



Nelnet to Acquire 5280 Solutions and Firstmark Services

LINCOLN, Neb., Nov 09, 2005 /PRNewswire-FirstCall via COMTEX News Network/ -- Today, Nelnet, Inc. (NYSE: NNI) announced it has entered into an agreement to acquire the remaining fifty percent ownership of 5280 Solutions, Inc. of Denver, Colorado and Firstmark Services, LLC of Woodbury, Minnesota. Nelnet's initial fifty percent ownership positions date to the formation of both organizations. The transaction is expected to close during November, subject to certain regulatory approvals and closing conditions, with an effective date for valuation purposes of November 1, 2005.

5280 Solutions provides information technology products and full-service technical consulting, with core areas of business in student loan software solutions for schools, lenders, and guarantors; technical consulting services; and enterprise content management. The company employs approximately 150 staff members at its Denver facility and at remote locations.

Firstmark Services specializes in originating and servicing privately funded education loans, outside the Federal student loan programs. From its Woodbury headquarters, Firstmark's approximately 75 employees provide services for more than \$850 million in private education loans.

"Our ability to leverage our technical solutions across multiple organizations will be enhanced with the addition of 5280 and Firstmark to the Nelnet family as wholly-owned subsidiaries," said Steve Butterfield, Vice Chairman and Co-Chief Executive Officer.

Both organizations will maintain their brand identity, headquarters, and management.

Under the terms of the agreement, the purchase price intended to be paid by Nelnet includes cash and restricted shares of Class A common stock.

For Nelnet the transaction provides additional diversification of its fee-based revenue stream and provides further integration of the use of its student loan technology services. The transaction will be accretive, but 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 expressed or implied by the forward-looking statements are the pending nature of the reported acquisition transaction and the ability to complete the transaction, the uncertain nature of the expected benefits from the acquisition and the ability to successfully integrate operations, 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.

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SOURCE Nelnet, Inc.

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