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RedChip Independent Issues Research Update On Newtek Business Services

ORLANDO, Fla., Dec 21, 2006 (PrimeNewswire via COMTEX News Network) -- RedChip Independent, a division of RedChip Companies, announced today that they have issued a research update on Newtek Business Services (Nasdaq:NEWT).

Lisa Springer, MBA/CFA, RedChip Research Analyst, wrote in the report:

"Newtek is solidifying its position as a provider of business services to small businesses through the launch of its new interactive website which makes it easier for customers and affiliates to take advantage of its services. The Company is adding new services such as insurance, bookkeeping, accounting and tax services and also plans to expand its lending business beyond SBA lending to include other types of small business loans. Cross-selling its products and services and extending its reach through the affiliate program are key aspects of its growth strategy. Its primary cross-selling tool is its web-based CRM Referral System, which leverages the strength of the alliance network and brings in new customers without the need for bricks and mortar investment. Newtek shares currently trade at less than five times estimated 2006 EBITDA. The Company has cash and cash equivalents totaling \$1.37 per share and a share price of only \$1.92.

"We think the intrinsic value and organic growth potential of electronic payment processing and web hosting businesses is underappreciated. As a result, we are maintaining our Buy recommendation and \$3.50 price target for Newtek shares. Our \$3.50 price target implies a \$120 million market capitalization, which is approximately twice the Company's current market capitalization. It can be argued that the electronic payment processing and web hosting businesses alone should be valued at more than \$200 million."

To receive a complimentary copy of the RedChip Independent research update for NEWT, please visit:
http://www.redchip.com/independent/subscriber.asp?page=requestNEWT_q3_2006s.

About RedChip Independent™

RedChip Companies, Inc., is a well-established source of independent research and information on the small-cap market. Dedicated to "discovering tomorrow's blue chips today™," its analysts seek out up-and-coming and undiscovered small-cap companies before they show up on Wall Street's radar screen. For more information please visit RedChip.com or call 1-800-RedChip.

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RedChip Independent Research Disclosure

The analysts contributing to this NEWT RedChip report do not hold any shares of NEWT. Additionally, the analysts contributing to this report certify that the views expressed herein accurately reflect the analysts' personal views as to the subject securities and issuers. RedChip certifies that no part of the analysts' compensation was, is, or will be, directly or indirectly, related to the specific recommendation or views expressed by the analyst in the NEWT RedChip report. Additional information on the securities mentioned in this report is available upon request. NEWT is not a client of RedChip Company or Aurelius Consulting Group, a RedChip affiliate.

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