



Nelnet announces succession plan for Hilario J. Arguinchona

(Boise, ID) - Today, Nelnet (NYSE: NNI) announced the March 12, 2004 retirement of Hilario (Larry) J. Arguinchona, 60, an Executive Director for Nelnet and President of Idaho Financial Associates, Inc. (IFA), a wholly-owned subsidiary. A 25-year veteran of the education finance industry, Mr. Arguinchona founded IFA Systems, a student loan software provider, in 1986. Mr. Arguinchona is responsible for the development, maintenance, and implementation of student loan software systems used by Nelnet and its clients.

"While Larry's business acumen and leadership will truly be missed by both IFA and Nelnet management, we wish him the very best in his retirement," commented Steve Butterfield, Nelnet Vice Chairman and Co-CEO. "Larry's dedication and involvement has spanned a broad spectrum of the education finance industry and he leaves a legacy of which we are all proud."

Mr. Arguinchona's prior experience includes his role as a founding Director of the Student Loan Fund of Idaho, Inc., a student loan guaranty agency, and his role as a founding Director, and later President, of the Student Loan Fund of Idaho Marketing Association, Inc., a state secondary market for student loans.

Mr. Arguinchona was a founding Director and serves as Chairman of the Board of Directors of Syringa Bank in Boise, Idaho. He currently serves on the Boise State University Foundation Board of Directors, the Boise State University Bronco Athletic Association Board of Directors, the University of Idaho Entrepreneurship Center Advisory Board, and the Idaho Easter Seals/Goodwill Advisory Council. He earned a B.S. degree in business administration from the University of Idaho in 1965.

IFA, which has held an independent operating position since its 2002 acquisition by Nelnet, will maintain its Boise, Idaho headquarters. Succeeding Mr. Arguinchona's leadership will be tenured Managers Charlene Lang and Mike Marchant. Ms. Lang, employed with the organization since its founding, will continue as Corporate Manager, overseeing the administrative and business operation functions of the company.

Mr. Marchant will continue as Managing Director, with oversight of the technological and software development functions of the company. Mr. Marchant joined IFA in 1990.

"Although we hope to continue a professional affiliation with Larry through other business capacities, we are confident that Charlene and Mike will provide a seamless management transition for IFA clients," added Butterfield. "Both individuals are deeply ingrained in IFA's daily operations and organizational objectives."

IFA currently holds software contracts with 14 clients nationwide and supports over \$33 billion in student loan servicing operations. Additional information regarding the organization's service is available at www.ifasys.com.

About Nelnet

Nelnet is one of the leading educational finance companies in the United States and is focused on providing quality student loan products and services to students and schools nationwide. With over \$11 billion in total assets, Nelnet originates in excess of \$2 billion for itself and its service partners annually, services more than \$18 billion in student loans, and provides servicing software for an additional \$27 billion in student loans. Nelnet ranks among the nation's leaders in terms of total student loan assets.

Nelnet offers a broad range of student loan and financial services as well as technology-based products, including student loan origination and lending, guarantee servicing, and a suite of software solutions. The company's products are designed to simplify the student loan process by automating financial aid delivery, loan processing, and funds disbursement. Nelnet's services help to facilitate and streamline educational finance for all involved in the industry, including student and parent borrowers, lenders, financial aid officers, guaranty agencies, governmental agencies, servicers, and the capital markets.

Information contained in this press release, other than historical information, may be considered forward-looking in nature and is subject to various risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or expected. Among the key factors that may have a direct bearing on Nelnet's operating results, performance, or financial condition are changes in terms of student loans and the educational credit marketplace, changes in the demand for educational financing or in financing preferences of educational institutions, students and their families, or changes in the general interest rate environment and in the securitization markets for

education loans.