
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

**November 19, 2014 (November 19, 2014)
Date of Report (date of Earliest Event Reported)**

NEWTEK BUSINESS SERVICES CORP.

(Exact Name of Company as Specified in its Charter)

MARYLAND
(State or Other Jurisdiction of
Incorporation or Organization)

001-36742
(Commission
File No.)

46-3755188
(I.R.S. Employer
Identification No.)

212 West 35th Street, Second Floor, New York, NY 10001
(Address of principal executive offices and zip code)

(212) 356-9500
(Company's telephone number, including area code)

(Former name or former address, if changed from last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Forward-Looking Statements

Statements in this Current Report on Form 8-K (including the exhibits), including statements regarding Newtek Business Services Corp.'s ("Newtek" or the "Company") 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. Newtek undertakes no obligation to update any forward-looking statement to reflect events or circumstances that may arise after the date of this filing.

Item 7.01 Regulation FD Disclosure.

On November 19, 2014 Newtek Business Services Corp. (the "Company") issued a press release entitled "Newtek Business Services to Host Third Quarter 2014 Conference Call Today, Wednesday, November 19, 2014, at 4:15PM EST" (the "Press Release"), a copy of which is furnished as Exhibit 99.1 to this Current Report on Form 8-K. In conjunction with the call, the Company will distribute an investor presentation, a copy of which is furnished as Exhibit 99.2 to this Current Report. The presentation is also available on the Company's investor relations website at <http://investor.newtekbusinessservices.com>.

The information contained in this Current Report, including Exhibits 99.1 and 99.2 attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference into any registration statement pursuant to the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, dated November 19, 2014, entitled "Newtek Business Services to Host Third Quarter 2014 Conference Call Today, Wednesday, November 19, 2014, at 4:15PM EST."
99.2	Investor Presentation for Conference Call on November 19, 2014.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEWTEK BUSINESS SERVICES CORP.

Date: November 19, 2014

/s/ Barry Sloane

Barry Sloane

Chairman of the Board and Chief Executive Officer

EXHIBIT INDEX

Exhibit
Number

Description

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FROM:
Newtek Business Services, Inc.
<http://www.thesba.com>

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FOR IMMEDIATE RELEASE

Newtek Business Services to Host Third Quarter 2014 Conference Call Today
Wednesday, November 19, 2014, at 4:15PM EST

NEW YORK – November 19, 2014 – Newtek Business Services Corp. (NASDAQ: NEWT), *The Small Business Authority*[®], announced that it will host a conference call to discuss its financial results for the third quarter 2014, today, Wednesday, November 19, 2014, at 4:15 PM EST. The call will be hosted by Barry Sloane, Chairman, President and Chief Executive Officer, and Jennifer Eddelson, Executive Vice President and Chief Accounting Officer, and can be accessed by dialing (877) 303-6993 or (760) 666-3611.

A live webcast of the call and the corresponding presentation will be available in the 'Events & Presentations' section of the Investor Relations portion of Newtek's website at <http://investor.newtekbusinessservices.com/events.cfm>. A replay of the webcast with the corresponding presentation will be available on Newtek's website shortly following the live presentation.

About Newtek Business Services Corp.

Newtek Business Services Corp., *The Small Business Authority*[®], is the Authority for the small- and medium-sized business (SMB) market providing a wide range of business services and financial products under the Newtek[®] brand. Since 1999, Newtek has provided state-of-the-art, cost-efficient products and services and efficient business strategies to over 100,000 business accounts across all 50 States to help them grow their sales, control their expenses and reduce their risk.

Newtek's products and services include: The Newtek Advantage™, Electronic Payment Processing, Managed Technology Solutions (Cloud Computing), eCommerce, Business Lending, Insurance Services, Web Services, Data Backup, Storage and Retrieval, Accounts Receivable Financing, Payroll.

The Small Business Authority® is a registered trade mark of Newtek Business Services Corp. and neither are a part of or endorsed by the U.S. Small Business Administration.

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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Newtek Business Services Corp.
"The Small Business Authority®"
NASDAQ: NEWT

Third Quarter 2014
Financial Results Conference Call
November 19, 2014 4:15pm ET

Hosted by:

Barry Sloane, President & CEO Jennifer Eddelson, EVP & CAO

Investor Relations		Public Relations
Newtek Investor Relations	Hayden Investor Relations	Newtek Public Relations
Jayne Cavuoto Director of Investor Relations jcavuoto@thesba.com (212) 273-8179	Brett Maas brett@haydenir.com (646) 536-7331	Simrita Singh Director of Marketing ssingh@thesba.com (212) 356-9566

Safe Harbor Statement

The following discussion of our financial condition and results of operations is intended to assist in the understanding and assessment of significant changes and trends related to the results of operations and financial position of the Company together with its subsidiaries. This discussion and analysis should be read in conjunction with the condensed consolidated financial statements and the accompanying notes contained in the Company's Quarterly Report on Form 10-Q for the period ending September 30, 2014. Statements contained herein may contain forward-looking statements relating to such matters as anticipated future financial performance, business prospects, legislative developments and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In order to comply with the terms of the safe harbor, we note that a variety of factors could cause our actual results to differ materially from the anticipated results expressed in the forward-looking statements such as intensified competition and/or operating problems in its operating business projects and their impact on revenues and profit margins or additional factors as described in the Company's Annual Report on Form 10-K and other filings with the Securities and Exchange Commission.

Q3 2014 Financial Highlights – Newtek Business Services, Inc.

NEWT effected a **1 for 5** reverse stock split on October 22, 2014 and all share data has been adjusted to reflect the reverse stock split; closing stock price as of 11/18/14: **\$13.12**

- Pretax income was \$4.5 million; an increase of 132.0% over \$2.0 million in Q3 2013
- Net income attributable to Newtek Business Services, Inc. was \$2.6 million; an increase of 45.3% over \$1.8 million in Q3 2013
- Diluted EPS were \$0.34; an increase of 41.7% over diluted EPS of \$0.24 Q3 2013
- Operating revenue was \$38.2 million; an increase of 9.8% over \$34.8 million in Q3 2013
- Adjusted EBITDA* was \$6.7 million; an increase of 52.3% over \$4.4 million in Q3 2013
- For the nine months ended September 30, 2014, adjusted** diluted EPS were \$0.86; an increase of 26.5% over GAAP diluted EPS of \$0.68 for the nine months ended September 30, 2013
- For the nine months ended September 30, 2014, GAAP diluted EPS were \$0.71; an increase of 4.4% over GAAP diluted EPS of \$0.68 for the nine months ended September 30, 2013
- Small business finance segment pretax income was \$4.2 million; an increase of 145.6% over \$1.7 million in Q3 2013
- Small business finance segment revenue was \$10.9 million; an increase of 44.5% over \$7.6 million in Q3 2013

*See slide 21 for definition of Adjusted EBITDA

**GAAP financial results for the nine months ended September 30, 2014 include the impact of a one-time non-cash charge of \$1.9 million, which occurred in the second quarter of 2014, related to the extinguishment of the Company's mezzanine debt with Summit Partners Credit Advisors, L.P.

Q3 2014 Operational Highlights

- Originated \$48.7 million in loans; an increase of 15.1% over \$42.3 million in the Q3 2013
- Funded approximately \$25.0 million in loans during October 2014; an increase of approximately 47% over \$16.9 million in October 2013
- Small business finance segment closed an additional \$23 million in financing with Capital One, N.A. in October 2014, increasing its existing revolving credit facility to \$50 million for the Lender
 - Company's total financing through Capital One N.A. equals \$70 million
 - \$70 million consists of a \$10 million term loan, which will be fully amortized over four years, and up to \$60 million in revolving lines of credit
 - \$10 million term loan was used to refinance \$10 million of mezzanine debt, which reduced cash interest expense on an annual basis by more than \$1.0 million, or 1000 basis points, for a total of approximately \$4.2 million over the remaining term of the retired mezzanine debt
- Newtek Small Business Finance, Inc. maintained its position as the largest non-bank SBA 7(a) lender by dollar volume of approved loans for the 12-month period ended September 30, 2014*
- Newtek entered into a new partnership with SEQR, by Seamless (OMX: SEAM) which, according to Seamless, is one of the world's largest suppliers of payment systems for mobile phones
 - According to Seamless, SEQR is Sweden's and Europe's most used mobile payment solution in stores and online

*According to data published by the U.S. Small Business Administration



Reaffirmed 2014 Adjusted* Consolidated Operating Company Guidance

Expect double-digit top and bottom-line percentage growth in 2014

- **Operating Revenue:**

- Midpoint of \$161.0 million, with a range of \$154.0 million and \$168.0 million
- Increase of 12.1% over 2013 revenue of \$143.6 million

- **Adjusted Pretax Income*:**

- Midpoint of \$13.5 million, with a range of \$12.5 million and \$14.5 million
- Increase of 21.6% over 2013 GAAP pretax income \$11.1 million

- **Adjusted Diluted EPS*:**

- Midpoint of \$1.15, with a range of \$1.05 and \$1.25 per share
- Increase of 15.0% over 2013 GAAP diluted EPS of \$1.00

- **Adjusted EBITDA*:**

- Midpoint of \$26.0 million, with a range of \$24.5 million and \$27.5 million
- Increase of 26.2% over 2013 Adjusted EBITDA* of \$20.6 million

*As of 11/19/2014: Adjusted pretax income and Adjusted diluted EPS guidance reflect reversal of \$1.9 million one-time non-cash charge. See slide 21 for definition of Adjusted pretax income, Adjusted diluted EPS and Adjusted EBITDA

BDC Conversion – Newtek Business Services Corp.

- NEWT converted to a business development company (a "BDC") which is expected to result in significant tax efficiencies and allow the Company to pay an attractive dividend to shareholders
 - Initial Q1 2015 dividend of \$0.38/share
 - Anticipate average quarterly dividend payout for 2015 of \$0.45 per share representing a dividend yield of 13.7%*
 - In connection with the conversion, NEWT expects to declare a special dividend to distribute its accumulated pre-conversion taxable earnings
 - Anticipate paying the special dividend 80% in stock and 20% in cash in Q4 2015
 - Special dividend anticipated to be treated as a "Qualified Dividend" for tax purposes
- As part of the conversion to a BDC, Newtek Business Services, Inc. (the "Company" or "Newtek") merged with and into Newtek Business Services Corp. (the "Successor Company") effective as of November 12, 2014
- NEWT is an internally managed BDC with no base or incentive fees paid to an external manager
 - Internally managed BDC public comparables currently trade at a median price to NAV of approximately 1.5x**
 - Proforma NAV of \$15.50 at June 30, 2014 after the capital raise (including the overallotment)

*Based on November 18, 2014 closing price of \$13.12

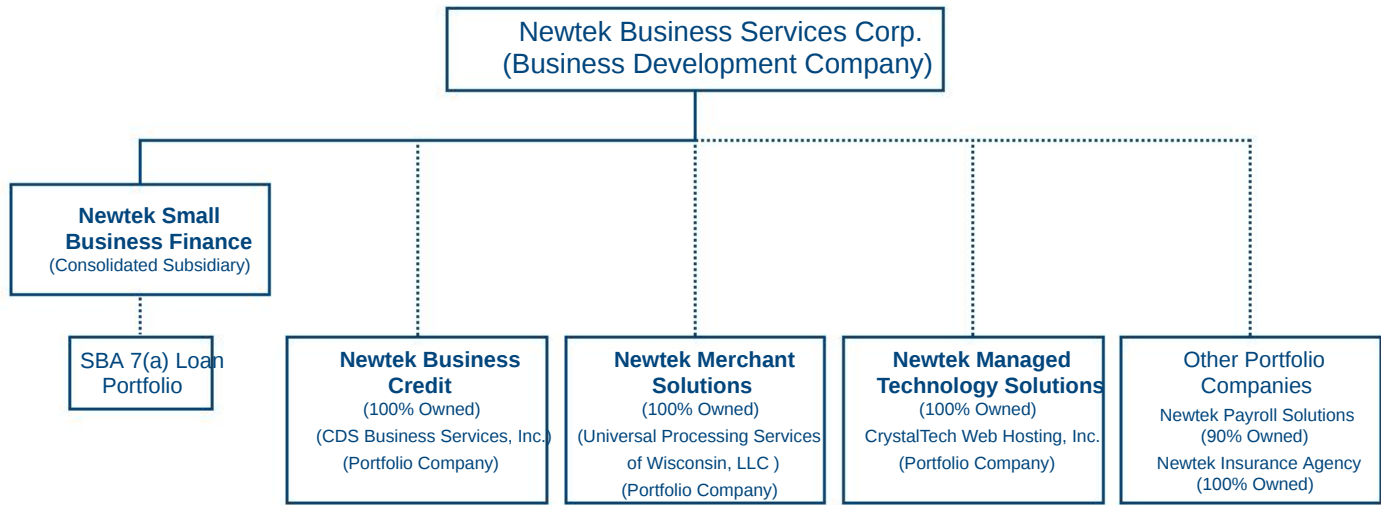
**As of October 30, 2014. Based on the following public comparable companies: HTGC, KCAP, MAIN, TCAP

Recent Equity Transaction

- Sold 2.53 million shares (100% primary shares plus underwriter option) of common stock
 - Public offering price of \$12.50 per share
 - Total gross proceeds of \$31.625 million
 - Plan to use proceeds to expand financing activities and primarily increase activity in SBA 7(a) lending, and make direct investments in portfolio companies
- Syndicate Structure
 - Joint Book-Runners: JMP Securities LLC, Ladenburg Thalmann
 - Co-Manager: Lebenthal & Co., LLC

The Conversion New Business Structure

Newtek Business Services, Inc.: Existing 14-Year Old Publicly Traded Company Merging into Newtek Business Services Corp.; A Maryland Shell Corporation



Newtek Small Business Finance

- Q3 2014 SBF pretax income increased by 145.6% to \$4.2 million
- Q3 2014 SBF revenue increased by 44.5% to \$10.9 million
- Originated \$48.7 million in loans; an increase of 15.1% over \$42.3 million in Q3 2013
- Funded approximately \$25.0 million in loans during October 2014; an increase of approximately 47% over \$16.9 million in October 2013
- Closed an additional \$23 million in financing with Capital One N.A. in October 2014, which increased our total revolving credit facility to \$50 million for Lender, and total financing to \$70 million through Capital One N.A. on a company-wide basis
- Maintained position as largest non-bank SBA 1(a) lender by dollar volume of approved loans for the 12-month period ended September 30, 2014*
 - 10th largest SBA 7(a) lender including banks
- NEWT estimates significant loan funding and balance sheet growth in 2015, in conjunction with conversion to a BDC and recent capital raise
- New referral partners in pipeline: Union Bank of Switzerland, Randolph-Brooks Credit Union and others

*According to the U.S. Small Business Administration

Return on Capital

**Newtek Small Business Finance, Inc.
For the year ended 12/31/2013**

(\$ thousands)

Total Capital at 12/31/2012 \$25,428

2013 Pre-Tax Income \$9,291

Total Pre-Tax Return on Capital 36.5%

Newtek Small Business Finance

- One of 14 Non-Bank SBA Government-Guaranteed Lender Licenses (these licenses are no longer being issued)
- Small balance industry and geographically diversified portfolio of 732 loans
 - Average loan size is \$150K of average Newtek uninsured retained loan balance
- Typical \$1 million loan is:
 - 75% (\$750,000) Full Faith and Credit Government Guaranteed Loan Participation
 - Liquid market netting a 113% premium to par
 - 25% (\$250,000) Uninsured but not subordinate to government participations
 - Currently financing at 3.75% through securitization
- Floating rate at Prime plus 2.75% with no caps; equivalent to 6% cost to borrower
- No origination fees with 7 to 25-year amortization schedules and are receiving high-quality loan product
- Secondary market established for SBA 7(a) government-guaranteed lending for over 61 years and Newtek establishes liquidity for uninsured portions through securitizations
- After securitization of uninsured and sale of government participation, principal in the loan is returned

Loan Sale Transaction

Direct Revenue/ Expense of a Loan Sale Transaction - An Example

Key Variables in Loan Sale Transaction	
Loan Amount	\$1,000,000
Guaranteed Balance (75%)	\$750,000
Unguaranteed Balance (25%)	\$250,000
Premium ⁽¹⁾	12.5%

Resulting Revenue (Expense)	
Associated Premium ⁽²⁾	\$93,750
Servicing Asset ⁽³⁾	\$18,630
Total Premium Income	\$112,380
Packaging Fee Income	\$2,500
FV Non-Cash Discount on Uninsured Loan Participations	\$(12,500)
Referral Fees Paid to Alliance Partners	\$(7,500)
Total Direct Expenses	\$(20,000)
Net Risk-Adjusted Profit Recognized ⁽⁴⁾	\$94,880
Net Cash Created Pre-Tax (Post Securitization) ^(5,6,7)	\$11,250

- (1) Premiums above 10% split 50/50 with SBA. This example assumes guaranteed balance is sold at 15%. The additional 5% (15%-10%) is split with SBA. Newtek nets 12.5%
- (2) Assumes 12.5% of the Guaranteed balance
- (3) Value determined by GAAP servicing value; a present value of future servicing income
- (4) Net risk-adjusted profit recognized per \$1 million of loan originations
- (5) Uninsured piece gets immediately written down at origination to reflect cumulative estimate of default frequency and severity
- (6) Assuming the loan is sold in a securitization in 12 months
- (7) Net cash created pre-tax per \$1 million of loan originations

Comparative Loan Portfolio Data

12/31/2010 vs. 9/30/2014

- Since 2010, the credit quality and diversification of loan portfolio has steadily improved

Loan Characteristic	As of 12/31/10	As of 9/30/14
Business Type:		
Existing Business	53.9%	79.6%
Business Acquisition	25.9%	13.8%
Start-Ups	20.2%	6.6%
Primary Collateral:		
Commercial RE	45.3%	58.9%
Machinery & Equipment	22.8%	20.5%
Residential RE	22.3%	9.8%
Other	9.6%	6.5%
Percentage First Lien on RE:		
Commercial RE	84.8%	95.7%
Residential RE	9.9%	19.5%

Loan Characteristic	As of 12/31/10	Loan Characteristic	As of 9/30/14
Industry:			
Restaurant	10.6%	Restaurant	7.8%
Hotels & Motels	7.6%	Amusement & Recreation	5.8%
State Concentration:			
Florida	21.6%	New York	11.7%
New York	12.7%	Florida	11.4%
Georgia	14.1%	Connecticut	8.4%
Other:			
Total Portfolio (\$mm)	\$31		\$107
Avg. Balance (\$mm)	\$0.076		\$0.165
Wtd. Avg. Mean FICO	675		704
Wtd. Avg. Current LTV	78.2%		73.5%

Servicing Portfolio



■ TheSBFservicingportfolio – Q32013vs.Q32014

- S&P-rated commercial small balance loan servicer
- Total servicing portfolio increased by 74.1% to \$1.1 billion
 - Newtek portfolio increased by 30.0%
 - Third-party servicing portfolio increased by 186.5%
 - Plan to continue to grow the loan servicing aspect of the business both organically, through growth in loan originations, as well as through acquisition of third-party loan servicing portfolios
 - Currently have numerous third-party opportunities in the pipeline
- Have a 4-year FDIC contract to service and special-service conventional and government-guaranteed loans including USDA, Department of Energy, Farm Credit, etc.

*Principal balance of loans serviced (dollars in millions)

Electronic Payment Processing

- Q3 2014 pretax income increased by 17.6% to \$2.2 million
- Increased transaction volumes, July price increase, and the new merchant security programs contributed to Q3 2014 growth in pretax income
- Entered into new partnership with SEQR, by Seamless (OMX: SEAM) which, according to Seamless, is one of the world's largest suppliers of payment systems for mobile phones
- We are a registered Independent Sales Organization (ISO) with Visa and MasterCard
- We are the "State-of-the-Art Merchant Processor"
- Point of sale (POS) in the Cloud, Gateway and Switch, CyberScan
- 15,000 business accounts; realized over \$4.5 billion in electronic payment processing volume in 2013
- Growth and acquisition story
- One-of-a-kind eCommerce capability
- Secured mobile wallet

Valuation & Financial Performance

- Valued at 4.75x EBITDA
- Valued at \$44 million
- 2013 Revenue: \$89.7 million
- 2013 Pretax Income: \$8.3 million
- 2013 Adjusted EBITDA: \$8.7 million

Publicly Traded Comparable Companies

Name (Symbol)	Enterprise Value / 2015E EBITDA ⁽¹⁾
▪ Heartland Payment Systems (HPY)	9.10x
▪ Vantiv, Inc. (VNTV)	10.24x

(1) Estimates via Bloomberg.

Managed Technology Solutions

- We have 100% owned and operated this business since mid-2004
- We host and manage SMBs computer hardware, software and their technology solutions in our Level-4, 5,000 square foot data center in Phoenix, Arizona
- Over 106,000 business accounts manage solutions of hardware and software for business clients; manage over 77,000 domain names
- Q3 2014 MTS pretax income decreased by 8.7% to \$804 thousand
- This segment is being transformed to take advantage of shift to cloud-based business trends including: eCommerce, Payroll and Insurance
- According to Gartner⁽³⁾, cloud computing is expected to have a very promising future and experience significant growth; enterprises will spend \$921 billion on public cloud services over the five-year period (2013-2017)
- Implementing cost-reduction measures and new product introductions as part of repositioning strategy
- Several changes with MTS senior management team

Valuation & Financial Performance

- Valued at 3.75x EBITDA
- Valued at \$22 million
- 2013 Revenue: \$17.6 million
- 2013 Pretax Income: \$3.6 million
- 2013 Adjusted EBITDA: \$5.0 million

Publicly Traded Comparable Companies

Name (Symbol)	Enterprise Value / 2015E EBITDA ⁽¹⁾
▪ Endurance (EIGI)	12.07x
▪ Rackspace Holdings, Inc. (RAX)	7.12x

(1) Estimates via Bloomberg.

(2) According to Gartner "...in the next five years enterprises will spend \$921 billion on public cloud services (2013-2017)." Excerpt from Gartner Presentation: [Cloud Computing 2014: ready for real business?](#) Darryl Carlton, October 2013

(3) "The use of cloud computing is growing, and by 2016 this growth will increase to become the bulk of new IT spend." Excerpt from Gartner Press Release, Oct. 24, 2013; <http://www.gartner.com/newsroom/id/2613015>

Internally Managed BDC Public Comparables

- Internally managed BDC public comparables currently trade at a median price to NAV of approximately 1.5x*
 - Hercules Technology Growth Capital (NASDAQ: HTGC)
 - KCAP Financial (NASDAQ: KCAP)
 - Main Street Capital (NASDAQ: MAIN)
 - Triangle Capital (NASDAQ: TCAP)

*As of October 30, 2014. Based on the following public comparable companies: HTGC, KCAP, MAIN, TCAP

Key Statistics: NASDAQ-NEWT

Share Statistics¹(USD)

Stock Price	\$13.12
52-Week Range	\$11.30-\$17.15
Common Shares O/S	10.2M
Market Cap	\$133.9M

2014 Adjusted Consolidated Operating Company Guidance²

Revenue	\$161.0M
Adjusted Pre-tax Income ³	\$13.5M
Adjusted Diluted EPS	\$1.15
Adjusted EBITDA	\$26.0M



(1) As of close of trading on 11/18/2014

(2) As of 11/19/2014. Represents midpoint of expected range. Adjusted pretax income and Adjusted diluted EPS guidance reflect reversal of \$1.9 million one-time non-cash charge

(3) See slide 21 for definition of Adjusted pretax income, Adjusted diluted EPS and Adjusted EBITDA

Investment Highlights

Largest Non-Bank SBA Lender in U.S.

- NEWT is currently the largest non-bank institution U.S. Small Business Administration (SBA) licensed lender under the federal Section 7(a) loan program based on annual origination volume (national PLP status)
- 10th largest SBA 7(a) lender including banks⁽¹⁾
- ROI in SBA 7(a) lending in excess of 30%
- Following this capital raise and BDC conversion, NEWT is estimating significant loan funding and balance sheet growth in 2015

Proven Track Record

- Established in 1998
- Publicly traded since September 2000
- National SBA 7(a) lender to small business since 2003; 11-year history of loan default frequency and severity statistics
- Issued four S&P Rated AA & A Securitizations since 2010

Highly Experienced Management Team

- Management's interests aligned with shareholders
 - CEO alone owns approximately 13.4% of outstanding shares⁽²⁾
 - Founders, Management and Board combined own over 25% of outstanding shares⁽²⁾

Attractive Pro Forma Dividend Yield

- Initial Q1 2015 dividend of \$0.38 / share
- The Company currently anticipates the average quarterly dividend payout for 2015 to be \$0.45 per share representing a dividend yield of 13.7%⁽³⁾

Internally Managed

- NEWT is internally managed with no base or incentive fees paid to an external manager
- Internally managed BDC public comparables currently trade at a median price to NAV of approximately 1.5x⁽⁴⁾

(1) As of September 30, 2014

(2) As of August 13, 2014.

(3) Based on November 18, 2014 closing price of \$13.12. Based on expected average quarterly distributions during NEWT's first full year of operations as a BDC. No assurance can be provided that such results will be achieved

(4) As of October 30, 2014. Based on the following public comparable companies: HTGC, KCAP, MAIN, TCAP



Investment Highlights (Cont.)

<p>Loan Portfolio Characteristics: SBA 7(a) loans</p>	<ul style="list-style-type: none"> ▪ Small balance (average loan size is \$150K of average Newtek uninsured retained loan balance), industry and geographically diversified portfolio of 732 loans ▪ All SBA 7(a) loans are floating rate, indexed to Prime and have no caps ▪ Borrowers pay a current maximum 6% interest rate; no origination fees with 7- to 25-year amortization schedules and are receiving a high-quality loan product ▪ Secondary market established for SBA 7(a) government-guaranteed lending for over 61 years and Newtek establishes liquidity for uninsured portions through securitizations
<p>S&P-Rated Servicer</p>	<ul style="list-style-type: none"> ▪ S&P Rated Commercial Small Balance Loan Servicer ▪ Servicing over \$1 billion of small business loans as of September 30, 2014 ▪ Newtek Business Services has a 4 year FDIC contract to service and special-service conventional and government-guaranteed loans including USDA, Department of Energy, Farm Credit, etc.
<p>Large, Attractive Market Opportunity</p>	<ul style="list-style-type: none"> ▪ Currently over 27 million SMBs in the U.S. ▪ We believe the market is largely underserved and searching for alternative financing solutions
<p>Unique Financial Technology Platform</p>	<ul style="list-style-type: none"> ▪ NEWT's proprietary NewTracker referral system is a key differentiating component of its business model ▪ NewTracker allows the processing of new business by utilizing a web-based, centralized processing point ▪ Significantly lowers cost of client acquisition ▪ Processes lending business much more efficiently with better credits at lower cost ▪ Helps market payment processing, payroll, cloud computing at the same time, allowing partners and borrowers to cross-sell other products
<p>Portfolio Companies</p>	<ul style="list-style-type: none"> ▪ We 100% own and have operated our electronic payment processing, cloud computing and insurance businesses for over 10 years ▪ We own 90% and have operated our payroll business for over 4 years



Financial Review Jennifer C. Eddelson, Chief Accounting Officer

Non-GAAP Financial Measures

In evaluating its business, Newtek considers and uses adjusted EBITDA as a supplemental measure of its operating performance. The Company defines adjusted EBITDA as earnings before income from tax credits, interest expense, taxes, depreciation and amortization, stock compensation expense, other than temporary decline in value of investments, Capco fair value change and the amortization of the 2011 accrued loss on the lease restructure. Newtek uses adjusted EBITDA as a supplemental measure to review and assess its operating performance. The Company also presents adjusted EBITDA because it believes it is frequently used by securities analysts, investors and other interested parties as a measure of financial performance.

The terms Adjusted EBITDA, Adjusted pretax income and Adjusted diluted EPS are not defined under U.S. generally accepted accounting principles, or U.S. GAAP, and is not a measure of operating income, operating performance or liquidity presented in accordance with U.S. GAAP. Adjusted EBITDA, Adjusted pretax income and Adjusted diluted EPS have limitations as analytical tools and, when assessing the Company's operating performance, investors should not consider Adjusted EBITDA, Adjusted pretax income and Adjusted diluted EPS in isolation, or as a substitute for net income (loss) or other consolidated income statement data prepared in accordance with U.S. GAAP. Among other things, Adjusted EBITDA, does not reflect the Company's actual cash expenditures. Other companies may calculate similar measures differently than Newtek, limiting their usefulness as comparative tools. The Company compensates for these limitations by relying primarily on its GAAP results supplemented by Adjusted EBITDA, Adjusted pretax income and Adjusted diluted EPS.

Beginning in the second quarter of 2014, the Company included two new non-GAAP financial measures, Adjusted pretax income and Adjusted diluted EPS, to reflect the Company's pretax earnings and diluted EPS as adjusted for a non-recurring charge to income related to the refinancing of debt. The Company incurred a one time, non-cash charge to income of \$1.9 million which represented the remaining deferred financing costs and debt discount.

Our Capco operate under a different set of rules in each of the 7 jurisdictions and these place varying requirements on the structure of our investments. In some cases, particularly in Louisiana or in certain situations in New York, we do not control the equity or management of a qualified business, but that cannot always be presented orally or in written presentations.

Q3 2014 vs. Q3 2013 Actual Results

In millions of dollars

	Revenue For The Quarter Ended September 30, 2014	Revenue For The Quarter Ended September 30, 2013	Pretax Income (Loss) For The Quarter Ended September 30, 2014	Pretax Income (Loss) For The Quarter Ended September 30, 2013	ADJUSTED EBITDA For The Quarter Ended September 30, 2014	ADJUSTED EBITDA For The Quarter Ended September 30, 2013
Electronic Payment Processing	22.777	22.177	2.210	1.879	2.283	1.972
Small Business Finance	10.949	7.575	4.244	1.728	5.776	3.472
Managed Technology Solutions	3.818	4.455	0.804	0.881	1.149	1.267
All Other	0.739	0.689	(0.368)	(0.311)	(0.313)	(0.251)
Corporate Activities	0.272	0.250	(2.037)	(1.847)	(1.810)	(1.722)
CAPCO	0.102	0.042	(0.229)	(0.377)	(0.219)	(0.366)
Interco Eliminations	(0.491)	(0.414)	(0.101)	—	(0.100)	—
Total	38.166	34.774	4.523	1.953	6.766	4.372

2014 Adjusted* Operating Company Segment Guidance

In millions of dollars	Electronic Payment Processing		Small Business Finance		Managed Technology Solutions		All Other		Corporate Activities		Total Business Segments		CAPCO Segment		Inter-Company Eliminations	Total	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High		Low	High
	<i>2014 Full Year</i>																
Revenue	90.2	99.2	44.0	47.0	17.4	19.2	2.6	2.8	0.8	0.8	155.0	169.0	0.2	0.2	(1.2)	154.0	168.0
Pretax Income (Loss)	8.3	9.2	14.2	14.7	3.3	3.7	(1.1)	(1.1)	(10.9)	(10.7)	13.8	15.8	(1.3)	(1.3)	-	12.5	14.5
Income from tax credits	-	-	-	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)	-	(0.1)	(0.1)
Net change in fair value of credits in lieu of cash and notes payable in credits in lieu of cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred compensation expense	-	-	0.1	0.1	0.1	-	-	-	0.6	0.5	0.9	0.7	-	-	-	0.9	0.7
Lease loss amortization	-	-	-	-	-	-	-	-	(0.3)	(0.3)	(0.3)	(0.3)	-	-	-	(0.3)	(0.3)
Interest Expense	-	-	8.5	8.3	0.1	0.1	-	-	-	-	8.6	8.4	0.2	0.2	-	8.8	8.6
Depreciation and Amortization	0.4	0.4	1.5	1.5	1.3	1.3	0.2	0.2	0.1	0.1	3.5	3.5	-	-	-	3.5	3.5
Adjusted EBITDA	8.7	9.5	23.8	25.1	4.8	5.2	(0.9)	(0.8)	(10.5)	(10.2)	26.8	28.8	(1.4)	(1.2)	-	24.5	27.5

Note: totals may not add due to rounding

*As of 11/19/2014; consolidated pretax income guidance adjusted to reflect reversal of \$1.9 million one-time non-cash charge



Appendix

Adjusted EBITDA Reconciliation

Adjusted EBITDA Reconciliation from Pretax Income (Loss) For the three months ended September 30, 2014

In millions of dollars

	Pretax Income (Loss)	Income from Tax Credits	Net Change in Fair Value of Credits in Lieu of Cash and Notes Payable in Credits in Lieu of Cash	Deferred Comp Expense	Amortization of 2011 Lease Restructuring Charge	Interest Expense	Depreciation and Amortization	Third Quarter 2014 Adjusted EBITDA
Electronic Payment Processing	2.210	-	-	-	-	-	0.073	2.283
Small Business Finance	4.244	-	-	0.013	-	1.100	0.419	5.776
Managed Technology Solutions	0.804	-	-	0.003	-	0.006	0.336	1.149
All Other	(0.368)	-	-	0.004	-	-	0.051	(0.313)
Corporate Activities	(2.037)	-	-	0.058	(0.073)	0.205	0.037	(1.810)
CAPCO	(0.229)	(0.011)	0.002	-	-	0.019	-	(0.219)
Eliminations	(0.100)							(0.100)
Total	4.523	(0.011)	0.002	0.078	(0.073)	1.33	0.916	6.766

Note: totals may not add due to rounding

Adjusted EBITDA Reconciliation

Adjusted EBITDA Reconciliation from Pretax Income (Loss)
For the three months ended September 30, 2013

In millions of dollars

	<u>Pretax Income (Loss)</u>	<u>Income from Tax Credits</u>	<u>Net Change in Fair Value of Credits in Lieu of Cash and Notes Payable in Credits in Lieu of Cash</u>	<u>Deferred Comp Expense</u>	<u>Amortization of 2011 Lease Restructuring Charge</u>	<u>Interest Expense</u>	<u>Depreciation and Amortization</u>	<u>Third Quarter 2013 Adjusted EBITDA</u>
Electronic Payment Processing	1.879	-	-	0.009	-	-	0.084	1.972
Small Business Finance	1.728	-	-	0.028	-	1.387	0.329	3.472
Managed Technology Solutions	0.881	-	-	0.015	-	0.044	0.327	1.267
All Other	(0.311)	-	-	0.010	-	-	0.050	(0.251)
Corporate Activities	(1.847)	-	-	0.152	(0.073)	0.007	0.039	(1.722)
CAPCO	(0.377)	(0.031)	-	-	-	0.041	0.001	(0.366)
Total	1.953	(0.031)	-	0.214	(0.073)	1.479	0.830	4.372

Note: totals may not add due to rounding

Adjusted EBITDA Reconciliation

Adjusted EBITDA Reconciliation from Pretax Income (Loss)
For the year ended December 31, 2013

In millions of dollars

	Pretax Income (Loss)	Income from Tax Credits	Net Change in Fair Value of Credits in Lieu of Cash and Notes Payable in Credits in Lieu of Cash	Other than Temporary Decline in Value of Investments	Deferred Comp Expense	Amortization of 2011 Lease Restructuring Charge	Interest Expense	Depreciation and Amortization	2013 Adjusted EBITDA
Electronic Payment Processing	8.304	-	-	-	0.019	-	-	0.358	8.681
Small Business Finance	10.143	-	-	-	0.103	-	5.568	1.242	17.055
Managed Technology Solutions	3.564	-	-	-	0.051	-	0.094	1.316	5.025
All Other	(1.606)	-	-	-	0.035	-	-	0.202	(1.366)
Corporate Activities	(8.002)	-	-	-	0.575	(0.291)	0.027	0.161	(7.529)
CAPCO	(1.284)	(0.113)	(0.021)	0.017	-	-	0.174	0.005	(1.222)
Interco Eliminations	(0.050)								(0.051)
Total	11.069	(0.113)	(0.021)	0.017	0.784	(0.291)	5.863	3.284	20.593

Note: totals may not add due to rounding

Adjusted Earnings Reconciliation

NEWTEK BUSINESS SERVICES, INC. AND SUBSIDIARIES
RECONCILIATION OF ADJUSTED PRETAX INCOME AND DILUTED EPS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2014
(In Thousands, except for Per Share Data)

	For the three months ended September 30, 2014	For the nine months ended September 30, 2014
<u>Pretax income reconciliation:</u>		
GAAP pretax income	\$ 4,523	\$ 9,028
Add: Interest expense charge related to repayment of Summit debt	-	1,905
Adjusted pretax income	<u>\$ 4,523</u>	<u>\$ 10,933</u>
<u>Diluted EPS reconciliation:</u>		
Net income attributable to Newtek	\$ 2,644	\$ 5,429
Add: Interest expense charge related to repayment of Summit debt	-	1,905
Deduct: Tax effect of interest expense charge related to repayment of Summit debt	-	(744)
Adjusted net income attributable to Newtek Business Services, Inc.	<u>\$ 2,644</u>	<u>\$ 6,590</u>
Weighted average common shares outstanding – diluted	<u>7,699</u>	<u>7,688</u>
Adjusted EPS – diluted	<u>\$ 0.34</u>	<u>\$ 0.86</u>