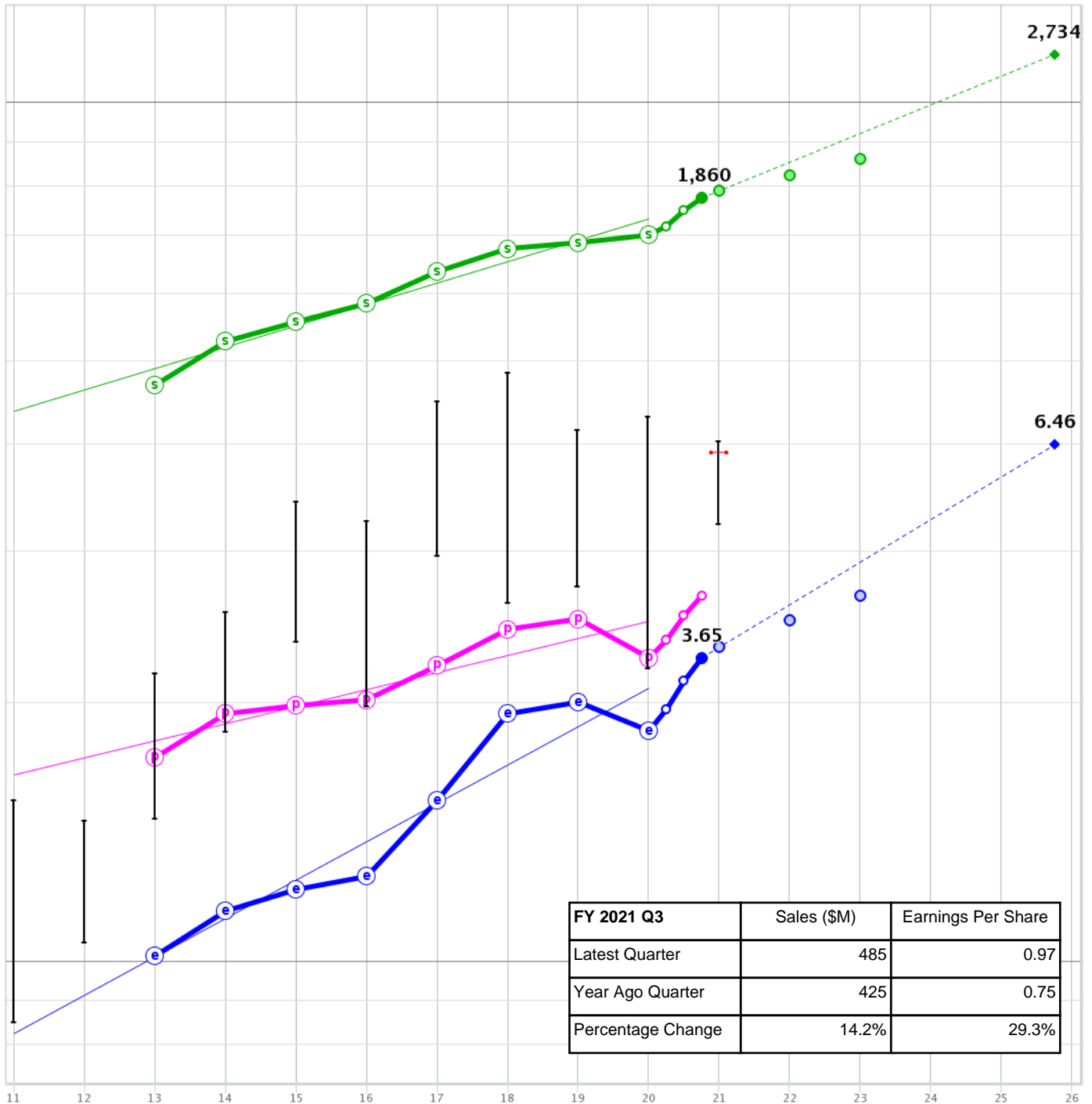


Stock Selection Guide

Company	SEI Investments		Date	01/07/22	
Prepared by	FINN		Data taken from	BI Stock Data	
Where traded	NAS	Industry	Asset Management		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	142.4	10.8	47.3		
Debt (\$M)	40.3	% to Tot Cap	2.1	% Pot Dil	1.4

Symbol: SEIC

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|------|--|-------|
| (1) Historical Sales Growth | 5.9% | (3) Historical Earnings Per Share Growth | 10.8% |
| (2) Estimated Future Sales Growth | 8.0% | (4) Estimated Future Earnings Per Share Growth | 12.1% |

2 EVALUATING Management

SEI Investments

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Last 5 Year Avg.
Pre-tax Profit on Sales	34.3%	33.2%	38.7%	38.7%	37.5%	36.3%	36.5%	37.8%	38.3%	33.8%	36.5%
% Earned on Equity	18.6%	19.6%	23.8%	24.8%	24.5%	24.6%	27.3%	29.6%	28.5%	24.9%	27.0%
% Debt To Capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	0.0%	2.7%	2.4%	1.4%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 63.33 (01/07/22)

HIGH THIS YEAR 65.22

LOW THIS YEAR 52.12

	A	B	C	D	E	F	G	H	
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield	
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100	
2016	52.5	32.0	2.03	25.9	15.8	0.54	26.6	1.7	
2017	72.5	47.9	2.49	29.1	19.2	0.58	23.3	1.2	
2018	78.4	42.3	3.14	25.0	13.5	0.63	20.1	1.5	
2019	67.1	44.2	3.24	20.7	13.6	0.68	21.0	1.5	
2020	69.6	35.4	3.00	23.2	11.8	0.72	24.0	2.0	
AVERAGE		40.3		24.8	14.8		23.0		
CURRENT/TTM			3.65			0.80	21.9		
AVERAGE PRICE EARNINGS RATIO: 19.8					CURRENT PRICE EARNINGS RATIO: 17.4				

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 24.8 X Estimate High Earnings/Share 6.46 = Forecasted High Price \$ 160.2

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 13.7 X Estimate Low Earnings/Share 3.65 = Forecasted Low Price \$ 50.0

(b) Avg. Low Price of Last 5 Years 40.3

(c) Recent Market Low Price 35.4

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.80}{2.03\%} = 39.3$

Selected Forecasted Low Price \$ 35.4

C ZONING using 25%-50%-25%

Forecasted High Price 160.2 Minus Forecasted Low Price 35.4 = 124.8 Range. 25% of Range 31.2

Buy Zone 35.4 to 66.6

Hold Zone 66.6 to 129.0

Sell Zone 129.0 to 160.2

Present Market Price of 63.33 is in the **BUY** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{160.2 - 63.33}{63.33 - 35.4} = \frac{96.88}{27.93} = 3.5$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{160.2 - 63.33}{63.33} = 2.5297$ X 100 = 252.97 - 100 = 153.0 % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.72}{63.33} = 0.0126 = 1.3\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{23.3\%}{24.80} = 0.9\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{23.3\%}{19.25} = 1.2\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 20.4 %
Average Yield 0.9 %
Annualized Rate of Return 21.3 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 14.4 %
Average Yield 1.2 %
Annualized Rate of Return 15.7 %