Marlin Business Services Corp. Reports Third Quarter 2007 Diluted Earnings Per Share of $0.41

- Third Quarter Net Income Increases 6.4% Compared to Third Quarter of 2006

- Lease and Loan Portfolio Grows 17.4% over Past Year

- New Warehouse Financing Agreements, Securitization Support Portfolio Growth Plans

Mount Laurel, NJ, November 6, 2007 – Marlin Business Services Corp. (NASDAQ: MRLN) today reported net income of $5.0 million for the third quarter ended September 30, 2007, a 6.4% increase over $4.7 million for the same period in 2006. Diluted earnings per share was $0.41 compared with $0.39 for the same period in 2006.

For the nine months ended September 30, 2007, net income was $15.2 million and diluted earnings per share was $1.24, both up from $14.8 million and $1.22 per share, respectively, for the same period in 2006. Included in net income and diluted earnings per share for the nine-month period ended September 30, 2006 was an after-tax reduction of Hurricane Katrina related reserves of $545,000 or $0.045 per diluted share. Excluding this after-tax reduction, for the nine-month period ended September 30, 2006 net income was $14.2 million and diluted earnings per share was $1.17.

Daniel P. Dyer, Chairman and Chief Executive Officer of Marlin Business Services Corp., said, “Marlin’s strong performance this quarter demonstrates the strength and resilience of our business model as we were able to quickly adjust to industry challenges. We made progress along all of our key operating metrics, including portfolio growth, margins, and funding, while also investing in our infrastructure to support our growth objectives. Our value proposition - quick turnaround, simplified documentation and competitive terms – is increasingly meeting the business financing needs of the small business market and creating value for shareholders.”

Average net investment in leases and loans of $733.2 million for the quarter ended September 30, 2007 was up 17.4% compared to the third quarter of 2006. Third quarter 2007 lease production was $86.2 million, based on initial equipment cost. Lease production in the quarter reflects efforts to maintain credit quality and pricing discipline as well as temporary disruptions to end user demand, and deliberate reductions in our exposure to select industries. The Company also grew its new Business Capital Loan portfolio during the quarter.

Yields and margins both showed the effects of recently implemented improvement programs. For the quarter, the average implicit yield on new lease production rose to 13.06%, a sequential increase of 2 basis points from the previous quarter and a 33 basis point increase from a year ago. The ability to achieve price increases on new business contributed to a sequential flattening in the portfolio interest income yield, which was 12.34% of total average finance receivables for the third quarter. For the third quarter, the net interest and fee margin expanded 3 basis points to 10.66% of total average finance receivables compared to the second quarter of 2007, reflecting improvements in fee income offset by a higher cost of funds.

For the third quarter, the average cost of funds as a percentage of average total finance receivables was 4.78%, up 18 basis points from the second quarter of 2007 due to the impact of rising short-term interest rates on the Company's variable rate borrowing facilities. During the quarter the Company both renewed and expanded its warehouse financing facilities to an aggregate $340 million. In addition, on October 24, Marlin completed a $440 million term securitization, its ninth securitization and fourth rated AAA. Consequently, the Company now has secured the funding capacity to support its growth plans.

Credit quality remained strong. For the third quarter, charge-offs were $3.4 million, or 1.85% of average total finance receivables on an annualized basis, a ratio that is essentially in line with both the preceding quarter and with the third quarter of 2006. Leases over 60 days delinquent rose 23 basis points on a sequential basis, primarily due to higher delinquencies in select industries and fewer processing days in September. As of September 30, 2007, the Company's allowance for credit losses was $9.4 million, or 1.27% of total finance receivables.

For the quarter, the Company's efficiency ratio was 41.06%. Total operating expenses for the quarter increased to $8.9 million, primarily as a result of costs associated with growth investments in sales hires and marketing initiatives.

Effective November, 2007, the Company is discontinuing the origination of new factoring agreements, and plans to withdraw from the factoring business that was in the pilot phase. At September 30, 2007, factoring-related financings totaled approximately $540,000, consisting of $95,000 of factoring receivables and a $445,000 term loan resulting from the refinance of a real estate related factoring receivable.

In conjunction with this release, static pool loss statistics have been updated as supplemental information on the investor relations section of our website at www.marlincorp.com.

Conference Call and Webcast

We will host a conference call on Wednesday, November 7, 2007 at 9:00 a.m. ET to discuss our third quarter 2007 results. If you wish to participate, please call 888-819-8038 approximately 10 minutes in advance of the call time. The conference ID will be: "Marlin." The call will also be Webcast on the Investor Relations page of the Marlin Business Services Corp. website, www.marlincorp.com. An audio replay will also be available on the Investor Relations section of Marlin's website for approximately 90 days.

About Marlin Business Services Corp.

Marlin Business Services Corp. is a nationwide provider of equipment leasing and working capital solutions primarily to small businesses. The Company's principal operating subsidiary, Marlin Leasing Corporation, finances over 70 equipment categories in a segment of the market generally referred to as "small-ticket" leasing (i.e. leasing transactions less than $250,000). The Company was founded in 1997 and completed its initial public offering of common stock on November 12, 2003. In addition to its executive offices in Mount Laurel, NJ, Marlin has regional offices in or near Atlanta, Chicago, Denver, Philadelphia and Salt Lake City. For more information, visit www.marlincorp.com or call toll free at (888) 479-9111.

Forward-Looking Statements

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All forward-looking statements (including statements regarding future financial and operating results) involve risks, uncertainties and contingencies, many of which are beyond our control, which may cause actual results, performance, or achievements to differ materially from anticipated results, performance, or achievements. All statements contained in this release that are not clearly historical in nature are forward-looking, and the words "anticipate," "believe," "expect," "estimate," "plan," “may,” “intend,” and similar expressions are generally intended to identify forward-looking statements. Economic, business, funding, market, competitive, legal and/or regulatory factors, among others, affecting our business are examples of factors that could cause actual results to differ materially from those described in the forward-looking statements. More detailed information about these factors is contained in our filings with the SEC, including the sections captioned "Risk Factors" and "Business" in the Company’s Form 10-K filed with the Securities and Exchange Commission. We are under no obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.

MARLIN BUSINESS SERVICES CORP.
AND SUBSIDIARIES
Consolidated Balance Sheets

	September 30, 2007	December 31, 2006
	(Dollars in thousands, except per-share data)	
	(Unaudited)	
ASSETS		
Cash and cash equivalents	$ 10,964	$ 26,663
Restricted cash	68,634	57,705
Net investment in leases and loans	755,928	693,911
Property and equipment, net	3,281	3,430
Property tax receivables	852	257
Fair value of cash flow hedge derivatives	43	456
Other assets	11,855	13,030
Total assets	$ 851,557	$ 795,452
LIABILITIES AND STOCKHOLDERS' EQUITY		
Revolving and term secured borrowings	$ 659,561	$ 616,322
Other liabilities:		
Fair value of cash flow hedge derivatives	4,172	1,607
Sales and property taxes payable	9,804	8,034
Accounts payable and accrued expenses	9,974	12,269
Deferred income tax liability	17,613	22,931
Total liabilities	701,124	661,163
Commitments and contingencies		
Stockholders' equity:		
Common Stock, $0.01 par value; 75,000,000 shares authorized; 12,288,036 and 12,030,259 shares issued and outstanding, respectively	123	120
Preferred Stock, $0.01 par value; 5,000,000 shares authorized; none issued	—	—
Additional paid-in capital	85,645	81,850
Stock subscription receivable	(7)	(18)
Cumulative other comprehensive income	(1,006)	1,892
Retained earnings	65,678	50,445
Total stockholders' equity	150,433	134,289
Total liabilities and stockholders' equity	$ 851,557	$ 795,452

MARLIN BUSINESS SERVICES CORP.
AND SUBSIDIARIES
Consolidated Statements of Operations

	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
	(Dollars in thousands, except per-share data) (Unaudited)			
Income:				
Interest income	$ 22,622	$ 19,629	$ 66,210	$ 55,996
Fee income	5,685	5,241	16,486	15,245
Interest and fee income	28,307	24,870	82,696	71,241
Interest expense	8,768	6,888	24,735	18,389
Net interest and fee income	19,539	17,982	57,961	52,852
Provision for credit losses	3,966	3,082	10,826	7,096
Net interest and fee income after provision for credit losses	15,573	14,900	47,135	45,756
Insurance and other income	1,659	1,365	4,888	3,949
Operating income	17,232	16,265	52,023	49,705
Non-interest expense				
Salaries and benefits	5,257	5,171	16,087	15,570
General and administrative	3,447	2,868	10,080	8,692
Financing related costs	202	408	662	1,060
Non-interest expense	8,906	8,447	26,829	25,322
Income before income taxes	8,326	7,818	25,194	24,383
Income taxes	3,298	3,088	9,961	9,631
Net income	$ 5,028	$ 4,730	$ 15,233	$ 14,752
Basic earnings per share	$ 0.41	$ 0.40	$ 1.26	$ 1.25
Diluted earnings per share	$ 0.41	$ 0.39	$ 1.24	$ 1.22
Weighted average shares used in computing basic earnings per share	12,155,152	11,838,677	12,066,077	11,755,028
Weighted average shares used in computing diluted earnings per share	12,355,484	12,154,889	12,310,198	12,114,655

SUPPLEMENTAL QUARTERLY DATA
(dollars in thousands, except share amounts)
(unaudited)

Quarter Ended:	9/30/2006	12/31/2006	3/31/2007	6/30/2007	9/30/2007
New Asset Production:					
# of Sales Reps	100	100	96	97	105
# of Leases	8,824	8,985	8,639	8,423	7,609
Leased Equipment Volume	$100,950	$105,639	$102,652	$97,260	$86,167
Average monthly sources	1,321	1,309	1,337	1,279	1,180
Implicit Yield on New Leases	12.73%	12.67%	12.80%	13.04%	13.06%
Net interest and fee margin:					
Interest Income Yield	12.57%	13.11%	12.40%	12.34%	12.34%
Fee Income Yield	3.35%	3.07%	3.25%	2.89%	3.10%
Interest and Fee Income Yield	15.92%	16.18%	15.65%	15.23%	15.44%
Cost of Funds	4.41%	4.95%	4.46%	4.60%	4.78%
Net interest and Fee Margin	11.51%	11.23%	11.19%	10.63%	10.66%
Average Total Finance Receivables	$624,711	$660,529	$691,253	$717,893	$733,304
Average Net Investment in Leases	$623,999	$658,120	$687,442	$710,587	$724,933
End of period Net Investment in Leases	$655,871	$691,932	$717,882	$740,021	$746,889
End of period Loans	$971	$1,979	$5,175	$8,118	$9,038
End of period Factoring Receivables	$296	$1,760	$386	$182	$95
Total loan and lease sales personnel	102	103	100	101	114
Portfolio Asset Quality:					
Total Finance Receivables					
60+ Days Past Due Delinquencies	0.58%	0.71%	0.76%	0.68%	0.91%
60+ Days Past Due Delinquencies	$4,411	$5,715	$6,329	$5,824	$7,951
Leasing					
60+ Days Past Due Delinquencies	0.58%	0.71%	0.76%	0.68%	0.91%
60+ Days Past Due Delinquencies	$4,411	$5,676	$6,288	$5,798	$7,795
Loans					
60+ Days Past Due Delinquencies	0.00%	0.00%	0.28%	0.32%	1.69%
60+ Days Past Due Delinquencies	$0	$0	$15	$26	$156
Factoring Receivables					
60+ Days Past Due Delinquencies	0.00%	2.20%	6.57%	0.00%	0.00%
60+ Days Past Due Delinquencies	$0	$39	$26	$0	$0
Net Charge-offs - Leasing	$2,685	$2,405	$2,907	$3,176	$3,351
% on Average Net Investment in Leases Annualized	1.72%	1.46%	1.69%	1.79%	1.85%
Net Charge-offs - Other Finance Receivables	$0	$0	$118	$31	$49
% on Average Other Finance Receivables Annualized	0.00%	0.00%	12.38%	1.70%	2.34%
Allowance for Credit Losses	$7,767	$8,201	$8,568	$8,829	$9,395
% of 60+ Delinquencies	176.08%	143.50%	135.38%	151.60%	118.16%
90+ Day Delinquencies (Non-earning)	$1,876	$2,250	$2,976	$2,449	$3,438

SUPPLEMENTAL QUARTERLY DATA
(dollars in thousands, except share amounts)
(unaudited)

Quarter Ended:	9/30/2006	12/31/2006	3/31/2007	6/30/2007	9/30/2007
Balance Sheet:					
Assets					
Investment in Leases and Loans	$642,113	$677,848	$705,739	$730,316	$738,275
Initial Direct Costs and Fees	22,496	24,264	25,886	26,652	27,048
Reserve for Credit Losses	(7,767)	(8,201)	(8,568)	(8,829)	(9,395)
Net Investment in Leases and Loans	$656,842	$693,911	$723,057	$748,139	$755,928
Cash and Cash Equivalents	34,159	26,663	7,429	8,060	10,964
Restricted Cash	179,964	57,705	63,640	64,660	68,634
Other Assets	15,954	17,173	23,277	21,343	16,031
Total Assets	$886,919	$795,452	$817,403	$842,202	$851,557
Liabilities					
Total Debt	$712,355	$616,322	$632,197	$651,771	$659,561
Other Liabilities	44,963	44,841	44,303	42,780	41,563
Total Liabilities	$757,318	$661,163	$676,500	$694,551	$701,124
Stockholders' Equity					
Common Stock	$120	$120	$123	$123	$123
Paid-in Capital, net	80,548	81,832	84,381	84,923	85,638
Other Comprehensive Income	2,370	1,892	927	1,955	(1,006)
Retained Earnings	46,563	50,445	55,472	60,650	65,678
Total Stockholders' Equity	$129,601	$134,289	$140,903	$147,651	$150,433
Total Liabilities and Stockholders' Equity	$886,919	$795,452	$817,403	$842,202	$851,557
Capital and Leverage:					
Tangible Equity	$129,601	$134,289	$140,903	$147,651	$150,433
Debt to Tangible Equity	5.50	4.59	4.49	4.41	4.38
Expense Ratios:					
Salaries and Benefits Expense	$5,171	$6,898	$5,716	$5,113	$5,257
Salaries and Benefits Expense annualized % of Avg. Fin. Recbl.	3.31%	4.18%	3.31%	2.85%	2.87%
Total personnel end of quarter	310	314	311	324	331
General and Administrative Expense	$2,868	$3,264	$3,352	$3,281	$3,447
General and Administrative Expense annualized % of Avg. Fin. Recbl.	1.84%	1.98%	1.94%	1.83%	1.88%
Efficiency Ratio	41.55%	50.58%	43.15%	40.68%	41.06%
Net Income:					
Net Income	$4,730	$3,882	$5,027	$5,178	$5,028
Annualized Performance Measures:					
Return on Average Assets	2.55%	1.86%	2.52%	2.49%	2.38%
Return on Average Stockholders' Equity	14.79%	11.77%	14.61%	14.36%	13.49%
Per Share Data:					
Number of Shares - Basic	11,838,677	11,889,262	11,957,024	12,106,482	12,155,152
EPS- Basic	$0.40	$0.33	$0.42	$0.43	$0.41
Number of Shares - Diluted	12,154,889	12,231,808	12,257,484	12,341,182	12,355,484
EPS- Diluted	$0.39	$0.32	$0.41	$0.42	$0.41

Net investment in total finance receivables includes net investment in direct financing leases, loans, and factoring receivables.