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Today, Nelnet (National Education Loan Network) announced it has launched and priced a record new term student loan Asset-Backed Securities (ABS) offering. A total of $647,000,000 in Term Floating Rate Notes and $215,885,000 in Auction Rate Notes were offered to institutional investors.

The company's Floating Rate Notes were issued with spreads to the 3-month LIBOR index that were priced flat to like maturity securities issued the previous week by the education finance industry benchmark, a new record for the Nelnet program. Overall, the transaction was well received by the investor community and had broad investor participation.

The student loan asset-backed notes were issued by Nelnet Student Loan Trust 2003-2, a bankruptcy remote special purpose vehicle, created to securitize Nelnet's student loan assets in the term ABS market. The detail of the pricing of the Floating Rate Notes includes the following:

Class A-1 Notes, $141,000,000 3-month LIBOR plus .01%, 1 year average life
Class A-2 Notes, $187,000,000 3-month LIBOR plus .03%, 3 year average life
Class A-3 Notes, $121,500,000 3-month LIBOR plus .11%, 5 year average life
Class A-4 Notes, $197,500,000 3-month LIBOR plus .20%, 7.5 year average life

"The success of Nelnet's securitization performance is directly tied to the organization's commitment and longevity in student loan asset-backed financing," commented Jeff Noordhoek, Executive Director of Nelnet. "We go to great lengths to create these offerings with investor friendly structures and top quality assets. With each offering we've seen both the interest and confidence of the investment community grow accordingly."

Interested parties can obtain more information regarding this financing at www.nelnet.net.

Nelnet is among the nation's largest student loan organizations offering loan origination, funding, servicing, and consolidation programs. The company provides comprehensive student loan services for students, parents, schools, lenders, and guarantors. Nelnet offices are located in Albany, NY; Boise, ID; Denver, CO; Fredericksburg, VA; Indianapolis, IN; Jacksonville, FL; Lincoln, NE; Phoenix, AZ; Portland, ME; St. Paul, MN; Tulsa, OK; and Washington DC.