
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

July 19, 2004
(Date of Report)

SEI Investments Company

(Exact name of registrant as specified in charter)

Pennsylvania
(State or other jurisdiction
of incorporation)

0-10200
(Commission File No.)

23-1707341
(I.R.S. Employer
Identification No.)

1 Freedom Valley Drive
Oaks, Pennsylvania 19456
(Address of principal executive offices) (Zip Code)

(610) 676-1000
(Registrants' telephone number, including area code)

Not applicable
(Former name of former address, if changed since last report)

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

99.1 Press Release of SEI Investments Company, dated July 15, 2004

Item 12. Disclosure of Results of Operations and Financial Condition.

On Thursday, July 15, 2004, SEI Investments Company issued a press release announcing its second quarter earnings for the fiscal quarter ending June 30, 2004. A copy of the press release is attached hereto as Exhibit 99.1.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SEI Investments Company

Date: July 19, 2004

By: /s/ Dennis J. McGonigle

Dennis J. McGonigle
Chief Financial Officer

EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|---|
| 99.1 | Press Release of SEI Investments Company, dated July 15, 2004 |

NEWS FROM SEI INVESTMENTS

For Immediate Release

| | | | |
|----------|--|--|--|
| Contact: | Mark Samuels, SVP | Murray Louis, VP | Larry Wexler |
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| Pages: | Eight | | |

SEI Investments Reports Second-Quarter 2004 Results**Net Income Up 20%, Revenues Increase 8%**

Oaks, PA—July 15, 2004—SEI Investments Company (NASDAQ:SEIC) today announced financial results for second-quarter 2004, reporting increases in revenues, net income and earnings per share, compared to the corresponding period for the prior year.

Consolidated Overview

| (In thousands, except earnings per share) | For the Three Months Ended June 30, | | | For the Six Months Ended June 30, | | |
|---|--|------------|-----|--------------------------------------|------------|-----|
| | 2004 | 2003 | % | 2004 | 2003 | % |
| Revenues | \$ 169,162 | \$ 156,225 | 8% | \$ 336,323 | \$ 309,066 | 9% |
| Net Income Before Taxes | 64,633 | 54,399 | 19% | 126,451 | 110,094 | 15% |
| Net Income | 41,204 | 34,271 | 20% | 80,613 | 69,359 | 16% |
| Diluted Earnings Per Share | \$.39 | \$.32 | 22% | \$.76 | \$.64 | 19% |

"I am pleased to report continued progress in our results," said Alfred P. West, Jr., SEI Chairman and CEO.

"We are encouraged that we continue to deliver modest increases in revenues, net income and earnings per share at a time when we are making real investment in the development of new strategies for all our markets. Our progress in building these solutions, the market's growing interest in them and, an improving business climate, give us cause to be optimistic about the future."

Summary of Second-Quarter 2004 and Year-to-Date Results by Business Segment

| (In thousands) | For the Three Month Period Ended June 30, | | | For the Six Month Period Ended June 30, | | |
|---------------------------------------|--|------------|-------|--|------------|-------|
| | 2004 | 2003 | % | 2004 | 2003 | % |
| Private Banking and Trust: | | | | | | |
| Revenues | \$ 74,184 | \$ 80,177 | (7)% | \$ 148,777 | \$ 159,237 | (7)% |
| Operating Profit | \$ 29,628 | \$ 33,436 | (11)% | \$ 57,131 | \$ 67,037 | (15)% |
| Operating Margin | 40% | 42% | | 38% | 42% | |
| Investment Advisors: | | | | | | |
| Revenues | 43,048 | 37,079 | 16% | 86,231 | 72,992 | 18% |
| Operating Profit | 23,489 | 20,182 | 16% | 47,310 | 39,785 | 19% |
| Operating Margin | 55% | 54% | | 55% | 55% | |
| Enterprises: | | | | | | |
| Revenues | 16,035 | 14,367 | 12% | 32,270 | 28,391 | 14% |
| Operating Profit | 7,212 | 6,317 | 14% | 15,056 | 12,753 | 18% |
| Operating Margin | 45% | 44% | | 47% | 45% | |
| Money Managers: | | | | | | |
| Revenues | 19,044 | 13,219 | 44% | 35,948 | 25,622 | 40% |
| Operating Profit | 3,968 | 2,309 | 72% | 6,884 | 4,279 | 61% |
| Operating Margin | 21% | 18% | | 19% | 17% | |
| Investments in New Businesses: | | | | | | |
| Revenues | 16,851 | 11,383 | 48% | 33,097 | 22,824 | 45% |
| Operating Loss | (4,288) | (5,150) | 17% | (9,013) | (9,596) | 6% |
| Operating Margin | (25)% | (45)% | | (27)% | (42)% | |
| Consolidated Segment Totals: | | | | | | |
| Revenues | \$ 169,162 | \$ 156,225 | 8% | \$ 336,323 | \$ 309,066 | 9% |
| Operating Profit | \$ 60,009 | \$ 57,094 | 5% | \$ 117,368 | \$ 114,258 | 3% |
| Operating Margin | 35% | 37% | | 35% | 37% | |

Second-Quarter Business Commentary:

- The Private Banking & Trust segment showed declines in revenues and operating profits vs. year ago due to previously reported losses in fund processing revenues as well as one-time investment processing revenues.
- The Investment Advisors, Enterprises, Money Managers and Investments in New Businesses segments all posted solid revenue gains vs. year ago levels.
- The Investment Advisors, Enterprises and Money Managers segments also posted solid operating profit gains vs. year ago levels.
- Assets under management grew to a record high of \$100.1 billion.
- In the second-quarter 2004, SEI purchased 1,464,000 shares of its common stock for \$42.6 million.

Earnings Conference Call

A conference call to review earnings is scheduled for 2:00 PM EDST on July 15, 2004. Investors may listen to the call at www.seic.com, or listen at www.companyboardroom.com, a service of CCBN. The call may also be accessed at numerous financial services web sites including AOL, Motley Fool and Yahoo. Investors may also listen to replays at these web sites, or by telephone at (USA) 1-800-475-6701; (International) 320-365-3844, access code 736529.

About SEI

SEI Investments (NASDAQ:SEIC) is a leading global provider of asset management and investment technology solutions. The company's innovative solutions help corporations, financial institutions, financial advisors, and affluent families create and manage wealth. As of the period ending June 30, 2004, SEI administers over \$282 billion in mutual fund and pooled assets, manages over \$100 billion in assets, and operates 22 offices in 11 countries. For more information, visit www.seic.com.

Many of our responses may be considered "forward looking statements" and include discussions about future operations, strategies and financial results. Forward-looking statements are based upon estimates and assumptions that involve risks and uncertainties, many of which are beyond our control or are subject to change. Although we believe our assumptions are reasonable, they could be inaccurate. Our actual future revenues and income could differ materially from our expected results. We have no obligation to publicly update or revise any forward-looking statements.

SEI INVESTMENTS COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

| | Three Months Ended June 30, | |
|--|-----------------------------|------------|
| | 2004 | 2003 * |
| Revenues | \$ 169,162 | \$ 156,225 |
| Operating and development expenses | 74,596 | 69,964 |
| Sales and marketing expenses | 34,557 | 29,167 |
| General and administrative expenses | 7,811 | 4,835 |
| Income before interest and taxes | 52,198 | 52,259 |
| Equity in earnings of unconsolidated affiliate | 10,680 | 4,861 |
| Net gain (loss) on investments | 1,356 | (4,076) |
| Interest income | 904 | 1,365 |
| Interest expense | (505) | (519) |
| Other income | — | 509 |
| Income before taxes | 64,633 | 54,399 |
| Income taxes | 23,429 | 20,128 |
| Net income | \$ 41,204 | \$ 34,271 |
| Diluted earnings per common share | \$.39 | \$.32 |
| Shares used to calculate diluted earnings per common share | 105,705 | 108,001 |
| Basic earnings per common share | \$.40 | \$.33 |
| Shares used to calculate basic earnings per common share | 103,425 | 104,828 |

* Certain amounts for prior years have been reclassified to conform to current-year presentation.

SEI INVESTMENTS COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

| | Six Months Ended June 30, | |
|--|---------------------------|-------------------|
| | 2004 | 2003 * |
| Revenues | \$ 336,323 | \$ 309,066 |
| Operating and development expenses | 153,328 | 138,254 |
| Sales and marketing expenses | 65,627 | 56,554 |
| General and administrative expenses | 15,597 | 10,486 |
| Income before interest and taxes | 101,771 | 103,772 |
| Equity in earnings of unconsolidated affiliate | 19,683 | 8,475 |
| Net gain (loss) on investments | 4,291 | (4,182) |
| Interest income | 1,837 | 2,607 |
| Interest expense | (1,131) | (1,087) |
| Other income | — | 509 |
| Income before taxes | 126,451 | 110,094 |
| Income taxes | 45,838 | 40,735 |
| Net income | \$ 80,613 | \$ 69,359 |
| Diluted earnings per common share | \$.76 | \$.64 |
| Shares used to calculate diluted earnings per common share | 106,577 | 108,783 |
| Basic earnings per common share | \$.77 | \$.66 |
| Shares used to calculate basic earnings per common share | 104,151 | 105,297 |

* Certain amounts for prior years have been reclassified to conform to current-year presentation.

SEI INVESTMENTS COMPANY
CONDENSED BALANCE SHEETS
(In thousands)

| | June 30, 2004 | December 31, 2003 |
|--|------------------|----------------------|
| Assets | | |
| Cash and short-term investments | \$ 162,883 | \$ 199,953 |
| Restricted Cash | 11,650 | 53,481 |
| Receivables | 94,799 | 86,612 |
| Other current assets | 11,073 | 12,367 |
| Total current assets | 280,405 | 352,413 |
| Property and Equipment, net | 111,886 | 113,064 |
| Investments available for sale | 67,061 | 70,560 |
| Other assets | 75,924 | 56,592 |
| Total assets | \$ 535,276 | \$ 592,629 |
| Liabilities | | |
| Current liabilities | \$ 136,065 | \$ 193,474 |
| Long-term debt | 17,167 | 23,944 |
| Deferred income taxes | 15,563 | 11,438 |
| Shareholders' Equity | 366,481 | 363,773 |
| Total liabilities and shareholders' equity | \$ 535,276 | \$ 592,629 |

SEI Investments Business Segments

(In thousands)

| | Three Months ended June 30, | | Six Months ended June 30, | |
|---------------------------------------|--------------------------------|---------------|------------------------------|----------------|
| | 2004 | 2003 | 2004 | 2003 |
| Private Banking and Trust: * | | | | |
| Revenues | | | | |
| Investment processing fees | 56,368 | 59,112 | 112,221 | 115,790 |
| Fund processing fees | 9,340 | 11,236 | 19,041 | 23,571 |
| Investment management fees | 8,476 | 9,829 | 17,515 | 19,876 |
| Total Revenues | 74,184 | 80,177 | 148,777 | 159,237 |
| Operating and development expenses | 33,273 | 37,011 | 71,083 | 73,890 |
| Sales and marketing expenses | 11,283 | 9,730 | 20,563 | 18,310 |
| Operating Profit | 29,628 | 33,436 | 57,131 | 67,037 |
| Operating Margin | 40% | 42% | 38% | 42% |
| Investment Advisors: | | | | |
| Revenues | 43,048 | 37,079 | 86,231 | 72,992 |
| Operating and development expenses | 11,843 | 10,355 | 24,339 | 20,383 |
| Sales and marketing expenses | 7,716 | 6,542 | 14,582 | 12,824 |
| Operating Profit | 23,489 | 20,182 | 47,310 | 39,785 |
| Operating Margin | 55% | 54% | 55% | 55% |
| Enterprises: | | | | |
| Revenues | 16,035 | 14,367 | 32,270 | 28,391 |
| Operating and development expenses | 4,179 | 3,503 | 8,249 | 7,065 |
| Sales and marketing expenses | 4,644 | 4,547 | 8,965 | 8,573 |
| Operating Profit | 7,212 | 6,317 | 15,056 | 12,753 |
| Operating Margin | 45% | 44% | 47% | 45% |
| Money Managers: * | | | | |
| Revenues | 19,044 | 13,219 | 35,948 | 25,622 |
| Operating and development expenses | 11,500 | 7,827 | 21,974 | 15,141 |
| Sales and marketing expenses | 3,576 | 3,083 | 7,090 | 6,202 |
| Operating Profit | 3,968 | 2,309 | 6,884 | 4,279 |
| Operating Margin | 21% | 17% | 19% | 17% |
| Investments in New Businesses: | | | | |
| Revenues | 16,851 | 11,383 | 33,097 | 22,824 |
| Operating and development expenses | 13,801 | 11,268 | 27,683 | 21,775 |
| Sales and marketing expenses | 7,338 | 5,265 | 14,427 | 10,645 |
| Operating Loss | (4,288) | (5,150) | (9,013) | (9,596) |
| Operating Margin | (25)% | (45)% | (27)% | (42)% |
| Consolidated Segment Totals: | | | | |
| Revenues | \$ 169,162 | \$ 156,225 | \$ 336,323 | \$ 309,066 |
| Operating and development expenses | 74,596 | 69,964 | 153,328 | 138,254 |
| Sales and marketing expenses | 34,557 | 29,167 | 65,627 | 56,554 |
| Operating Profit | \$ 60,009 | \$ 57,094 | \$ 117,368 | \$ 114,258 |
| Operating Margin | 35% | 37% | 35% | 37% |
| General and Administrative expenses | 7,811 | 4,835 | 15,597 | 10,486 |
| Income from Operations | \$ 52,198 | \$ 52,259 | \$ 101,771 | \$ 103,772 |
| Operating Margin | 31% | 33% | 30% | 34% |

* Certain amounts for prior years have been reclassified to conform to current-year presentation.

SEI INVESTMENTS COMPANY
ASSET BALANCES
(In millions)

| | June 30, 2003 | Sept. 30, 2003 | Dec. 31, 2003 | Mar. 31, 2004 | Jun. 30, 2004 |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Private Banking & Trust: | | | | | |
| Equity/Fixed Income prgms. | \$ 2,639 | \$ 2,615 | \$ 2,717 | \$ 2,759 | \$ 2,900 |
| Collective Trust Fund prgm | 1,240 | 1,265 | 1,326 | 1,357 | 1,403 |
| Liquidity funds | 12,653 | 11,026 | 8,424 | 8,312 | 7,986 |
| Total assets under mgmt. | 16,532 | 14,906 | 12,467 | 12,428 | 12,289 |
| Client assets under admin. | 60,124 | 61,174 | 61,285 | 62,775 | 61,944 |
| Total assets under admin. | \$ 76,656 | \$ 76,080 | \$ 73,752 | \$ 75,203 | \$ 74,233 |
| Investment Advisors: | | | | | |
| Equity/Fixed Income prgms. | \$ 22,075 | \$ 22,376 | \$ 24,150 | \$ 25,295 | \$ 25,021 |
| Collective Trust Fund prgm | 2,583 | 2,644 | 2,481 | 2,454 | 2,592 |
| Liquidity funds | 1,434 | 1,252 | 1,131 | 1,095 | 1,103 |
| Total assets under mgmt. | \$ 26,092 | \$ 26,272 | \$ 27,762 | \$ 28,844 | \$ 28,716 |
| Enterprises: | | | | | |
| Equity/Fixed Income prgms. | \$ 11,365 | \$ 12,049 | \$ 13,324 | \$ 13,303 | \$ 13,616 |
| Collective Trust Fund prgm | 735 | 741 | 776 | 783 | 924 |
| Liquidity funds | 5,148 | 4,861 | 3,443 | 3,802 | 3,482 |
| Total assets under mgmt. | \$ 17,248 | \$ 17,651 | \$ 17,543 | \$ 17,888 | \$ 18,022 |
| Money Managers: | | | | | |
| Equity/Fixed Income prgms. | \$ 50 | \$ 37 | \$ 41 | \$ 39 | \$ 31 |
| Collective Trust Fund prgm | 5,469 | 6,140 | 6,630 | 6,727 | 7,066 |
| Liquidity funds | 900 | 1,036 | 271 | 146 | 202 |
| Total assets under mgmt. | 6,419 | 7,213 | 6,942 | 6,912 | 7,299 |
| Client assets under admin. | 82,359 | 88,458 | 96,103 | 107,015 | 113,644 |
| Total assets under admin. | \$ 88,778 | \$ 95,671 | \$ 103,045 | \$ 113,927 | \$ 120,943 |
| Investments in New Businesses: | | | | | |
| Equity/Fixed Income prgms. | \$ 8,626 | \$ 8,874 | \$ 10,185 | \$ 11,511 | \$ 12,253 |
| Liquidity funds | 21 | 52 | 33 | 25 | 16 |
| Total assets under mgmt. | 8,647 | 8,926 | 10,218 | 11,536 | 12,269 |
| Client assets under admin. | 7,001 | 5,319 | 5,855 | 6,631 | 7,028 |
| Total assets under admin. | \$ 15,648 | \$ 14,245 | \$ 16,073 | \$ 18,167 | \$ 19,297 |
| Unconsolidated Affiliate: | | | | | |
| Equity/Fixed Income prgms | \$ 10,755 | \$ 12,435 | \$ 15,666 | \$ 18,444 | \$ 21,462 |
| Consolidated: | | | | | |
| Equity/Fixed Income prgms (A) | \$ 55,510 | \$ 58,386 | \$ 66,083 | \$ 71,351 | \$ 75,283 |
| Collective Trust Fund prgm | 10,027 | 10,790 | 11,213 | 11,321 | 11,985 |
| Liquidity funds | 20,156 | 18,227 | 13,302 | 13,380 | 12,789 |
| Total assets under mgmt. | 85,693 | 87,403 | 90,598 | 96,052 | 100,057 |
| Client assets under admin. | 149,484 | 154,951 | 163,243 | 176,421 | 182,616 |
| Total assets under admin. | \$ 235,177 | \$ 242,354 | \$ 253,841 | \$ 272,473 | \$ 282,673 |

(A) Equity/Fixed Income programs include \$1,244 of assets invested in SEI's Asset Allocation Funds at 6/30/04