U.S. Small Business Lending Finishes Strong in December
Small Business Poised to be Growth Engine in 2015

(CHICAGO, IL — February 3, 2015) —The December release of the Thomson Reuters/PayNet Small Business Lending Index (SBLI), which is a leading economic indicator of GDP, increased 6% to 129.8 compared to 122.6 in December 2013. This reflects a 10% increase from 117.6 in November 2014, providing further evidence to support a growing U.S. economy in 2015. At 129.8, SBLI stands near its all-time high of 132.0, which was reached in October 2014, after restatement upwards in this report. Trend-line growth, although slightly lower than last month, continued at a healthy 7% over the prior year representing organic expansion above the normal replacement levels for business equipment.

 "Investment in new property, plant, equipment and businesses is moderating slightly but remains on a healthy path. These investments mean organic growth is underway for small businesses," states William Phelan, president of PayNet. "When we look at sectors, it is driven by consumer based business – Transportation, Food & Accommodation, Retail Stores, and Construction."

Financial health of small businesses actually improved slightly. The Thomson Reuters/PayNet Small Business Delinquency Index (SBDI) 31-90 days past due decreased 1 basis point to 1.24% in December compared to November while these payments in arrears are up just 6 basis points compared to a year ago. Strong financial health is also shown by the low severe past dues. The SBDI 91-180 days past due remained flat at 0.30% from November to December.

  "Domestic expansion is further confirmed by this month's small business credit trends. This is a good sign given the slowing overseas markets and stronger U.S. dollar which will hold back exports," states William Phelan. "This report signals a business cycle continuing to expand and shows financial risks remain low."

About
PayNet Inc. is the leading provider of credit ratings on small businesses enabling lenders to achieve optimal risk management, growth and operational efficiencies. PayNet maintains the largest proprietary database of small business loans, leases and lines of credit encompassing over 23 Million contracts worth over $1.2 Trillion. Using state-of-the-art analytics, PayNet converts raw data into real-time marketing intelligence and predictive information that subscribing lenders use to make informed small business financial decisions and improve their business strategy. For more information, visit paynetonline.com.

# # #

Thomson Reuters/PayNet Small Business Lending Index (SBLI)
The Small Business Lending Index (SBLI) is based on new commercial loan and lease originations by major U.S. lenders in PayNet's proprietary database. This index measures the volume of loans to small businesses normalized to January 2005. Small businesses generally respond to changes in economic conditions more rapidly than do larger businesses, so this statistic is a leading indicator of the economy and predicts changes in GDP between 2-5 months.

Thomson Reuters/PayNet Small Business Delinquency Index (SBDI)
The Small Business Delinquency Index (SBDI) measures the financial stress of small businesses with $1mm or less in credit outstanding.

Press Contact:
Jamie Born, Senior Director, Corporate Communications, PayNet, Inc.
847-853-6117
jborn@paynetonline.com