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SEI Poll: Alternative Fund Executives Remain Confident in Their Brand Despite Economic Uncertainty

Managers Cite Increasing Efficiency and Reducing Costs as Greatest Challenges

OAKS, PA -- (MARKET WIRE) -- 11/28/11 -- According to the results of a poll released today by SEI (NASDAQ: SEIC), the majority (63 percent) of investment managers surveyed are optimistic about their firm's prospects over the next three years, and of those, a full 50 percent feel this way due to the strength of their brand. In the poll, conducted at SEI's Annual CFO Forum for Alternative Investment Managers in New York, participants felt the institutional channel offered the greatest opportunity for asset growth (74 percent), specifically naming pension plans and foundations and endowments as the most attractive segment. Geopolitical and economic uncertainties were indicated by 63 percent as the most significant challenges facing the industry in the next 12-18 months. However, a majority of managers believe that investor confidence is better now than in the direct aftermath of the financial crisis, albeit only slightly.

Participating firms indicated that the top areas for investment in the next 18 months would be portfolio management (25 percent), or marketing and distribution (25 percent) functions, while only 4 percent were planning to invest in investor reporting. Almost 80 percent of managers feel that the cost of adhering to new regulatory requirements will negatively affect their firm's profitability, yet they were split 50 percent to 44 percent as to whether the volume and appropriateness of new regulations was about right or far too burdensome.

Panel discussions dealt with the continued evolution and maturation of the investment management industry, particularly the focus on corporate governance and a structured and responsible approach to outsourcing. Managers believe that addressing the industry's continued institutionalization is mandatory to attract institutional investors, deal with investors' increasing transparency needs, and remain a profitable business enterprise. Forty-seven percent of managers cited increasing efficiency as their greatest operational challenge, followed by their ability to reduce costs.

According to Ross Ellis, Vice President and Head of the SEI Knowledge Partnership for SEI's Investment Manager Services division, "Managers are looking to improve their

scalability, increase their efficiency, and streamline internal processes. CFOs and COOs wear many hats, and through the increased use of technology and leveraging of third-party resources, they are better able to focus on what's most important while keeping abreast of heightened regulatory requirements."

Several panelists confirmed that while independent third-party administration was an expectation of institutional investors, outsourcing was also a means to positively create an institutional-quality infrastructure.

"Operational infrastructures can be bolstered, providing opportunities for enhanced transparency and internal controls that can improve client relationships and support growth," said Ellis.

The poll was completed by CFOs, COOs, and senior executives across a variety of areas including operations, distribution, and investment management.

About SEI's Investment Manager Services Division
SEI's Investment Manager Services division provides comprehensive operational outsourcing solutions to support investment managers globally across a range of registered and unregistered fund structures, diverse investment strategies and jurisdictions. With expertise covering traditional and alternative investment vehicles, the division applies customized operating services, industry-leading technologies, and practical business and regulatory insights to each client's business objectives. SEI's resources enable clients to meet the demands of the marketplace and sharpen business strategies by focusing on their core competencies. The division has been recently recognized by the Money Management Institute as "Service Provider of the Year," by Buy-Side Technology as "Best Fund Administrator" and by HFMWeek as "Best Single Manager Hedge Fund Administrator (Over $30B AUA -- US)," and "Best Funds of Hedge Funds Administrator (Over $30B AUA -- Europe)." For more information, visit http://www.seic.com/IMS.

About SEI
SEI (NASDAQ: SEIC) is a leading global provider of investment processing, fund processing, and investment management business outsourcing solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of September 30, 2011, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers $395 billion in mutual fund and pooled assets or separately managed assets, including $162 billion in assets under management and $233 billion in client assets under administration. For more information, visit www.seic.com

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