



October 19, 2011

The SB Authority Index Continues to Show Tepid Growth in the Small Business Economy

The SB Authority Index Is Up .85% for September 2011

NEW YORK, Oct. 19, 2011 /PRNewswire/ -- Newtek Business Services, NASDAQ: NEWT, [The Small Business Authority](#), announced the release of the SB Authority Index for September 2011 reaching 108.94 points. The SB Authority Index is up .85% from August 2011. Approved SBA loan volumes and retail sales are the primary drivers for the increase in the index.

President and CEO, Barry Sloane said, "The SB Authority index continues to track tepid growth in the small business economy. In our regular monthly surveys we are finding that certain aspects of the small business economy are on a slight functional uptrend and other drivers of this vital business segment are creating stiff headwinds. It clearly appears to us that consumers continue to spend but are doing so at a slower rate and converting their dollars towards debt reduction and savings versus the pace of spending in the prior decade. Small business lending according to SBA statistics, as well as Federal Reserve statistics is becoming more available but off of an extremely low base, and not enough lending is occurring to create a dramatic business turnaround. Business confidence from independent business owners appears to be somewhere between a neutral and negative reading and without that confidence additional hiring, capital expenditures and growth initiatives will not be present. According to government statistics, the small business economy represents 75% of net new job growth and 50% of non-farm GDP. The tracking of our index and the trends apparent in its components will be a key driver to whether or not the U.S. economy turns around."

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.
- | **[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>.

<http://www.newtekbusinessservices.com>

Rubenstein Public Relations

Telephone: (212) 843-9335

Contact: Liz Petrova / lpetrova@rubensteinpr.com

SOURCE Newtek Business Services

News Provided by Acquire Media