



February 1, 2010

## **Newtek Business Services, Inc., The Small Business Authority, Announces Agreement in Principle With Capital One, N.A. for New Term Loan**

NEW YORK, Feb 1, 2010 (GlobeNewswire via COMTEX News Network) -- Newtek Business Services, Inc. (Nasdaq:NEWT), The Small Business Authority, has announced that it has come to agreement with Capital One, N.A., for the provisions for a term loan of up to \$15 Million to facilitate the refinance of Newtek's debt to General Electric Commercial Capital (GE). Newtek relies on this financing primarily to support its continued growth in U.S. Small Business Administration lending. All of the basic terms of the arrangement have been agreed between Newtek and Capital One, N.A., and the unsigned documents have been submitted to the U.S. Small Business Administration (SBA) for their required approval.

The current revolving line provided by GE is due to mature at the end of May 2010 and will be paid off early with the proceeds of this new, 5 year term loan. In addition, a portion of the new loan will refinance an existing loan to Newtek's Technology Service business. There can be no assurance that the SBA will approve the proposed documents in their current form, that the terms agreed to thus far will not require revision based on that review or that the Loan will in fact close.

Barry Sloane, CEO and Chairman of Newtek, commented that: "Newtek is very proud to be working with Capital One in expanding the resources available for us to lend to small businesses throughout the country. We are keenly aware of the need for credit by small businesses and we believe that this facility, once it is final and in place, will keep us very much at the forefront of this important economic recovery effort."

Mr. Sloane further stated that: "Our goal for the origination of new SBA 7(a) loans is \$200 Million to \$300 Million over the years 2010-2012. But achieving these lending levels will be facilitated by the adoption of changes in the SBA law by Congress, such as those contained in H.R. 3854 and S. 2869, currently pending consideration by a Conference Committee. We believe that Congress and the Administration are on the right track to help small businesses and we encourage them to complete the process as soon as possible."

Operating through its wholly-owned subsidiary, Newtek Small Business Finance, Inc. and its Business Lending division, Newtek has been active in small business lending since 2003.

About Newtek Business Services, Inc.

Newtek Business Services, Inc. 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(TM) 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 one or more of its services to over 100,000 business accounts and has positioned the Newtek(TM) brand as a one-stop-shop provider of such business services. According to the U.S. Small Business Administration, there are over 29.6 million small businesses in the United States, which in total represent 99.7% of all employer firms.

Newtek's business service lines include:

- 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.
- 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.

#### 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>.

For more information, please visit [www.newtekbusinessservices.com](http://www.newtekbusinessservices.com).

This news release was distributed by GlobeNewswire, [www.globenewswire.com](http://www.globenewswire.com)

SOURCE: Newtek Business Services Inc.

CONTACT: Newtek Business Services, Inc.  
Barry Sloan, Chairman and CEO  
212-356-9500  
[bsloane@newtekbusinessservices.com](mailto:bsloane@newtekbusinessservices.com)

(C) Copyright 2010 GlobeNewswire, Inc. All rights reserved.

News Provided by COMTEX