

FINANCIAL OVERVIEW:

Fiscal Year June 1, 2011 - May 31, 2012



Dear Alumni and Friends,

In 2012, we took an important step to improve our long-term fiscal health. In 2002, we issued bonds to build new residential facilities and to re-finance existing debt related to the Weary Center. Those residential facilities have added greatly to the success of our academic and student programs over the past 10 years and have provided great support for our enrollment and retention of students on campus.

This past year we took advantage of historically low interest rates to re-fund the remaining \$17.2 million of 2002 bonds and borrow additional funds for residential improvement. Re-funding those 2002 bonds resulted in a present value savings of nearly \$2.5 million, while at the same time keeping the original maturity date. We are pleased that our financial strength enabled Nebraska Wesleyan to be rated investment grade by Standard and Poor's for the first time, which greatly aided the issuance and pricing of our bonds.

The residential improvements funded by the 2012 bonds include a substantial renovation of Johnson Hall, including air conditioning, an elevator, improvements to student rooms and common areas and accessibility improvements as well as

new furniture. Other projects financed through the bonds include a new parking lot with 50 parking spaces and the addition of wireless internet to all residence halls.

Net assets decreased \$3.9 million after having increased \$7.8 million the previous year as the financial markets declined after advancing significantly the previous year. It is worth noting that since the beginning of the 2012-2013 fiscal year, the endowment has recovered and continued growing. Operational expenses exceeded revenues by a small amount as net tuition revenue decreased. Income from fundraising activities, investment earnings and auxiliary enterprises all exceeded the prior year. We continued to invest in academic and student programs by continuing the faculty salary improvement program and increasing faculty development funds.

Thank you for your generous support. We look forward to seeing many of you throughout the year.

Clark T. Chandler

Vice President for Finance and Administration

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FINANCIAL OVERVIEW

Assets

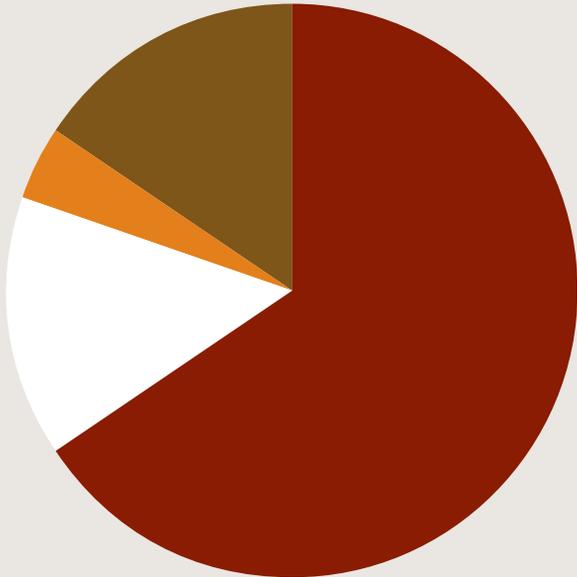
Total Assets	\$99,608,000
Total Liabilities	\$28,658,000
Total Net Assets	\$70,950,000



STATEMENT OF ACTIVITIES 2012

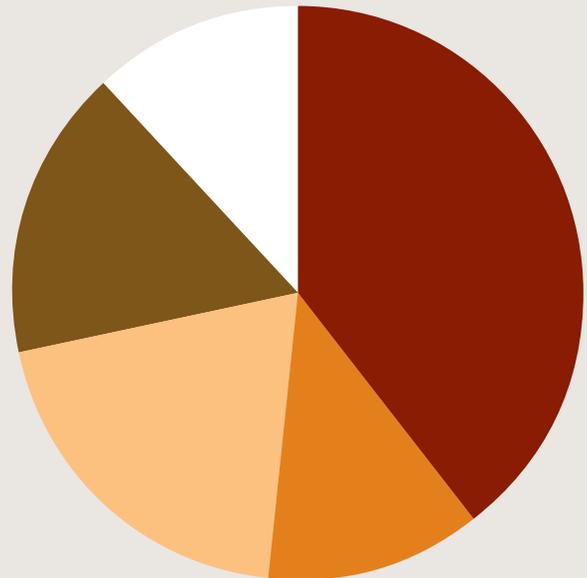
Revenues

Tuition and Fees		\$39,399,000
Less: Financial Aid		(\$15,112,000)
Net Tuition and Fees		\$24,287,000
Gifts and Grants		\$5,450,000
Investment Earnings		\$1,540,000
Auxiliary Enterprises and Other		\$5,718,000
Total Revenue		\$36,995,000



Expenses

Instruction		\$14,671,000
Academic Support		\$4,591,000
Student Services		\$7,390,000
Institutional Support		\$6,063,000
Auxiliary Enterprises and Other		\$4,416,000
Total Expenses		\$37,131,000



Decrease in Assets from Operations	(\$136,000)
Other Changes in Assets	(\$3,764,000)
Total Change in Assets	(\$3,900,000)
Net Assets, Beginning of Year	\$74,850,000
Net Assets, End of Year	\$70,950,000