line with Capital One N.A. The Company has elected to securitize the uninsured portions of its SBA 7(a) loan originations due to attractive features of long -term matched asset liability financing. It also provides an additional 15 percent fund for additional originations at a lower cost of interest than our warehouse facility. As compared to our prior securitizations in 2010 and 2011, this current securitization was rated single-A by [Standard and Poors](#) and we were able to improve our advance rate by 8-9%, as well as improve our long-term cost of interest by more than 150 basis points.

For 2013, we continue to expect to originate and close between \$150-\$200 million of SBA 7(a) loans through our small business lending subsidiary Newtek Small Business Finance."

Mr. Sloane concluded, "We want to thank [Guggenheim Securities](#) for placing our bonds with multiple institutional investors beyond those that participated in our prior securitization transactions. We look forward to continuing to use our existing financing sources and asset securitizations to grow our small business lending segment's profitability."

About Newtek Business Services, Inc.

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

- | **[Newtek Advantage](#)**™: Mobile real-time operating platform for business intelligence. The Newtek Advantage™ puts all critical business transactions in real-time. Access data on your smartphone, tablet, laptop or PC as it relates to eCommerce for credit/ debit transactions, website statistics, payroll, insurance and business loans.
- | **[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>. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the 'Securities Act') or the securities laws of any state of the United States or any other relevant jurisdiction. The securities may be offered and sold only (a) within the United States or to a "U.S Person" (as such term is defined in Regulation S under the Securities Act), in reliance on Rule 144A under the Securities Act ('Rule 144A') to "Qualified Institutional Buyers" as such term is defined in Rule 144A or pursuant to another available exemption from the registration requirements of the Securities Act, or (b) outside the United States to persons that are not U.S Persons.

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