U.S. Small Business Investment Increases
Private Companies Showing Signs of Growth

Chicago, IL (December 8, 2017) — The October 2017 Thomson Reuters/PayNet Small Business Lending Index (SBLI) increased 5% to 134.8 from 128.0 in September 2017. Compared to October 2016, the SBLI increased 12%.

"After a two-year pause, private companies are beginning to show signs of growth," states William Phelan, president of PayNet, Inc. "Private companies are coming alive which will be a net addition to GDP."

The strongest sectors are Arts, Entertainment & Recreation (+9%) and Construction (+6%). The weakest sectors are Information Services (-9%) and Real Estate (-4%).

Financial health remained strong as well this October. The Thomson Reuters/PayNet Small Business Delinquency Index (SBDI) 31-90 days past due remained constant at 1.35% in October 2017 compared to September 2017. Compared to one year ago, delinquency increased 2 basis points (bps).

Transportation delinquency decreased 11 bps. Construction and Retail delinquency both decreased 2 bps.

The PayNet Small Business Default Index (SBDFI) declined 2 basis points in October to 1.84% from 1.86% in September 2017. Default rates in the Mining, Oil & Gas and Transportation sectors have been declining dramatically in recent months, with decreases of 82 bps and 28 bps, respectively, since June.

"PayNet's latest data release shows private companies jumping into the expansion, making decisions to invest beyond merely replacing worn out property, plant and equipment," Phelan noted.

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About
PayNet Inc. is the leading provider of credit ratings on small businesses enabling lenders to manage credit risk, grow earning assets and operate credit at lower cost. PayNet maintains the largest proprietary database of small business loans, leases and lines of credit encompassing over 23 million contracts worth over $1.5 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 www.paynet.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.

PayNet Small Business Default Index (SBDFI)
The PayNet Small Business Default Index (SBDFI) measures small business defaults and signal insolvency across multiple sectors of the economy at the national, state and industry levels. Default is a point-in-time measurement of borrowers that have failed to remain current and as such is a vital piece of information to assess risk exposure and evaluate the health of the overall economy