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## The Small Business Authority Releases the February 2011 SB Authority Index

### The SB Authority Index Shows the Small Business Economy Growing 0.80% From Prior Month

NEW YORK, March 30, 2011 (GLOBE NEWSWIRE) -- Newtek Business Services (Nasdaq:NEWT), [The Small Business Authority](#), announced the release of the SB Authority Index for February 2011. The SB Authority Index is up 0.80% from January 2011. The index increase was led by a large improvement in New Business Formations, Russell Micro-cap Index, and Retail Sales. The other five components of the index are approved SBA volumes, ADP National Employment Report, the Prime Rate, Estimated Small Business Default Loan Rate, and Newtek Merchant Processing Volume. We see the small business economy growing but at a slow and upward trend.

President and CEO, Barry Sloane, said, "The Small Business economy continues to grow at a moderate but steady pace. The Federal Reserve's zero interest rate policy and QE2 is a constant reminder to banks that low interest rates will drive economic activity until inflation drives rates considerably higher. For now entrepreneurs have begun to form new businesses as the capital and loan markets have opened from being shut throughout most of 2008 and 2009."

Mr. Sloane continues, "Our sub index of new business formations was up significantly approximately 18 percent in February 2010 vs. 2011. Business startups are a terrific indication of future economic growth in the following ways:

- | New businesses hire employees from a zero base of employment
- | New businesses acquire or lease commercial real estate space
- | New businesses purchase equipment, software, and hardware
- | New businesses pay taxes

All of the above factors are supportive of an engine and catalyst for growth. The index and its components are all pointing toward moderate business activity for the first two quarters of 2011."

#### 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.
- | **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.

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.

The Small Business Authority logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=8861>

### **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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