

Kentucky Higher Education Student Loan Corporation
Statement of Revenues, Expenses, and Changes in Net Assets
Three Months Ended September 30, 2008

	1997 General Bond Resolution	2004 General Bond Resolution
Operating Revenues:		
Interest Revenues:		
Borrower Interest	\$8,821,461	\$8,793,158
Federal Interest Benefits	2,138,176	4,614,674
Special Allowance	22,895	(1,293,413)
Interest and other Investment Income	198,927	187,516
Total Interest Revenues	11,181,459	12,301,935
Financing Expenses:		
Interest on Expense on Debt	7,099,193	8,011,174
Amortization of Front End Borrower Benefits	565,032	1,393,143
Principal and Interest Benefits	34,006	16,119
Change in Allowance for Arbitrage	0	0
Federal Consolidation Fees	988,160	596,702
Provision for Loan Losses	62,459	191,210
Variable Bond Credit Facility and Remarketing Fees	339,755	382,583
Amortization of Loan Purchase Premiums and Origination Costs	279,459	342,455
Amortization of Bond Issuance Costs	38,254	35,466
Net Interest Revenues	1,775,141	1,333,083
Other Operating Revenues:		
Servicing Fees		
Gain / Loss on Sales of Loans	0	0
Late Payment Penalties	104,722	74,571
Total Operating Revenues	1,879,863	1,407,654
Operating Expenses:		
Administrative Expenses		
Depreciation and Amortization		
Other Expenses	44,936	42,437
Total Operating Expenses	44,936	42,437
Operating Income (Loss) before Transfers	1,834,927	1,365,217
Servicing and Administration Transfer	(2,818,067)	(1,571,676)
Net Income (Loss) after Operating Transfers	(983,140)	(206,459)
Transfer (to) from Other Funds		
Interfund Transfers	0	0
Transfer to the Governmental Fund	0	0
Increase (Decrease) in Net Assets after Transfers	(983,140)	(206,459)
Net Assets, Beginning of Year	37,557,219	(2,479,323)
Net Assets, September 30, 2008	\$36,574,079	(\$2,685,782)