SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)*
 X Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2002 or

___ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _________ to _________

0-10200

(Commission File Number)

SEI INVESTMENTS COMPANY

(Exact name of registrant as specified in its charter)

Pennsylvania	23-1707341
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

1 Freedom Valley Drive, Oaks, Pennsylvania 19456-1100

(Address of principal executive offices)
(Zip Code)

(610) 676-1000

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No__

*APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes__ No __

*APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of March 31, 2002: 109,714,895 shares of common stock, par value $.01 per share.

PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

Consolidated Balance Sheets

(In thousands)

	March 31, 2002 (unaudited)	December 31, 2001
Assets		
Current Assets:		
Cash and cash equivalents	$ 176,504	$ 163,685
Restricted cash	10,000	10,000
Receivables from regulated investment companies	24,236	25,550
Receivables, net of allowance for doubtful accounts of $1,700	63,108	56,327
Deferred income taxes	3,864	4,459
Prepaid expenses and other current assets	7,156	6,121
Total Current Assets	284,868	266,142
Property and Equipment, net of accumulated depreciation and amortization of $99,080 and $95,104	101,409	95,804
Capitalized Software, net of accumulated amortization of $13,902 and $13,469	10,622	11,055
Investments Available for Sale	68,250	66,332
Other Assets, net	24,111	21,583
Total Assets	$ 489,260	$ 460,916

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets

(In thousands, except par value)

	March 31, 2002 (unaudited)	December 31, 2001
Liabilities and Shareholders' Equity		
Current Liabilities:		
Current portion of long-term debt	$ 9,556	$ 7,556
Accounts payable	3,779	4,977
Accrued expenses	117,259	128,408
Deferred revenue	2,636	3,402
Total Current Liabilities	133,230	144,343
Long-term Debt	37,667	43,055
Deferred Income Taxes	2,860	2,925
Shareholders' Equity:		
Common stock, $.01 par value, 750,000 shares authorized; 109,715 and 109,180 shares issued and outstanding	1,097	1,092
Capital in excess of par value	197,268	186,390
Retained earnings	118,929	85,085
Accumulated other comprehensive losses	(1,791)	(1,974)
Total Shareholders' Equity	315,503	270,593
Total Liabilities and Shareholders' Equity	$489,260	$460,916

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Income

(unaudited)
(In thousands, except per share data)

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001
Revenues	$159,215	$161,301
Expenses:		
Operating and development	68,736	76,029
Sales and marketing	34,148	38,256
General and administrative	5,709	5,383
Income from operations	50,622	41,633
Equity in the earnings of unconsolidated affiliate	2,679	2,238
Interest income	1,150	2,249
Interest expense	(481)	(550)
Income before income taxes	53,970	45,570
Income taxes	19,969	16,861
Net income	34,001	28,709
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	(381)	(232)
Unrealized holding gain on investments, net of income tax benefit of $166 and $123	564	210
Other comprehensive income (loss)	183	(22)
Comprehensive income	$ 34,184	$ 28,687
Basic earnings per common share	$ .31	$ .26
Diluted earnings per common share	$ .30	$ .25

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

(unaudited)
(In thousands)

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001
Cash flows from operating activities:		
Net income	$ 34,001	$ 28,709
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,433	4,735
Equity in the earnings of unconsolidated affiliate	(334)	(102)
Tax benefit on stock options exercised	6,771	13,809
Other	(3,036)	1,114
Change in current assets and liabilities:		
Decrease (increase) in		
Receivables from regulated investment companies	1,314	(496)
Receivables	(6,781)	(7,038)
Prepaid expenses and other current assets	(1,035)	(771)
Increase (decrease) in		
Accounts payable	(1,198)	(728)
Accrued expenses	(5,689)	(15,782)
Deferred revenue	(766)	(4,521)
Net cash provided by operating activities	27,680	18,929
Cash flows from investing activities:		
Additions to property and equipment	(9,601)	(8,915)
Purchase of investments available for sale	(6,564)	(11,794)
Sale of investments available for sale	6,065	1,130
Other	132	(1,421)
Net cash used in investing activities	(9,968)	(21,000)
Cash flows from financing activities:		
Payment on long-term debt	(3,388)	(2,000)
Purchase and retirement of common stock	(164)	(46,249)
Proceeds from issuance of common stock	4,119	7,261
Payment of dividends	(5,460)	(4,347)
Net cash used in financing activities	(4,893)	(45,335)
Net increase (decrease) in cash and cash equivalents	12,819	(47,406)
Cash and cash equivalents, beginning of period	163,685	147,676
Cash and cash equivalents, end of period	$ 176,504	$ 100,270

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

(all figures are in thousands except per share data)

Note 1. Summary of Significant Accounting Policies

Nature of Operations

SEI Investments Company (the "Company") is organized around its five primary target markets: Private Banking & Trust, Investment Advisors, Enterprises, Money Mangers, and Investments in New Businesses. Private Banking & Trust provides investment processing solutions, fund processing solutions and investment management programs to banks and private trust companies. Investment Advisors provides investment management programs and investment processing solutions to affluent investors through a network of financial intermediaries, independent investment advisors and other investment professionals. Enterprises provide retirement and treasury business solutions for corporations, unions, foundations and endowments, and other institutional investors. Money Managers provides investment solutions to U.S. investment managers, mutual fund companies and alternative investment managers worldwide. Investments in New Businesses include the Company's global asset management businesses as well as initiatives into new U.S. markets.

Summary Financial Information and Results of Operations

In the opinion of the Company, the accompanying unaudited Consolidated Financial Statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial position as of March 31, 2002 and the results of operations and cash flows for the three months ended March 31, 2002 and 2001.

Interim Financial Information

While the Company believes that the disclosures presented are adequate to make the information not misleading, these Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements included in the Company's latest annual report on Form 10-K.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries. The Company's principal subsidiaries are SEI Investments Distribution Company (SIDCO), SEI Investments Management Corporation (SIMC), and SEI Private Trust Company (SPTC). All intercompany accounts and transactions have been eliminated. Investment in unconsolidated affiliate is accounted for using the equity method due to the Company's less than 50 percent ownership. The Company's portion of the affiliate's operating results is reflected in Equity in the earnings of unconsolidated affiliate on the accompanying Consolidated Statements of Income (See Note 6).

Property and Equipment

Property and equipment on the accompanying Consolidated Balance Sheets consist of the following:

	March 31, 2002	December 31, 2001	Estimated Useful Lives (In Years)
Equipment	$ 76,643	$ 74,809	3 to 5
Buildings	44,981	44,981	25 to 39
Land	9,345	9,345	N/A
Purchased software	19,937	18,952	3
Furniture and fixtures	14,946	14,748	3 to 5
Leasehold improvements	7,489	7,492	Lease Term
Construction in progress	27,148	20,581	N/A
	200,489	190,908	
Less: Accumulated depreciation and amortization	(99,080)	(95,104)	
Property and Equipment, net	$101,409	$ 95,804	

Property and equipment are stated at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful life of each asset. Expenditures for renewals and betterments are capitalized, while maintenance and repairs are charged to expense when incurred.

Capitalized Software

The Company accounts for software development costs in accordance with Statement of Financial Accounting Standards No. 86, "Accounting for the Costs of Computer Software to Be Sold, Leased, or Otherwise Marketed" ("SFAS 86"). Under SFAS 86, costs incurred to create a computer software product are charged to research and development expense as incurred until technological feasibility has been established. The Company establishes technological feasibility upon completion of a detail program design. At that point, computer software costs are capitalized until the product is available for general release to customers. The establishment of technological feasibility and the ongoing assessment of recoverability of capitalized software development costs require considerable judgment by management with respect to certain external factors, including, but not limited to, anticipated future revenues, estimated economic life, and changes in technology. Amortization begins when the product is released. Capitalized software development costs are amortized on a product-by-product basis using the straight-line method over the estimated economic life of the product or enhancement, which is primarily three to ten years, with a weighted average remaining life of approximately 6.4 years.

Earnings per Share

The Company computes earnings per common share in accordance with Statement of Financial Accounting Standards No. 128, "Earnings per Share" ("SFAS 128"). Pursuant to SFAS 128, dual presentation of basic and diluted earnings per common share is required on the face of the statements of income for companies with complex capital structures. Basic earnings per common share is calculated by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflects the potential dilution from the exercise or conversion of securities into common stock, such as stock options.

	For the Three month period ended March 31, 2002		
	Income (Numerator)	Shares (Denominator)	Per Share Amount
Basic earnings per common share	$34,001	109,396	$.31
Dilutive effect of stock options	--	5,588	
Diluted earnings per common share	$34,001	114,984	$.30

	For the Three month period ended March 31, 2001		
	Income (Numerator)	Shares (Denominator)	Per Share Amount
Basic earnings per common share	$28,709	108,600	$.26
Dilutive effect of stock options	--	7,218	
Diluted earnings per common share	$28,709	115,818	$.25

Options to purchase 2,715 and 1,249 shares of common stock, with an average exercise price of $46.09 and $50.00, were outstanding during the first quarter of 2002 and 2001, respectively, but were excluded from the diluted earnings per common share calculation because the options' exercise prices were greater than the average market price of the Company's common stock.

Statements of Cash Flows

For purposes of the Consolidated Statements of Cash Flows, the Company considers investment instruments purchased with an original maturity of three months or less to be cash equivalents.

Supplemental disclosures of cash paid/received during the three months ended March 31 is as follows:

	2002	2001
Interest paid	$ 989	$ 1,061
Interest and dividends received	$ 1,244	$ 2,508
Income taxes paid	$ 56	--

Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the Unites States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Comprehensive Income - The Company computes comprehensive income in accordance with Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" ("SFAS 130"). SFAS 130 establishes standards for reporting and presentation of comprehensive income and its components (revenues, expenses, gains and losses) in a full set of general-purpose financial statements that is presented with equal prominence as other financial statements. Comprehensive income includes net income, foreign currency translation adjustments, and unrealized holding gains and losses and is presented on the accompanying Consolidated Statements of Income. Accumulated other comprehensive losses on the Consolidated Balance Sheets is the change from December 31, 2001 to March 31, 2002 as follows:

	Foreign Currency Translation Adjustments	Unrealized Holding Gains(Losses) on Investments	Accumulated Other Comprehensive Losses
Beginning balance (Dec 31, 2001)	$ (978)	$ (996)	$ (1,974)
Current period change	(381)	564	183
Ending Balance (March 31, 2002)	$ (1,359)	$ (432)	$ (1,791)

Note 3. Receivables - Receivables on the accompanying Consolidated Balance Sheets consist of the following:

	March 31, 2002	December 31, 2001
Trade receivables	$ 25,428	$ 26,415
Fees earned, not received	1,369	2,527
Fees earned, not billed	38,011	29,085
	64,808	58,027
Less: Allowance for doubtful accounts	(1,700)	(1,700)
	$ 63,108	$ 56,327

Fees earned, not received represent brokerage commissions earned but not yet collected. Fees earned, not billed represent receivables earned but unbilled and result from timing differences between services provided and contractual billing schedules.

Receivables from regulated investment companies on the accompanying Consolidated Balance Sheets represent fees collected from the Company's wholly owned subsidiaries, SIDCO and SIMC, for distribution, investment advisory, and administration services provided by these subsidiaries to various regulated investment companies sponsored by the Company.

Note 4. Investments Available for Sale - Investments available for sale consist of investments in mutual funds sponsored by the Company. The Company accounts for investments in marketable securities pursuant to Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities" ("SFAS 115"). SFAS 115 requires that debt and equity securities classified as available for sale be reported at market value. Unrealized holding gains and losses, net of income taxes, are reported as a separate component of comprehensive income. Realized gains and losses, as determined on a specific identification basis, are reported separately on the accompanying Consolidated Statements of Income.

Investments available for sale at March 31, 2002 had an aggregate cost of $67,316 and an aggregate market value of $68,250 with gross unrealized holding gains of $934. At that date, the net unrealized holding gains of $432 (net of income tax expense of $502) were reported as a separate component of Accumulated other comprehensive losses on the accompanying Consolidated Balance Sheets.

Investments available for sale at December 31, 2001 had an aggregate cost of $67,996 and an aggregate market value of $66,332 with gross unrealized holding losses of $1,664. At that date, the net unrealized holding losses of $996 (net of income tax benefit of $668) were reported as a separate component of Accumulated other comprehensive losses on the accompanying Consolidated Balance Sheets.

Note 5. Derivative Instruments and Hedging Activities - The Company is exposed to market risk associated with its designated Investments available for sale. To provide some protection against potential market fluctuations associated with its investments available for sale the Company has entered into various derivative financial transactions in the form of futures and equity contracts (i.e. derivatives).

The Company accounts for its derivatives in accordance with Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," ("SFAS 133") and SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities - an amendment of FASB Statement No. 133", ("SFAS 138").

The Company recognizes all derivatives on the balance sheet at fair value. On the date the derivative instrument is entered into, the Company generally designates the derivative as a hedge of the fair value of a recognized asset. Changes in the fair value of a derivative that is designated as, and meets all the required criteria for, a fair value hedge, along with the gain or loss on the hedged asset that is attributable to the hedged risk, are recorded in current period earnings. The portion of the change in fair value of a derivative associated with hedge ineffectiveness or the component of a derivative instrument excluded from the assessment of hedge effectiveness is recorded currently in earnings. Also, changes in the entire fair value of a derivative that is not designated as a hedge are recognized immediately in earnings. The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes relating all derivatives that are designated as fair value hedges to specific assets on the balance sheet.

The Company also formally assesses, both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values of the hedged item. If it is determined that a derivative is not highly effective as a hedge or if a derivative ceases to be a highly effective hedge, the Company will discontinue hedge accounting prospectively.

At March 31, 2002, operating and development expenses on the accompanying Consolidated Statements of Operations include a net gain of $351 from hedge ineffectiveness.

The Company currently holds futures contracts with a notional amount of $10,411 with a financial institution for various terms. The Company also currently holds equity derivatives with a notional amount of $20,304 with a financial institution with various terms. During the period ending March 31, 2002, the Company did not enter into or hold derivative financial instruments for trading purposes.

Note 6. Other Assets - Other assets on the accompanying Consolidated Balance Sheets consist of the following:

	March 31, 2002	December 31,2001
Investment in unconsolidated affiliate	$ 6,367	$ 6,033
Other, net	17,744	15,550
Other assets	$24,111	$21,583

Other, net consists of long-term prepaid expenses, deposits and other investments carried at cost.

Investment in Unconsolidated Affiliate - LSV Asset Management ("LSV") is a partnership formed between the Company and several leading academics in the field of finance. LSV is a registered investment advisor, which provides investment advisory services to institutions, including pension plans and investment companies. LSV is currently the portfolio manager for a number of Company-sponsored mutual funds. The Company's interest in LSV was approximately 44 percent for the first quarter of 2002 and 45 percent for the first quarter of 2001. LSV is accounted for using the equity method of accounting due to the Company's less than 50 percent ownership. The Company's portion of LSV's net earnings is reflected in Equity in the earnings of unconsolidated affiliate on the accompanying Consolidated Statements of Income.

The following table contains the condensed statements of income of LSV for the three months ended March 31:

	2002	2001
Revenues	$8,591	$6,952
Net income	$6,111	$5,028

The following table contains the condensed balance sheets of LSV:

	March 31, 2002	December 31, 2001
Current assets	$13,788	$13,394
Non-current assets	79	89
Total assets	$13,867	$13,483
Current liabilities	$ 1,081	$ 1,686
Partners' capital	12,786	11,797
Total liabilities and partners' capital	$13,867	$13,483

Note 7. **Accrued Expenses** - Accrued expenses on the accompanying ConsolidatedBalance Sheets consist of the following:

	March 31, 2002	December 31, 2001
Accrued compensation	$ 23,935	$ 39,542
Accrued income taxes	18,615	5,871
Accrued proprietary fund services	12,072	12,463
Accrued brokerage services	7,708	8,456
Accrued consulting services	6,830	6,980
Other accrued expenses	48,099	55,096
Total accrued expenses	$117,259	$128,408

Note 8. **Line of Credit** - The Company has a line of credit agreement with a principle lending institution. The Agreement provides for borrowings of up to $25,000 and expires on December 19, 2002, at which time the outstanding principal balance, if any, becomes due unless the Agreement is extended. The line of credit, when utilized, accrues interest at the Prime rate or one and one-quarter percent above the London Interbank Offer Rate (LIBOR). The Company is obligated to pay a commitment fee equal to one-quarter of one percent per annum on the average daily unused portion of the commitment. Certain covenants under the Agreement require the Company to maintain specified levels of net worth and place certain restrictions on investments.

Note 9. **Long-term Debt** - On February 24, 1997, the Company signed a Note Purchase Agreement authorizing the issuance and sale of $20,000 of 7.20% Senior Notes, Series A, and $15,000 of 7.27% Senior Notes, Series B, (collectively, the "Notes") in a private offering with certain financial institutions. The Notes are unsecured with final maturities ranging from 10 to 15 years. The proceeds from the Notes were used to repay the outstanding balance on the Company's line of credit at that date. The Note Purchase Agreement, as amended, contains various covenants, including limitations on indebtedness, maintenance of minimum net worth levels, and restrictions on certain investments. In addition, the agreement limits the Company's ability to merge or consolidate, and to sell certain assets.

Principal payments on the Notes are made annually from the date of issuance while interest payments are made semi-annually. The Company made its scheduled payment of $2,000 in February 2002. The current portion of the Notes amounted to $4,000 at March 31, 2002.

On June 26, 2001 the Company entered into a loan agreement (the "Agreement") with a separate lending institution. The agreement provides for borrowing up to $25,000 in the form of a term loan, and expires on March 31, 2006 and is payable in seventeen equal quarterly installments. The term loan, when utilized, accrues interest at the Prime rate or one and thirty-five hundredths of one percent above the London Interbank Offer Rate (LIBOR). The Agreement contains various covenants, including limitations on indebtedness and restrictions on certain investments. None of these covenants negatively affect the Company's liquidity or capital resources. On August 2, 2001, the Company borrowed $25,000 on this term loan. The loan was necessary to support capital improvement projects for our corporate campus and other business purposes. The Company made its scheduled payment of $1,388 in March 2002. The current portion of the notes amounted to $5,556 at March 31, 2002. The Company was in compliance with all covenants during the first quarter of 2002.

Note 10. **Common Stock Buyback** - The Board of Directors has authorized the purchase of the Company's common stock on the open market or through private transactions of up to an aggregate of $503,365. Through March 31, 2002, a total of 101,106 shares at an aggregate cost of $458,604 have been purchased and retired. The Company purchased four thousand shares at a total cost of $164 during the three month period ended March 31, 2002.

The Company immediately retires its common stock when purchased. Upon retirement, the Company reduces Capital in excess of par value for the average capital per share outstanding and the remainder is charged against Retained earnings. If the Company reduces its Retained earnings to zero, any subsequent purchases of common stock will be charged entirely to Capital in excess of par value.

Note 11. Segment Information - The Company defines its business segments in accordance with Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("SFAS 131"). SFAS 131 establishes standards for the way public business enterprises report financial information about operating segments in financial statements. SFAS 131 also requires additional disclosures about product and services, geographic areas, and major customers. The company redefined its segments during the second quarter 2001 and restated all prior periods to conform with the current presentation.

The Company evaluates financial performance of its operating segments based on Income from operations. Our operations and organizational structures were realigned in 2001 into separate business units that offer products and services tailored for particular market segments. Our reportable segments are Private Banking and Trust, Investment Advisors, Enterprises, Money Managers, and Investments in New Businesses. The accounting policies of the reportable segments are the same as those described in Note 1. Financial information for periods prior to 2001 has been restated to conform to current year presentation.

The information in the following tables is derived from the Company's internal financial reporting used for corporate management purposes. The accounting policies of the reportable segments are the same as those described in Note 1. The Company's management evaluates financial performance of its operating segments based on income before income taxes.

The following tables highlight certain unaudited financial information about each of the Company's segments for the three months ended March 31, 2002 and 2001.

For the Three-Month Period Ended March 31, 2002

	Private Banking & Trust	Investment Advisors	Enterprises	Money Managers	Investments In New Businesses	General And Administrative	Total
Revenues	$82,958	$38,891	$14,732	$ 10,797	$ 11,837		$159,215
Operating income (loss)	$33,825	$17,983	$ 5,388	$ 2,424	$ (3,289)	$(5,709)	$ 50,622
Other income, net							$ 3,348
Income before income taxes							$ 53,970
Depreciation and amortization	$ 2,747	$ 738	$ 261	$ 243	$ 309	$ 135	$ 4,433
Capital expenditures	$ 5,055	$ 1,802	$ 862	$ 593	$ 642	$ 647	$ 9,601

For the Three-Month Period Ended March 31, 2001

	Private Banking & Trust	Investment Advisors	Enterprises	Money Managers	Investments In New Businesses	General And Administrative	Total
Revenues	$89,422	$38,079	$15,908	$ 7,764	$10,128		$161,301
Operating income (loss)	$33,670	$14,722	$ 4,138	$ (123)	$(5,391)	$(5,383)	$ 41,633
Other income, net							$ 3,937
Income before income taxes							$ 45,570
Depreciation and amortization	$ 3,027	$ 749	$ 218	$ 256	$ 320	$ 165	$ 4,735
Capital expenditures	$ 6,787	$ 764	$ 280	$ 275	$ 290	$ 519	$ 8,915

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

(In thousands, except asset balances and per share data)

This discussion reviews and analyzes the consolidated financial condition at March 31, 2002 and 2001, the consolidated results of operations for the three months ended March 31, 2002 and 2001 and other key factors that may affect future performance. This discussion should be read in conjunction with the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements. Financial information on each of these segments is reflected in Note 11 of the Notes to Consolidated Financial Statements.

Results of Operations

Three Months Ended March 31, 2002 compared to Three Months Ended March 31, 2001

Consolidated Overview

Our operations and organizational structures were realigned in 2001 into business units that offer products and services tailored for particular market segments. Our reportable segments are Private Banking and Trust, Investment Advisors, Enterprises, Money Managers, and Investments in New Businesses. The accounting policies of our business segments are the same as those used in preparation of the consolidated financial statements. Management evaluates financial performance of its operating segments based on Income from operations. Financial information for the period ending March 31, 2001 has been restated to conform to current year presentation.

Revenue and Income from operations by segment for the three months ended March 31, 2002 and 2001 are as follows:

	For the three month period ended March 31,		
	2002	2001	Percent Change
Private Banking and Trust:			
Revenues	$ 82,958	$ 89,422	(7%)
Income from operations	33,825	33,670	--
Investment Advisors:			
Revenues	38,891	38,079	2%
Income from operations	17,983	14,722	22%
Enterprises:			
Revenues	14,732	15,908	(7%)
Income from operations	5,388	4,138	30%
Money Managers:			
Revenues	10,797	7,764	39%
Income (loss) from operations	2,424	(123)	2,071%
Investments in New Businesses:			
Revenues	11,837	10,128	17%
Loss from operations	(3,289)	(5,391)	39%
General and Administrative:			
Loss from operations	(5,709)	(5,383)	6%
Consolidated Segment Totals:			
Revenues	$159,215	$161,301	(1%)
Income from operations	$ 50,622	$ 41,633	22%

Revenues in the first quarter 2002 were primarily affected by the loss of several significant clients during the latter part of 2001 in our fund processing business. Also, economic uncertainty during the past year has slowed many purchase decisions in most of our target markets.

Operating income improved $9.0 million, or 22 percent, over the first quarter 2001 primarily due to cost controls including prioritizing our investments in the future. Our investment focus centers around building outsource business solutions for our target markets aimed at improving our client's business. We also continue to concentrate on process improvement and creating additional efficiencies in our operations.

We believe the market acceptance of our business solutions, our operational leverage, and our portfolio of businesses will support sustainable growth in future revenues and profits. In addition, we will continue to invest in the development of new products and services to expand our client base. However, any expected growth in revenues and earnings may be negated by continued volatility in the capital markets, delays in client decision- making, and mergers and acquisitions within the banking industry that could result in the loss of clients.

Asset Balances
(In millions)

	As of March 31, 2002	As of March 31, 2001	PERCENT CHANGE
Assets invested in equity and fixed income programs	$ 58,846	$ 51,384	15%
Assets invested in liquidity funds	20,116	26,691	(25%)
Assets under management	78,962	78,075	1%
Client proprietary assets under administration	177,965	192,218	(7%)
Assets under management and administration	$ 256,927	$270,293	(5%)

Assets under management consist of total assets invested in our equity and fixed income investment programs and liquidity funds for which we provide management services. Assets under management and administration consist of total assets for which we provide management and administrative services, including client proprietary fund balances for which we provide administration and/or distribution services.

Private Banking and Trust

Private Banking and Trust provides investment processing solutions, fund processing solutions, and investment management programs to banks and private trust companies. Investment processing solutions primarily include outsourcing services provided through our TRUST 3000 product line. TRUST 3000 includes many integrated products and sub-systems that provide a complete investment accounting and management information system for trust institutions. Investment processing fees are primarily earned from monthly processing, and software servicing and project fees associated with the conversion of new and merging clients.

Fund processing solutions include administration and distribution services provided to bank proprietary mutual funds. These services primarily include fund administration and accounting, legal services, shareholder recordkeeping, and marketing. Fund processing fees are based on a fixed percentage, referred to as basis points, of the average daily net asset value of the proprietary funds.

Investment management fees are primarily earned through management fees that are based upon a fixed percentage, referred to as basis points, of the average daily net asset value of assets under management.

	Three Months Ended		
	Mar. 31, 2002	Mar. 31, 2001	Percent Change
Revenues:			
Investment processing fees	$56,399	$56,216	--
Fund processing fees	15,593	22,162	(30%)
Investment management fees	10,966	11,044	(1%)
Total revenues	82,958	89,422	(7%)
Expenses:			
Operating and development	38,424	43,943	(13%)
Sales and marketing	10,709	11,809	(9%)
Total operating profits	$33,825	$33,670	--
Profit margin	41%	38%	
Percent of Revenue:			
Operating and development	46%	49%	
Sales and marketing	13%	13%	

Investment processing fees remained flat in the first quarter 2002, as compared to the corresponding prior year period, primarily due to a shift in revenues from one-time implementation fees to recurring processing fees. The increase in recurring processing fees in the first quarter 2002 was largely due to certain clients that were involved in mergers becoming fully implemented during 2001.

Fund processing fees decreased in the first quarter of 2002, as compared to the first quarter 2001, mainly due to the loss of several significant clients during the latter part of 2001. The loss of these clients resulted in a decrease in assets under administration of approximately $39 billion, as compared to the first quarter 2001.

Operating profits remained relatively flat whereas profit margin increased due our business model that seeks economies of scale and operational efficiencies. In addition, profit margins in the first quarter 2002 were affected by the revenue losses mentioned above, net of the decrease in direct expenses associated with these clients.

We believe our future growth in revenues and earnings will come from maintaining a consistent level of investment in the development of new products and services to grow existing markets and to expand into new markets. However, consolidations among our banking clients continue to be a major strategic issue facing this segment.

Investment Advisors

Investment Advisors provides investment management programs and investment processing solutions to affluent investors distributed through a network of investment professionals. Revenues are primarily earned through management fees that are based upon a fixed percentage, referred to as basis points, of the average daily net asset value of assets under management.

	Three Months Ended		
	Mar. 31, 2002	Mar. 31, 2001	Percent Change
Total Revenues	$38,891	$38,079	2%
Expenses:			
Operating and development	10,275	11,252	(9%)
Sales and marketing	10,633	12,105	(12%)
Total operating profits	$17,983	$14,722	22%
Profit margin	46%	39%	--
Percent of Revenue:			
Operating and development	27%	29%	
Sales and marketing	27%	32%	

The increase in revenues over the prior year period was primarily due to growth in assets under management as a result of new business. We established approximately 180 new registered investment advisor relationships during the first quarter 2002, bringing our total network to approximately 8,900 advisors. Revenues were also affected by movements in the capital markets.

Operating profits and profit margin improvement was primarily due to the increase in revenue and the management of discretionary expenses, mainly technology and marketing. Operating income and margins also were affected by our ability to utilize many shared resources across a larger revenue base, thereby creating efficiencies in our operations.

We believe future growth and success of this business is dependent upon continued acceptance of our investment management products and services. However, continued volatility in the capital markets could negatively affect future revenues and profits.

Enterprises

Enterprises provides retirement business solutions and treasury business solutions for corporations, unions and political entities, endowments and foundations and insurance companies. Retirement solutions revenues are primarily earned through management fees that are based upon a fixed percentage, referred to as basis points, of the average month-end net asset value of assets under management. Treasury solutions revenues are primarily earned through management fees that are based upon a fixed percentage, referred to as basis points, of the average daily net asset value of assets under management.

	Three Months Ended		
	Mar. 31, 2002	Mar. 31, 2001	Percent Change
Total Revenues	$14,732	$15,908	(7%)
Expenses:			
Operating and development	4,618	5,453	(15%)
Sales and marketing	4,726	6,317	(25%)
Total operating profits	$ 5,388	$ 4,138	30%
Profit margin	37%	26%	--
Percent of Revenue:			
Operating and development	31%	34%	
Sales and marketing	32%	40%	

Revenues from our Retirement Solutions business were affected by the loss of two clients during the fourth quarter of 2001. However, these losses were offset by an increase in funding to new clients. We established fourteen new client relationships during the first quarter 2002. In our Treasury Solutions business, revenues were affected by a decrease in assets under management invested in our liquidity funds as compared to the first quarter 2001.

Operating profit and profit margin improvement was primarily due to management of discretionary spending, primarily in marketing expenses and technology costs.

We will continue to invest in strategic initiatives that will continue to fuel growth for our outsourcing solutions. However, future revenues and earnings could be significantly affected by continued volatility in the capital markets.

Money Managers

Money Managers provides investment solutions to U.S investment managers, mutual fund companies and alternative investment managers worldwide. Revenues are primarily earned through administration and distribution fees that are based upon a fixed percentage, referred to as basis points, of the average daily net asset value of assets under administration.

	Three Months Ended		
	Mar. 31, 2002	Mar. 31, 2001	Percent Change
Total Revenues	$10,797	$ 7,764	39%
Expenses:			
Operating and development	5,467	4,572	20%
Sales and marketing	2,906	3,315	(12%)
Total operating profits	$ 2,424	$ (123)	2,071%
Profit margin	22%	(2%)	--
Percent of Revenue:			
Operating and development	51%	59%	
Sales and marketing	27%	43%	

The increase in revenues over the corresponding prior year period was primarily due to an increase in average assets under administration as a result of new business. We continue to see market acceptance of our products and services from alternative investment managers and U.S. money mangers.

Operating profits and profit margins increased over the corresponding prior year period due to an increase in new business activity mentioned above combined with expense management. In addition, revenues are affected by swings in the capital markets. Any significant change in value would have an impact on revenues.

Investments in New Businesses

Investments in New Businesses include our global asset management initiatives that provide investment solutions to institutional and high-net-worth investors outside the United States. Revenues are primarily earned through management fees that are based upon a fixed percentage, referred to as basis points, of the average daily net asset value of assets under management.

	Three Months Ended Mar. 31, 2002	Mar. 31, 2001	Percent Change
Total Revenues	$11,837	$10,128	17%
Expenses:			
Operating and development	9,952	10,809	(8%)
Sales and marketing	5,174	4,710	10%
Total operating losses	$(3,289)	$(5,391)	39%
Profit margin	(28%)	(53%)	--
Percent of Revenue:			
Operating and development	84%	107%	
Sales and marketing	44%	46%	

The increase in revenues over the corresponding prior year period was primarily due to an increase in assets under management from our global operations. We continue to experience positive market acceptance of our multi-manager investment solution offerings in Europe, especially in the U.K. pension market. We have also seen early positive results from other initiatives in Europe. We began a controlled launch in late 2001 targeting affluent and high-net worth investors through certain U.K. independent financial advisors. Also, our distribution activities are expanding in Europe and Canada.

The pace of global asset gathering and revenue recognition continues to accelerate. We plan to continue our efforts in establishing marketing and distribution channels and in developing technology outsourcing solutions to fill the needs of these markets. We expect to incur losses throughout the remainder of 2002 and during 2003.

General & Administrative

	Three Months Ended Mar. 31, 2002	Mar. 31, 2001	Percent Change
General and Administrative	$5,709	$5,383	6%
Percent of Revenue	4%	3%	

General and administrative expense primarily consists of corporate overhead costs and other costs not directly attributable to a reportable business segment.

Other Income

Other income on the accompanying Consolidated Statements of Income consist of the following:

	Three Months Ended Mar. 31, 2002	Mar. 31, 2001	Percent Change
Equity in the earnings of unconsolidated affiliate	$2,679	$2,238	20%
Interest income	1,150	2,249	(49%)
Interest expense	(481)	(550)	13%
Total other income, net	$3,348	$3,937	(15%)

Equity in the earnings of unconsolidated affiliate on the accompanying Consolidated Statements of Income includes our less than 50 percent ownership in the general partnership of LSV Asset Management ("LSV") (See Note 6 of the Notes to Consolidated Financial Statements). The increase in LSV's net earnings is due to an increase in assets under management.

Interest income is earned based upon the amount of cash that is invested daily and fluctuates in interest income recognized for one period in relation to another is due to changes in the average cash balance invested for the period. The decrease in interest income in the first quarter 2002 was primarily due to a reduction in interest rates, partially offset by a higher average cash balance, as compared to the first quarter 2001.

Interest expense primarily relates to our long-term debt and other borrowings.

Income Taxes

Our effective tax rate was 37.0 percent for the periods ending March 31, 2002 and 2001.

Liquidity and Capital Resources

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001
Net cash provided by operating activities	$ 27,680	$ 18,929
Net cash used in investing activities	(9,968)	(21,000)
Net cash used in financing activities	(4,893)	(45,335)
Net increase (decrease) in cash and cash equivalents	12,819	(47,406)
Cash and cash equivalents, beginning of period	163,685	147,676
Cash and cash equivalents, end of period	$176,504	$100,270

Cash requirements and liquidity needs are primarily funded through operations and our capacity for additional borrowing. We currently have a line of credit that provides for borrowings of up to $25.0 million. The availability of the line of credit is subject to compliance with certain covenants set forth in the agreement, (See Note 8 of the Notes to Consolidated Financial Statements). At March 31, 2002, the unused sources of liquidity consisted of unrestricted cash and cash equivalents of $176.5 million and the unused portion of the line of credit of $25.0 million.

The increase in cash flows from operations was primarily due to an increase in income. In addition, cash flows from operations in both comparable periods were affected by the tax benefit received from stock options exercised, and increase in trade receivables and a decrease in various accrued expenses.

Cash flows from investing activities are principally affected by capital expenditures and investments in Company-sponsored mutual funds. Capital expenditures in the first three months of 2002 included $6.4 million related to the expansion of our corporate headquarters. The total expected cost of the expansion is estimated at $30.8 million, of which we have spent $25.2 million to date. We expect this project should be completed by mid 2002. Also, cash flows from investing activities were affected by purchases and sales of our mutual funds, mainly for the testing and subsequent startup of new investment programs to be offered to our clients. Purchases were approximately $6.6 million in the first quarter 2002, as compared to $11.8 million in the first quarter 2001, whereas sales totaled $6.1 million in the first quarter 2002, as compared to $1.1 million in the first quarter 2001.

Cash flows from financing activities are primarily affected by debt and equity transactions. Principal payments on the Senior notes are made annually from the date of issuance while interest payments are made semi-annually. Principal payments on the term loan are made quarterly from the date of issuance while interest payments are made based on the term of the LIBOR borrowing. We continued our common stock repurchase program. Our common stock buyback was minimal in the first quarter 2002, as compared to purchases of 1.3 million shares at a cost of $46.3 million during the first quarter 2001. Proceeds received from the issuance of common stock primarily results from stock option exercise activity. Cash dividends of $.05 per share were paid in the first quarter of 2002 and $.04 per share were paid in the first quarter 2001. Our Board of Directors has indicated its intention to continue making cash dividend payments.

Our operating cash flow, borrowing capacity, and liquidity should provide adequate funds for continuing operations, continued investment in new products and equipment, our common stock repurchase program, expansion of our corporate campus, future dividend payments, and principal and interest payments on our long-term debt.

Forward-Looking Information

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. Certain information contained in this discussion is or may be considered forward-looking. Forward-looking statements relate to future operations, strategies, financial results or other developments. Forward-looking statements are based upon estimates and assumptions that involve certain 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.

Quantitative and Qualitative Disclosures About Market Risk

We do have a number of satellite offices located outside the United States that conduct business in local currencies of that country. All foreign operations aggregate approximately 6 percent of total consolidated revenues. Due to this limited activity, we do not hedge against foreign operations nor do we expect any material loss with respect to foreign currency risk.

Exposure to market risk for changes in interest rates relate primarily to our investment portfolio and other borrowings. We do not undertake any specific actions to cover our exposure to interest rate risk and are not a party to any interest rate risk management transactions. We place our investments in financial instruments that meet high credit quality standards. We are adverse to principal loss and ensure the safety and preservation of our invested funds by limiting default risk, market risk, and reinvestment risk. The interest rate on our long-term debt is fixed and is not traded on any established market. We have no cash flow exposure due to rate changes for our long-term debt.

We are exposed to market risk associated with changes in the fair value of our investments available for sale. To provide some protection against potential fair value changes associated with our investments available for sale, we have entered into various derivative financial transactions. The derivative instruments are used to hedge changes in the fair market value of certain investments available for sale. The derivative instruments are qualifying hedges and as such changes in the fair value hedge along with changes in the fair value of the related hedged item are reflected in the statement of income. We currently hold derivatives with a notional amount of $30.7 million with various terms, generally less than one year. The effectiveness of these hedging relationships is evaluated on a retrospective and prospective basis using quantitative measures of correlation. If a hedge is found to be ineffective, it no longer qualifies as a hedge and any excess gains or losses attributable to such ineffectiveness as well as subsequent changes in fair value are recognized in current period earnings. During the first quarter 2002, the amount of hedge ineffectiveness that was credited to current period earnings was a gain of $.4 million. We believe the derivative financial instruments entered into provide protection against volatile swings in market valuation associated with our Investments available for sale. During the first quarter 2002, we did not enter into or hold derivative financial instruments for trading purposes.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) The following is a list of exhibits filed as part of the Form 10-Q.

None.

(b) Reports on Form 8-K

There were no reports on Form 8-K filed by the Company during the quarter ended March 31, 2002.

SIGNATURES

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

SEI INVESTMENTS COMPANY

Date May 14, 2002 By /s/ Kathy Heilig

Kathy Heilig
Vice President and Controller