



Nelnet Expands Relationship With the Colorado College Access Network

LINCOLN, Neb., Nov 01, 2005 /PRNewswire-FirstCall via COMTEX News Network/ -- Today, Nelnet, Inc. (NYSE: NNI) announced the expansion of its strategic relationship with the Colorado College Access Network. College Access Network is the Colorado state-designated guarantor of student loans and administers the Federal Family Education Loan Program, providing Federal Stafford, PLUS, and Consolidation Loans to students and parents through private lenders.

The agreement expands the previous loan servicing relationship between the organizations, whereby Nelnet will provide the student loan servicing and guarantee operations of College Access Network.

"Nelnet and College Access Network have both served Colorado's students for over 25 years. Through our student loan servicing relationship, we've had the opportunity to become familiar with the quality programs College Access Network provides to the state's schools, parents, and students," said Steve Butterfield, Nelnet Vice Chairman and Co-Chief Executive Officer. "By combining College Access Network's strong position as an educational leader with Nelnet's loan servicing longevity and expertise, we hope to continue both organizations' visions of making educational dreams possible for Colorado students."

Through the agreement, Nelnet will assume the operational expenses and employment of approximately 140 College Access Network employees. Both organizations will maintain their existing Denver operations.

"This expanded partnership was the right thing to do for Colorado's students, parents, taxpayers, and higher education programs," stated Rick O'Donnell, Executive Director of the Colorado Department of Higher Education. "The cost savings provided by this relationship will help make access to higher education more affordable, a benefit needed within our state and throughout the U.S."

For Nelnet the transaction provides additional diversification of its fee-based revenue stream, expands its guarantee servicing business, and provides further integration of the use of its student loan origination products and services with its guarantee servicing products. The transaction will be minimally accretive and not material to base net income in 2006.

Nelnet is one of the leading education finance companies in the United States and is focused on providing quality products and services to students and schools nationwide. Nelnet ranks among the nation's leaders in terms of total net student loan assets with \$16.4 billion as of September 30, 2005. Headquartered in Lincoln, Nebraska, Nelnet originates, consolidates, securitizes, holds, and services student loans, principally loans originated under the Federal Family Education Loan Program of the U.S. Department of Education. Additional information is available at www.nelnet.net.

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. (code #: nnig)

SOURCE Nelnet, Inc.

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