



January 23, 2017

Nelnet, Inc. Announces Cash Tender Offer and Consent Solicitation for 7.400% Fixed-to-Floating Rate Capital Efficient Notes

LINCOLN, Neb., Jan. 23, 2017 /PRNewswire/ -- Nelnet, Inc. ("Nelnet" or the "Company") announced that it has commenced a cash tender offer to purchase any and all of its outstanding 7.400% Fixed-to-Floating Rate Capital Efficient Notes (the "Notes") (CUSIP No. 64031NAB4) (the "Offer to Purchase"), of which \$200 million in aggregate principal amount is currently outstanding, and a related consent solicitation to effect certain amendments to the indenture governing the Notes (the "Consent Solicitation" and together with the Offer to Purchase, the "Offer").

Each holder who validly tenders (and does not validly withdraw) its Notes and provides its consent to the amendments to the Indenture before 5:00 p.m., New York City time, on February 3, 2017, as such time and date may be extended by the Company (the "Consent Payment Deadline"), will receive, if such Notes are accepted for purchase pursuant to the Offer, total consideration of \$800.00 per \$1,000 principal amount of the Notes tendered (the "Total Consideration"), which includes \$50.00 per \$1,000 principal amount of the Notes tendered as the consent payment (the "Consent Payment"). In addition, accrued interest up to, but not including, the applicable payment date of the Notes will be paid in cash on all validly tendered and accepted Notes.

The following table summarizes the material pricing terms of the Offer:

<u>CUSIP No.</u>	<u>Title of Security</u>	<u>Outstanding Principal Amount</u> ⁽¹⁾⁽²⁾	<u>Tender Offer Consideration</u> ⁽³⁾	<u>Consent Payment</u> ⁽³⁾	<u>Total Consideration</u> ⁽³⁾⁽⁴⁾
64031NAB4	7.400% Fixed-to-Floating Rate Capital Efficient Notes	\$200,000,000.00	\$750.00	\$50.00	\$800.00

(1) As of the date hereof.

(2) Affiliates of the Company hold approximately \$150 million of the outstanding principal amount of the Notes, and will be excluded from tendering their Notes pursuant to the Offer.

(3) Per \$1,000 principal amount of Notes and excluding accrued and unpaid interest, which will be paid in addition to the Total Consideration or Tender Offer Consideration (as defined below), as applicable.

(4) Includes the Consent Payment.

The Offer is scheduled to expire at 11:59 p.m., New York City time, on February 17, 2017, unless extended or terminated pursuant to the terms of the tender offer (the "Expiration Date"). Holders who validly tender (and do not validly withdraw) their Notes and provide their consents to the amendments to the Indenture after the Consent Payment Deadline but on or prior to the Expiration Date will receive, if such Notes are accepted for purchase pursuant to the Offer, the Tender Offer Consideration of \$750.00 per \$1,000 principal amount of the Notes, plus any accrued and unpaid interest on the Notes up to, but not including, the payment date, but will not receive the Consent Payment.

Tendered Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on February 3, 2017, as such time and date may be extended by the Company (the "Withdrawal Time"), but not thereafter, except to the extent that the Company is required by law to provide additional withdrawal rights. Subject to the terms and conditions described below, payment for Notes that are validly tendered (and not validly withdrawn) will occur promptly following the Expiration Date, provided that the Company may elect to make payment for Notes that are validly tendered (and not validly withdrawn) on or prior to the Consent Payment Deadline prior to the Expiration Date.

The consummation of the Offer is conditioned upon certain terms and conditions as described in the Offer to Purchase and Consent Solicitation Statement dated January 23, 2017 (the "Statement") distributed to holders of Notes, including the receipt of consents from holders of not less than a majority in principal amount of the outstanding Notes (excluding any Notes held by the Company or its affiliates) to amend and supplement the indenture under which they were issued to eliminate a provision requiring a minimum principal amount of the Notes to remain outstanding after any redemption of the Notes in part by the Company. The Company does not currently intend to redeem any Notes that may remain outstanding

following the Offer. If any of the conditions are not satisfied, the Company may terminate the Offer and return tendered Notes. The Company has the right to waive any of the conditions to the Offer. In addition, the Company has the right, in its sole discretion, to terminate the Offer at any time, subject to applicable law.

This notice shall not constitute an offer to purchase or a solicitation of an offer to sell any securities. The complete terms and conditions of the tender offer are set forth in the Statement distributed to holders of the Notes. The Offer is being made only through, and subject to the terms and conditions set forth in, the Statement.

The Company has retained Goldman, Sachs & Co. as the dealer manager for the Offer and solicitation agent for the Consent Solicitation. Questions regarding the terms of the Offer may be directed to the Liability Management Group of Goldman, Sachs & Co. by calling (212) 357-1452 (collect) or (800) 828-3182 (US toll-free).

Global Bondholder Services Corporation will act as the Information Agent and Depositary for the Offer. Requests for the Statement and the related Letter of Transmittal may be directed to Global Bondholder Services Corporation at (212) 430-3774 (for brokers and banks) or (866) 924-2440 (toll-free).

Neither the Company nor any other person shall make any recommendation as to whether holders of Notes should tender their Notes, and no one has been authorized to make such a recommendation. Holders of Notes must make their own decisions as to whether to tender their Notes, and if they decide to do so, the principal amount of the Notes to tender. Holders of the Notes should read carefully the Statement and related materials before any decision is made with respect to the Offer.

Nelnet (NYSE: NNI) is a diversified and innovative company focused on offering educational services, technology solutions, telecommunications, and asset management. Nelnet helps students and families plan and pay for their education and makes the administrative processes for schools more efficient with student loan servicing, tuition payment processing, school administration software, and college planning resources. Through its recently acquired subsidiary, ALLO Communications, Nelnet offers fiber optic services directly to homes and businesses for ultra-fast internet and superior telephone and television services. The Company also makes investments in real estate developments and new ventures. For more information, visit Nelnet.com.

This release includes "forward-looking statements" within the meaning of the federal securities laws. You can identify these statements by the fact that they do not relate strictly to historical or current facts. These statements contain words such as "may," "will," "project," "might," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "continue" or "pursue," or the negative or other variations thereof or comparable terminology. In particular, they include statements relating to, among other things, future actions, transition matters, future performance and the outcomes of contingencies and future financial results of the Company. These forward-looking statements are based on current expectations and projections about future events. Investors are cautioned that forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified and, consequently, the actual performance of the Company may differ materially from those expressed or implied by such forward-looking statements.

Please register your Nelnet securities at www.DealVector.com/Nelnet. Registration is anonymous, but allows us to communicate with our holders more efficiently.

(code #: nnig)

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/nelnet-inc-announces-cash-tender-offer-and-consent-solicitation-for-7400-fixed-to-floating-rate-capital-efficient-notes-300395073.html>

SOURCE Nelnet

News Provided by Acquire Media