

February 24, 2011

## Small Business Market Sentiment Survey for February 2011 Released

## The SB Authority Market Sentiment Survey Focuses on Small Business Health Care Issues

NEW YORK, Feb. 24, 2011 (GLOBE NEWSWIRE) -- Newtek Business Services (Nasdaq:NEWT), <u>The Small Business</u> <u>Authority</u>, announced today the February release of its monthly SB authority Market Sentiment Survey. <u>The Small Business</u> <u>Authority</u> truly is an authority with over 100,000 business accounts in its portfolio. The Survey is based on a poll conducted in February 2011 with 1,725 respondents. Newtek believes this survey will be very useful in understanding the concerns of independent business owners particularly pertaining to the confusion in the market about The Patient Protection and Affordable Care Act. The February 2011 results showed the following:

| Poll Question   | Poll Answer                    | Percentage |
|---|--------------------------------|------------|
| Have you read/ do you understand the Patient Protection and Affordable Care Act (the "Act") that was signed into law? | Yes                            | 23%        |
|   | No                             | 77%        |
|   | Benefits<br>Broker             | 13%        |
| Where are you going to go to obtain guidance on how to handle your healthcare insurance?                              |                                |            |
|   | Health<br>Insurance<br>Company | 70%        |
|   | Internet                       | 12%        |
|   | Accountant                     | 5%         |
| Would you like to see the Act repealed?   | Yes                            | 61%        |
|   | No                             | 39%        |
| Do you anticipate your healthcare costs increasing or decreasing in the next two years?                               | Increasing                     | 67%        |
|   | Decreasing                     | 33%        |

President and CEO, Barry Sloane, said, "We are so pleased to record over 1,700 respondents to our Market Sentiment Survey within the last three weeks. Small and independent business owners are front and center on issues of government spending, particularly the healthcare debate. We focused our February 2011 Market Sentiment Survey on health insurance trends, the Patient Protection and Affordable Care Act, as well as small business expectations for trending healthcare costs."

Mr. Sloane continues, "We are very surprised at the results of two particular questions. The majority of the respondents view their current health insurance provider as a true source of information for small business owners, more so than their broker, tax accountant or the Internet. This apparent role as a trusted advisor clearly depicts a positive sentiment toward health insurers, which is different than how the media positions health insurance companies. Also, 23% of our respondents commented that they have read the 2,500 page Patient Protection and Affordable Care Act. Whether or not they have all read the entire Act, we do think that 23% of our respondents approve of it and believe they understand its contents and are supportive of it. As the authority on small business, it is our function to interpret sentiment and answers as opposed to taking the results literally. We wish that 23% of our politicians who voted for or against the Act actually read it. We always view sentiment with a touch of reality as we speak with 4,000 businesses on a daily basis."

## About Newtek Business Services, Inc.

Newtek Business Services, <u>The Small Business Authority</u>, 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.
- <u>eCommerce</u>: 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: A 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<sup>®</sup> 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<sup>®</sup> 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.

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