



December 28, 2006

Newtek Business Services Signs Amendment With GE

NEW YORK, Dec. 28 /PRNewswire-FirstCall/ -- Newtek Business Services, Inc. (Nasdaq: NEWT) (www.newtekbusinessservices.com), a provider of business services and financial products to the small business market under the Newtek™ brand, announced today that the second amendment to the Credit Agreement with GE Commercial Finance has become effective based on receipt of final clearance from the Small Business Administration. The second amendment will reduce the company's cost to finance its SBA Loan origination business via an overall interest rate reduction of 50 basis points. In addition Newtek has elected to reduce the facility size from 75 to 50 million which will lower its non utilization fees. The second amendment also extends the maturity of the facility an additional year to September of 2009.

Barry Sloane, Chairman and CEO of Newtek Business Services stated: "We are committed to reducing our costs and making our business and business processes more efficient. We believe this new amendment will begin to enhance returns from our business lending segment and we are very appreciative of GE's commitment to work with us"

About Newtek Business Services, Inc.

Newtek Business Services, Inc. is a direct distributor to the small to medium-sized business market under the Newtek TM brand. According to the SBA, there are over 25.8 million small businesses in the United States, which in total represent 99.7% of all employer firms, generate 60 - 80% of all new jobs annually and create more than 50% of non-farm private GDP. Since 1999, Newtek has helped these business owners realize their potential by providing them with the essential tools needed to manage and grow their businesses. Newtek focuses on providing its 70,000 customers with access to financial, management and technological resources that enable them to better grow and compete in today's marketplace. Newtek's products and services include:

- * Business Lending: Business loans to start up, acquire, or expand a business
- * Electronic Payment Processing: Credit card, debit card, check conversion, and ACH solutions
- * Insurance Services: Nationwide commercial and personal lines of insurance
- * Outsourced Digital Bookkeeping: Bookkeeping and recordkeeping at a fraction of the cost of in-house staff
- * Web Hosting: Full service web host including domain registration and online shopping cart tools
- * Web Design and Development: Customized web design and development services for a powerful web presence
- * Tax Preparation and Advisory Services: Expert tax planning and consultation for your business
- * Data Backup, Storage and Retrieval: Fast, secure, off-site data backup, storage and retrieval
- * Business Plan Preparation: Professional business plan assistance providing a roadmap for success

For more information, go to www.newtekbusinessservices.com.

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>

Contacts:
Newtek Business Services
Barry Sloane
Chairman of the Board & CEO
212-356-9500
bsloane@newtekbusinessservices.com

SOURCE Newtek Business Services, Inc.

-0- 12/28/2006

/CONTACT: Barry Sloane, Chairman of the Board & CEO, Newtek Business
Services, +1-212-356-9500, bsloane@newtekbusinessservices.com/
/Web site: <http://www.newtekbusinessservices.com/>
(NEWT)

CO: Newtek Business Services, Inc.; GE Commercial Finance

ST: New York

IN: FIN

SU:

GV

-- NYTH026 --

0047 12/28/2006 10:27 EST <http://www.prnewswire.com>