

# Annual Management Report of Fund Performance for the period ended December 31, 2011

U.S. Small Company Equity Fund

Class O Units, Class I Units, Class P Units, Class F Units, Class R Units, Class S Units, Class D Units, Class E Units,  
Class O(H) Units, Class I(H) Units, Class P(H) Units, Class F(H) Units, Class R(H) Units, Class D(H) Units and Class E(H) Units

Managed by: SEI INVESTMENTS CANADA COMPANY

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This annual Management Report of Fund Performance contains financial highlights, but does not contain the complete audited annual financial statements of the Fund. You may view the semi-annual (unaudited) and annual Financial Statements, as well as the annual and semi-annual Management Report of Fund Performance on our website [www.seic.com](http://www.seic.com), or through SEDAR at [www.sedar.com](http://www.sedar.com).

You may also request to receive a copy of these reports, SEI Funds' proxy voting policies and procedures, or quarterly portfolio disclosure at no cost by contacting us through any of the following methods:

Call us toll free at: 1-866-SEI-1114  
Visit our website: [www.seic.com](http://www.seic.com)  
Write to us at: SEI, 70 York Street, Suite 1600, Toronto, Ontario M5J 1S9

The proxy voting record of the SEI Funds for the period ending June 30, 2012 will be available on our website any time after August 31, 2012.

A caution regarding forward-looking statements:

This document may contain forward-looking statements about the Fund, including its strategy, performance and condition. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or negative versions thereof, or future or conditional verbs such as "will", "may", "could", "should" and "would", and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future fund action, is also a forward-looking statement.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance. There is significant risk that forward-looking statements will not prove to be accurate. We caution readers of this document to not place undue reliance on our forward-looking statements, as a number of factors could cause actual future results, conditions and actions or events to differ materially from those expressed or implied in any forward-looking statements. Factors may include, but are not limited to, general economic, political, market and business conditions; fluctuations in interest rates and foreign exchange rates; regulatory developments; and actions by governmental authorities. We caution that the foregoing list of factors is not exhaustive. Before making an investment decision, we encourage investors to consider these and other factors carefully. Future events and their effects on the Fund may not be those anticipated by us. Actual results may differ materially from the results anticipated in these forward-looking statements. We do not undertake, and specifically disclaim, any obligations to update or revise any forward-looking information, whether as a result of new information, future developments, or otherwise.

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# U.S. Small Company Equity Fund

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## Management Report of Fund Performance

### INVESTMENT OBJECTIVE AND STRATEGIES

The objective of the U.S. Small Company Equity Fund (the “Fund”) is to provide capital appreciation over the long term through broad participation in the small cap portion of the U.S. equity market.

The Fund holds equity securities primarily of U.S. companies with a range of market capitalizations found in indices that are representative of the U.S. mid to small capitalization component of those markets. All companies invested in are listed on recognized stock exchanges. Holdings are diversified amongst a broad universe that SEI believes comprehensively covers the segments considered to be representative of the U.S. small cap equities markets.

The Fund invests using a Manager of Managers investment strategy that involves appointing multiple specialist Portfolio Managers. Each Portfolio Manager manages a portion of the Fund in accordance with a specific mandate that is based on its expertise. Portfolio Managers are selected using in-depth research and once appointed, are subject to a rigorous monitoring process.

The current Portfolio Managers of the Fund are:  
Century Capital Management, LLC  
Lee Munder Investments, Ltd.  
Los Angeles Capital Management  
Wellington Management Company, LLC  
William Blair & Company, LLC  
SEI Investments Management Corporation  
SEI Investments Canada Company (the Manager)

SEI may change the Portfolio Managers and/or the allocation of assets to a particular Portfolio Manager from time to time at its sole discretion.

### RESULTS OF OPERATIONS

(This performance commentary is based on Class O units of the Fund. Returns for other classes of units may vary, largely due to differences in fees and expenses. Please refer to the Past Performance section for class level performance details.)

Small/Mid Cap equity markets, as measured by the Russell 2500 Index (the “Index”), were slightly down for the full 2011 calendar year, but only after volatile swings from positive to negative.

The market rally that took place over the last third of 2010 continued into 2011, faltering in mid-February when unrest in the Middle East and weak economic data rattled investors. Concerns grew in March following the earthquake and resulting tsunami in Japan, and nearly all year-to-date gains were erased. By the end of March, investors once again began to focus on the potential for a recovery in the U.S. economy, and the Index climbed to its highest point of year in April. The rebound was short-lived, however, as concerns regarding European sovereign debt (this time in Greece) and tepid economic data in the U.S. roiled the markets in May and the beginning of June, once again erasing nearly all gains. Another reversal in late June further exemplified the market’s inconsistency and sensitivity to macroeconomic data points, as the Index was driven to an 8.1% gain for the first half of the year. Mid-year was marked by uncertainty concerning the U.S. debt ceiling, which led to a downgrade of the country’s sovereign credit rating by S&P. Volatility spiked in August as the European sovereign debt crisis again took center stage and investors expressed concern over the eurozone’s ability to contain and resolve certain member countries’ leverage problems. The market found some reprieve in the last few months of the year as encouraging economic and unemployment data emerged, but volatility remained high and the negative impact from August and September could not be overcome, leaving the index down -0.39% for the year.

Throughout the year, the “risk” trade was mixed. Overall, however, low-beta strategies outperformed more aggressive approaches. Larger companies outperformed their smaller counterparts, but growth stocks beat value stocks. Balance sheet risk was not rewarded in the period, and highly levered companies underperformed those with less debt. Stocks that had high cash earnings yield were rewarded more than those that were lower yielding.

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## Management Report of Fund Performance

The U.S. Small Company Equity Fund was negatively impacted by stock selection in the period, while the Fund's sector weightings had little net effect. Information Technology was the largest detractor due to both an overweight to the sector and weak stock selection within the software and services area. Portfolio holdings in the capital goods segment of the Industrial sector hurt performance, as did those in commercial and professional services. Financials were a difficult sector for managers as well. Company-specific issues in the insurance and bank segments detracted, but an underweight to the capital markets area slightly offset their impact.

On the positive side, Health Care was strong for the Fund. The facilities and services sub-segment was particularly strong, and the pharmaceuticals segment added additional value. Also, despite the negative impact of the Fund's underweight to the Utilities sector, solid stock selection in gas and water utilities made it a contributor.

For the year ended December 31, 2011, the Fund underperformed the Russell 2500 Index, returning -2.68% versus the Index return of -0.39%.

### RECENT DEVELOPMENTS

The Fund's portfolio managers continue to expect the U.S. economy to recover, but are cautious of deterioration in the rate of growth. As eurozone countries continue to implement austerity measures, sovereign debt issues continue to cast a negative shadow on U.S. companies that have exposure to Europe. Until investors are confident in a resolution for the eurozone, markets are likely to see continued volatility driven by macro factors. Decreases in U.S. government spending are a risk, but corporate balance sheets are cash-rich and a potential demand-driver. Meanwhile, managers are looking to see continued improvements to consumer metrics such as unemployment and housing, and want to see increased capital expenditures in the business segment before becoming fully invested in the recovery.

Collectively over the year, managers became slightly more defensive at the margin. The portfolio has increased its exposure to Health Care, Consumer Staples and Utilities, though it also added to the cyclical Consumer Discretionary sector, mostly in retail. The weight in Industrials has decreased over the year due to transportation, and the Energy and Information Technology sectors have also seen decreasing weights. Consumer Discretionary has become the most overweight sector, followed by Information Technology. Financials continue to be most underweight because of limited real estate holdings, though managers made a modest move back into this area as they searched for investment yield. Utilities and Materials are meaningful underweights as well.

There were no manager changes made in the Fund during the year.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")  
The Canadian Accounting Standards Board ("CASB") previously confirmed January 1, 2011 as the date IFRS would replace Canadian Generally Accepted Accounting Principles (GAAP) for publicly accountable enterprises, which include investment funds and other reporting issuers.

In December 2011, the CASB amended the requirement to prepare financial statements in accordance with IFRS as issued by the International Accounting Standards Board, permitting investment funds to defer adoption of IFRS to fiscal years beginning on or after January 1, 2014. The Fund has elected to defer adoption of IFRS to January 1, 2014.

In preparing to meet the requirements, the Manager has taken the following steps in managing the transition to IFRS:

- Established a working group to identify key differences between Canadian GAAP and IFRS and to coordinate the implementation of the transition plan,
- Identified areas where changes in disclosure will be required under IFRS standards,
- Evaluated current information technology & reporting systems for readiness in IFRS implementation,

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- Assessed the likely impacts on business activity and operational areas such as internal controls, staffing and training requirements.

The major changes identified for IFRS financial statements include the addition of a statement of cash flows and the classification of unitholders' equity (puttable instruments) as a liability within the statement of net assets, unless certain conditions are met.

Based on the current evaluation of the differences between Canadian GAAP and IFRS, the adoption of IFRS is expected to have no significant impact on the calculation of net assets or net asset value. IFRS is expected to affect the overall presentation of financial statements and result in additional disclosure in the accompanying notes. However, the Manager's assessment may change if new standards are issued or if the interpretations of current standards are revised.

### RISK

The risks of investing in the Fund remain as discussed in the Prospectus. The Fund may be suitable for investors who have a medium to high tolerance for risk.

### RELATED PARTY TRANSACTIONS

In relation to certain of the Fund's portfolio transactions, a US-registered broker-dealer affiliate of the Manager provided certain brokerage services to carrying dealers for the Fund and received from such dealers certain commission recapture compensation for its services in 2011. Such services and such amounts were in accordance with the Manager's policy for such services being provided, on which the Independent Review Committee provided its recommendation to the Fund of a fair and reasonable result for the Fund, which operates as a standing instruction for compliance by the Manager.

Where certain of the Fund's expenses are incurred by the Manager on the Fund's behalf, they are reimbursed to the Manager at the cost of the expenses incurred. Reimbursement is done in compliance with the Manager's methodology for which the Independent Review Committee for the Fund has provided its recommendation to the Fund of a fair and reasonable result for the Fund, and which operates as a standing instruction for compliance by the Manager. The reimbursement of such amounts was made in 2011 on such basis.

# U.S. Small Company Equity Fund

## Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years.

### Class O

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.41</b>	\$3.83	\$3.52	\$4.67	\$6.18
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	\$0.05	\$0.05	\$0.05	\$0.07	\$0.07
Total expenses	-\$0.01	-\$0.01	—	-\$0.01	-\$0.01
Realized gains (losses) for the year	\$0.27	\$0.37	-\$0.47	-\$1.05	-\$0.34
Unrealized gains (losses) for the year	-\$0.41	\$0.21	\$0.75	-\$0.16	-\$1.23
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.10</b>	\$0.62	\$0.33	-\$1.15	-\$1.51
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	-\$0.03	-\$0.07	-\$0.04	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>-\$0.03</b>	-\$0.07	-\$0.04	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$4.27</b>	\$4.41	\$3.83	\$3.52	\$4.67
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$118,777	\$140,476	\$138,268	\$134,810	\$118,882
Number of units outstanding*	27,819,641	31,831,696	36,117,408	38,202,919	25,407,398
Management expense ratio <sup>(d)</sup>	0.16%	0.14%	0.06%	0.17%	0.13%
Management expense ratio before waivers	0.16%	0.14%	0.06%	0.17%	0.13%
Portfolio turnover rate <sup>(e)</sup>	126%	148%	189%	131%	172%
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	0.40%	0.16%	0.19%
Net asset Value per unit	\$4.27	\$4.41	\$3.83	\$3.53	\$4.68

### Class I

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.33</b>	\$3.74	\$3.43	\$4.60	\$6.13
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	\$0.05	\$0.04	\$0.04	\$0.07	\$0.07
Total expenses	-\$0.04	-\$0.04	-\$0.02	-\$0.03	-\$0.05
Realized gains (losses) for the year	\$0.23	\$0.35	-\$0.43	-\$1.04	-\$0.34
Unrealized gains (losses) for the year	-\$0.42	-\$0.17	\$0.05	-\$0.13	-\$1.16
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.18</b>	\$0.18	-\$0.36	-\$1.13	-\$1.48
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	—	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	—	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$4.18</b>	\$4.33	\$3.74	\$3.43	\$4.60
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	—	—	\$3	\$447	\$651
Number of units outstanding*	88	76	877	130,020	141,486
Management expense ratio <sup>(d)</sup>	0.95%	1.08%	1.11%	1.11%	1.08%
Management expense ratio before waivers	0.95%	1.08%	1.11%	1.11%	1.08%
Portfolio turnover rate <sup>(e)</sup>	126%	148%	189%	131%	172%
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	0.40%	0.16%	0.19%
Net asset Value per unit	\$4.19	\$4.34	\$3.74	\$3.44	\$4.60

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit.

<sup>(a)</sup> This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

<sup>(b)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

<sup>(c)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

<sup>(d)</sup> Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

<sup>(e)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(f)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

\* This information is provided as at December 31.

# U.S. Small Company Equity Fund

## Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

### Class P

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.04</b>	\$3.53	\$3.29	\$4.47	\$6.04
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	\$0.05	\$0.05	\$0.04	\$0.06	\$0.07
Total expenses	-\$0.10	-\$0.09	-\$0.07	-\$0.10	-\$0.13
Realized gains (losses) for the year	\$0.19	\$0.35	-\$0.44	-\$1.00	-\$0.33
Unrealized gains (losses) for the year	-\$0.33	\$0.23	\$0.76	-\$0.08	-\$1.26
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.19</b>	\$0.54	\$0.29	-\$1.12	-\$1.65
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	—	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	—	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$3.84</b>	\$4.04	\$3.53	\$3.29	\$4.47
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$7,785	\$6,433	\$5,617	\$5,283	\$5,273
Number of units outstanding*	2,027,462	1,590,991	1,588,403	1,603,322	1,179,262
Management expense ratio <sup>(d)</sup>	2.61%	2.52%	2.36%	2.46%	2.45%
Management expense ratio before waivers	2.61%	2.52%	2.36%	2.46%	2.45%
Portfolio turnover rate <sup>(e)</sup>	126%	148%	189%	131%	172%
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	0.40%	0.16%	0.19%
Net asset Value per unit	\$3.84	\$4.04	\$3.54	\$3.30	\$4.60

### Class F

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.34</b>	\$3.77	\$3.47	\$4.65	\$6.20
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	\$0.05	\$0.05	\$0.05	\$0.07	\$0.07
Total expenses	-\$0.04	-\$0.04	-\$0.03	-\$0.04	-\$0.06
Realized gains (losses) for the year	\$0.25	\$0.36	-\$0.47	-\$1.04	-\$0.34
Unrealized gains (losses) for the year	-\$0.42	\$0.23	\$0.95	-\$0.11	-\$1.40
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.16</b>	\$0.60	\$0.50	-\$1.12	-\$1.73
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.04	-\$0.02	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	-\$0.04	-\$0.02	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$4.19</b>	\$4.34	\$3.77	\$3.47	\$4.65
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$903	\$971	\$852	\$535	\$523
Number of units outstanding*	215,380	223,634	225,856	153,549	112,420
Management expense ratio <sup>(d)</sup>	0.98%	0.99%	1.00%	1.00%	1.00%
Management expense ratio before waivers	0.98%	0.99%	1.00%	1.00%	1.00%
Portfolio turnover rate <sup>(e)</sup>	126%	148%	189%	131%	172%
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	0.40%	0.16%	0.19%
Net asset Value per unit	\$4.19	\$4.34	\$3.77	\$3.48	\$4.66

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit.

<sup>(a)</sup> This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

<sup>(b)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

<sup>(c)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

<sup>(d)</sup> Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

<sup>(e)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(f)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

\* This information is provided as at December 31.

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## Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

### Class D

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$3.99</b>	\$3.78 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	\$0.05	\$0.01	—	—	—
Total expenses	-\$0.11	-\$0.02	—	—	—
Realized gains (losses) for the year	\$0.03	-\$0.24	—	—	—
Unrealized gains (losses) for the year	-\$0.24	\$0.17	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.27</b>	<b>-\$0.08</b>	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.05	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	<b>-\$0.05</b>	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$3.78</b>	\$3.99	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$1,398	\$134	—	—	—
Number of units outstanding*	369,704	33,538	—	—	—
Management expense ratio <sup>(d)</sup>	2.92%	2.80%	—	—	—
Management expense ratio before waivers	2.92%	2.80%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	126%	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	—	—	—
Net asset Value per unit	\$3.78	\$4.00	—	—	—

### Class E

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.01</b>	\$3.78 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	\$0.06	\$0.01	—	—	—
Total expenses	-\$0.09	-\$0.02	—	—	—
Realized gains (losses) for the year	\$0.04	\$0.11	—	—	—
Unrealized gains (losses) for the year	-\$0.19	\$0.04	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.18</b>	<b>\$0.14</b>	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.03	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	<b>-\$0.03</b>	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$3.82</b>	\$4.01	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$144	\$13	—	—	—
Number of units outstanding*	37,804	3,319	—	—	—
Management expense ratio <sup>(d)</sup>	2.37%	2.30%	—	—	—
Management expense ratio before waivers	2.37%	2.30%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	126%	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	—	—	—
Net asset Value per unit	\$3.82	\$4.02	—	—	—

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit.

<sup>1</sup> Initial offering price.

<sup>(a)</sup> This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

<sup>(b)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

<sup>(c)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

<sup>(d)</sup> Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

<sup>(e)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(f)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

\* This information is provided as at December 31.

# U.S. Small Company Equity Fund

## Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

### Class O(H)-Hedged

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.42</b>	\$4.00 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	-\$0.13	\$0.19	—	—	—
Total expenses	-\$0.01	—	—	—	—
Realized gains (losses) for the year	\$0.14	\$0.39	—	—	—
Unrealized gains (losses) for the year	-\$0.40	\$0.61	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.40</b>	\$1.18	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.15	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	-\$0.15	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$4.14</b>	\$4.42	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	<b>\$877</b>	\$324	—	—	—
Number of units outstanding*	<b>211,923</b>	73,194	—	—	—
Management expense ratio <sup>(d)</sup>	<b>0.16%</b>	0.15%	—	—	—
Management expense ratio before waivers	<b>0.16%</b>	0.15%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	<b>126%</b>	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	<b>0.22%</b>	0.24%	—	—	—
Net asset Value per unit	<b>\$4.14</b>	\$4.42	—	—	—

### Class P(H)-Hedged

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.10</b>	\$3.67 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	-\$0.02	\$0.07	—	—	—
Total expenses	-\$0.11	-\$0.08	—	—	—
Realized gains (losses) for the year	\$0.21	\$0.33	—	—	—
Unrealized gains (losses) for the year	-\$0.47	\$0.22	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.39</b>	\$0.54	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.04	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	-\$0.04	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$3.73</b>	\$4.10	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	<b>\$10</b>	\$14	—	—	—
Number of units outstanding*	<b>2,778</b>	3,439	—	—	—
Management expense ratio <sup>(d)</sup>	<b>2.64%</b>	2.56%	—	—	—
Management expense ratio before waivers	<b>2.64%</b>	2.56%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	<b>126%</b>	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	<b>0.22%</b>	0.24%	—	—	—
Net asset Value per unit	<b>\$3.74</b>	\$4.10	—	—	—

<sup>1</sup> Note: This table is not intended to act as a continuity of opening and closing Net assets per unit

<sup>1</sup> Initial offering price..

<sup>(a)</sup> This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

<sup>(b)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

<sup>(c)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

<sup>(d)</sup> Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

<sup>(e)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(f)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

\* This information is provided as at December 31.

# U.S. Small Company Equity Fund

## Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

### Class F(H)-Hedged

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.37</b>	\$3.92 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	-\$0.02	\$0.14	—	—	—
Total expenses	-\$0.04	-\$0.03	—	—	—
Realized gains (losses) for the year	\$0.23	\$0.39	—	—	—
Unrealized gains (losses) for the year	-\$0.53	\$0.56	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.36</b>	\$1.06	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.12	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	-\$0.12	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$4.07</b>	\$4.37	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$58	\$55	—	—	—
Number of units outstanding*	14,306	12,596	—	—	—
Management expense ratio <sup>(d)</sup>	1.00%	1.00%	—	—	—
Management expense ratio before waivers	1.00%	1.00%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	126%	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	—	—	—
Net asset Value per unit	\$4.07	\$4.37	—	—	—

### Class D(H)-Hedged

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.05</b>	\$3.79 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	-\$0.18	—	—	—	—
Total expenses	-\$0.11	-\$0.02	—	—	—
Realized gains (losses) for the year	\$0.09	\$0.12	—	—	—
Unrealized gains (losses) for the year	-\$0.37	\$0.14	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.57</b>	\$0.24	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.05	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	-\$0.05	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$3.73</b>	\$4.05	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$91	\$17	—	—	—
Number of units outstanding*	24,429	4,261	—	—	—
Management expense ratio <sup>(d)</sup>	2.92%	2.83%	—	—	—
Management expense ratio before waivers	2.93%	2.83%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	126%	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	—	—	—
Net asset Value per unit	\$3.73	\$4.05	—	—	—

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit.  
<sup>1</sup> Initial offering price.

<sup>(a)</sup> This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

<sup>(b)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

<sup>(c)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

<sup>(d)</sup> Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

<sup>(e)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(f)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

\* This information is provided as at December 31.

# U.S. Small Company Equity Fund

## Financial Highlights — FOR THE YEARS ENDED DECEMBER 31

### Class E(H)-Hedged

THE FUND'S NET ASSETS PER UNIT <sup>(a)</sup>	2011	2010	2009	2008	2007
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$4.05</b>	\$3.79 <sup>1</sup>	—	—	—
<b>INCREASE (DECREASE) FROM OPERATIONS:</b>					
Total revenue	-\$0.17	\$0.01	—	—	—
Total expenses	-\$0.09	-\$0.02	—	—	—
Realized gains (losses) for the year	\$0.09	\$0.11	—	—	—
Unrealized gains (losses) for the year	-\$0.44	\$0.20	—	—	—
<b>Total increase (decrease) from operations <sup>(b)</sup></b>	<b>-\$0.61</b>	\$0.30	—	—	—
<b>DISTRIBUTIONS:</b>					
From income (excluding dividends)	—	-\$0.06	—	—	—
<b>Total annual distributions <sup>(c)</sup></b>	<b>—</b>	-\$0.06	—	—	—
<b>NET ASSETS, END OF YEAR</b>	<b>\$3.70</b>	\$4.05	—	—	—
<b>RATIOS AND SUPPLEMENTAL DATA</b>					
Net asset value (\$000's)*	\$35	\$9	—	—	—
Number of units outstanding*	9,364	2,330	—	—	—
Management expense ratio <sup>(d)</sup>	2.37%	2.28%	—	—	—
Management expense ratio before waivers	2.37%	2.28%	—	—	—
Portfolio turnover rate <sup>(e)</sup>	126%	148%	—	—	—
Trading expense ratio <sup>(f)</sup>	0.22%	0.24%	—	—	—
Net asset Value per unit	\$3.71	\$4.05	—	—	—

Note: This table is not intended to act as a continuity of opening and closing Net assets per unit. Initial offering price.

<sup>(a)</sup> This information is derived from the Fund's audited annual financial statements. The Net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's financial statements.

<sup>(b)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the year.

<sup>(c)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

<sup>(d)</sup> Management expense ratio is the ratio of all fees and expenses (including Goods and Services Tax (GST) up to June 30, 2010 and Harmonized Sales Tax (HST) thereafter) and interest expense but excluding brokerage commission on securities transactions charged to the Fund to daily average net asset value on an annualized basis.

<sup>(e)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(f)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

\* This information is provided as at December 31.

## Management Fees

The following table shows the annual management fees for each unit class where such fees are paid by the Fund.

The management fees are calculated based on the daily Net Asset Value of each applicable unit class of the Fund and paid monthly.

The Funds do not pay management fees to the Manager in respect of the Class O Units, Class O(H) Units, Class R Units and Class R(H) Units, as applicable, as all compensation to the manager is paid pursuant to separate management agreements.

	Class O	Class I	Class P	Class F	Class R	Class D	Class E
Management Fees	n/a	0.90%	2.20%	1.00% <sup>1</sup>	n/a	2.50%	2.00%
	Class O(H)	Class I(H)	Class P(H)	Class F(H)	Class R(H)	Class D(H)	Class E(H)
	n/a	0.90%	2.20%	1.00% <sup>1</sup>	n/a	2.50%	2.00%

<sup>1</sup> Inclusive of Goods and Service Tax/Harmonized Sales Tax

The following table shows the major services paid for as a percentage of the management fees above for each unit class of the Fund.

	Class O	Class I	Class P	Class F	Class R	Class D	Class E
Investment management and other general administration	n/a	100.0%	31.8%	100.0%	n/a	30.0%	37.5%
Trailer Commissions*	n/a	n/a	68.2%	n/a	n/a	70.0%	62.5%
	Class O(H)	Class I(H)	Class P(H)	Class F(H)	Class R(H)	Class D(H)	Class E(H)
Investment management and other general administration	n/a	100.0%	31.8%	100.0%	n/a	30.0%	37.5%
Trailer Commissions*	n/a	n/a	68.2%	n/a	n/a	70.0%	62.5%

\* Where negotiated with a particular dealer on a case-by-case basis and by class, SEI may pay trailer commissions up to the maximum of 1.75% per annum, calculated based upon the average net asset value of the units of the Fund held in the accounts of clients of the participating dealers during a particular calendar quarter.

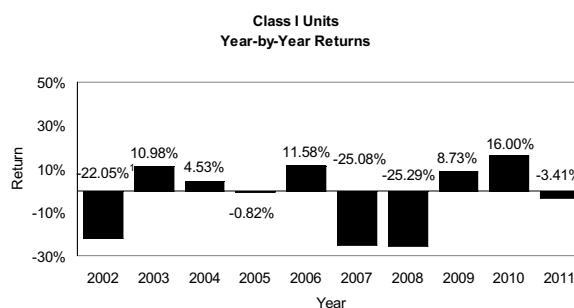
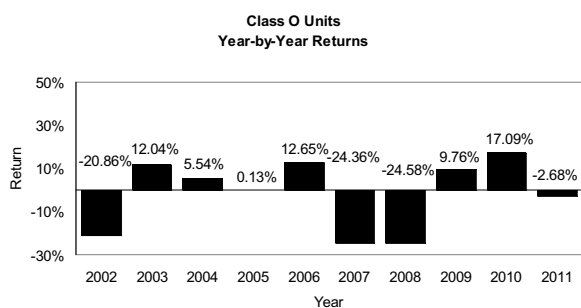
# U.S. Small Company Equity Fund

## Past Performance

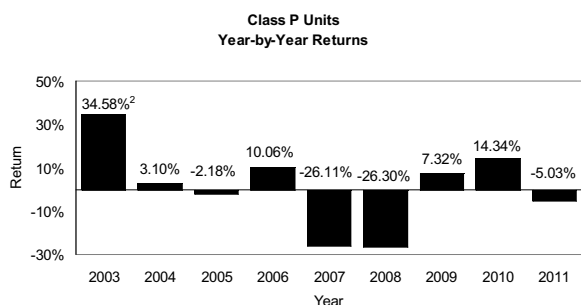
The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. This performance information does not take into account sales, redemptions, distribution or other optional charges that would have reduced returns or performance. Past performance of the Fund does not necessarily indicate how it will perform in the future.

### YEAR-BY-YEAR RETURNS

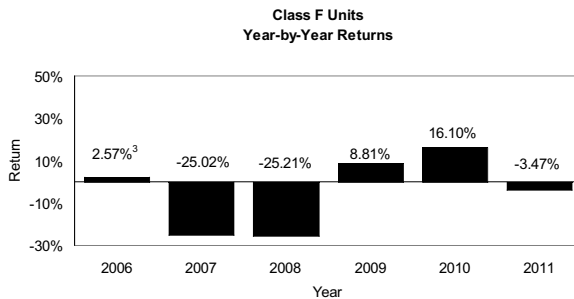
The following charts show the Fund's annual performance and illustrate how performance has changed from year to year. In percentage terms, the charts show how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



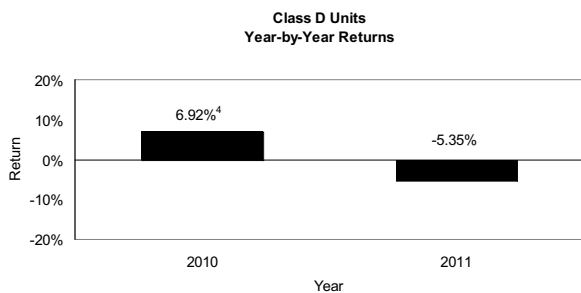
<sup>1</sup> From February 2002 first issuance by Prospectus



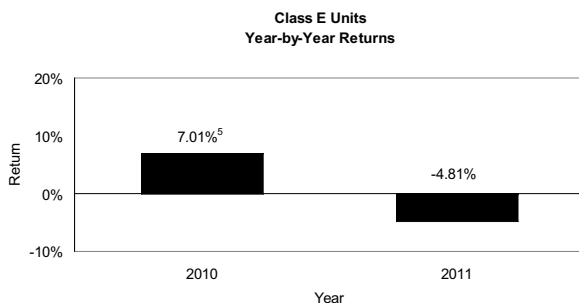
<sup>2</sup> From March 2003 first issuance by Prospectus



<sup>3</sup> From April 2006 first issuance by Prospectus



<sup>4</sup> From November 2010 first issuance by Prospectus

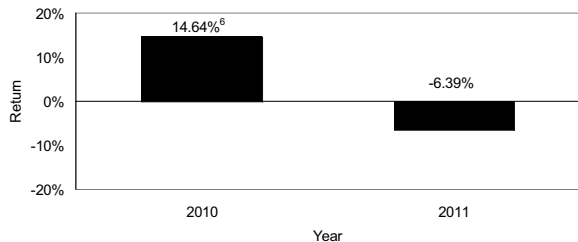


<sup>5</sup> From November 2010 first issuance by Prospectus

# U.S. Small Company Equity Fund

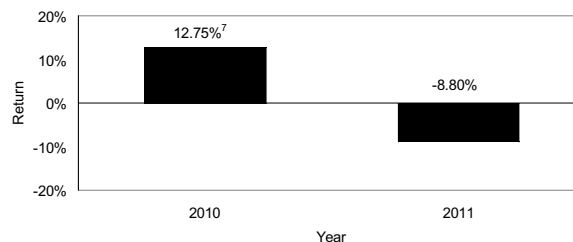
## YEAR-BY-YEAR RETURNS - CONTINUED

**Class O(H) Units  
Year-by-Year Returns**



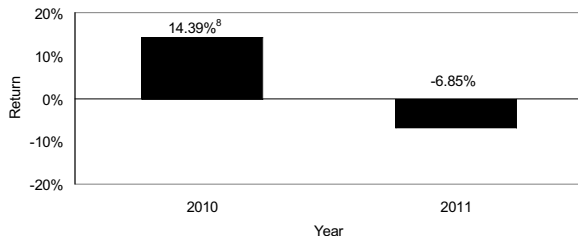
<sup>6</sup> From March 2010 first issuance by Prospectus

**Class P(H) Units  
Year-by-Year Returns**



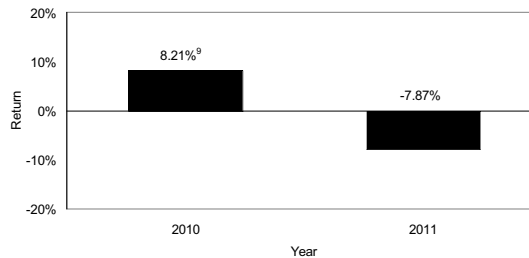
<sup>7</sup> From March 2010 first issuance by Prospectus

**Class F(H) Units  
Year-by-Year Returns**



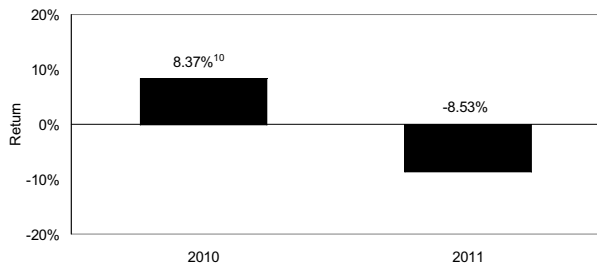
<sup>8</sup> From March 2010 first issuance by Prospectus

**Class D(H) Units  
Year-by-Year Returns**



<sup>9</sup> From November 2010 first issuance by Prospectus

**Class E(H) Units  
Year-by-Year Returns**



<sup>10</sup> From November 2010 first issuance by Prospectus

# U.S. Small Company Equity Fund

## ANNUAL COMPOUND RETURNS

The following table shows the Fund's historical compound returns for the period ended December 31, 2011.

These returns are also compared to the returns of the Russell 2500 Index on the same compound basis. The Russell 2500 Index is a capitalization weighted index that measures the performance of 2500 of the smallest companies in the Russell 3000 Index.

	One Year	Three Years	Five Years	Ten Years	Since Inception	Inception Date
Class O Units	-2.68%	7.74%	-6.53%	-2.79%	0.36%	24-Nov-99
Russell 2500* Index (\$C)	-0.39%	10.76%	-2.32%	1.12%	2.35%	
Class I Units	-3.41%	6.80%	-7.37%	n/a	-3.57%	1-Feb-02
Russell 2500* Index (\$C)	-0.39%	10.76%	-2.32%	n/a	1.33%	
Class P Units	-5.03%	5.23%	-8.69%	n/a	-1.44%	31-Mar-03
Russell 2500* Index (\$C)	-0.39%	10.76%	-2.32%	n/a	5.50%	
Class F Units	-3.47%	6.84%	-7.32%	n/a	-6.02%	17-Apr-06
Russell 2500* Index (\$C)	-0.39%	10.76%	-2.32%	n/a	-0.90%	
Class D Units	-5.35%	n/a	n/a	n/a	1.03%	1-Nov-10
Russell 2500* Index (\$C)	-0.39%	n/a	n/a	n/a	6.42%	
Class E Units	-4.81%	n/a	n/a	n/a	1.59%	1-Nov-10
Russell 2500* Index (\$C)	-0.39%	n/a	n/a	n/a	6.42%	
Class O(H) Units	-6.39%	n/a	n/a	n/a	3.95%	6-Mar-10
Russell 2500* Index Hedge (\$C)	-1.87%	n/a	n/a	n/a	8.84%	
Class P(H) Units	-8.80%	n/a	n/a	n/a	1.54%	6-Mar-10
Russell 2500* Index Hedge (\$C)	-1.87%	n/a	n/a	n/a	8.84%	
Class F(H) Units	-6.85%	n/a	n/a	n/a	3.54%	6-Mar-10
Russell 2500* Index Hedge (\$C)	-1.87%	n/a	n/a	n/a	8.84%	
Class D(H) Units	-7.87%	n/a	n/a	n/a	-0.26%	1-Nov-10
Russell 2500* Index Hedge (\$C)	-1.87%	n/a	n/a	n/a	7.34%	
Class E(H) Units	-8.53%	n/a	n/a	n/a	-0.75%	1-Nov-10
Russell 2500* Index Hedge (\$C)	-1.87%	n/a	n/a	n/a	7.34%	

\* Prior to August 2007, the benchmark was the Russell 2000 Index. Historic returns have been listed to reflect the change.

# U.S. Small Company Equity Fund

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## Summary of Investment Portfolio

AS AT DECEMBER 31, 2011

The Summary of Investment Portfolio may change due to ongoing transactions of the Fund. Quarterly updates are available at [www.seic.com](http://www.seic.com) within 60 days after each quarter end.

### PORTFOLIO BREAKDOWN

Sector	% of Total Net Asset Value
Financials	18.2%
Information Technology	16.4%
Industrials	15.5%
Consumer Discretionary	15.4%
Health Care	10.9%
Energy	6.6%
Materials	6.0%
Utilities	4.6%
Consumer Staples	3.9%
Cash Equivalents	1.8%
Telecommunication Services	<u>0.7%</u>
<b>Total</b>	<b>100.0%</b>

### TOP 25 HOLDINGS

Holding	% of Total Net Asset Value
US Dollar At Cdn Imperial Bk	1.2%
Salix Pharmaceuticals Ltd.	0.8%
Great Plains Energy Inc.	0.7%
Validus Holdings Ltd.	0.6%
Portland General Electric Co.	0.6%
Corn Products International Inc.	0.6%
Tempur-Pedic International Inc.	0.5%
Allscripts Healthcare Solutions Inc.	0.5%
Whiting Petroleum Corp.	0.5%
Newell Rubbermaid Inc.	0.5%
ProAssurance Corp.	0.5%
CareFusion Corp.	0.5%
Ansys Inc.	0.5%
Moog Inc. Cl A	0.5%
VeriFone Systems Inc.	0.5%
DSW Inc. Cl A	0.5%
Syntel Inc.	0.5%
BE Aerospace Inc.	0.5%
Cadence Design Systems Inc.	0.5%
Hancock Holding Co.	0.5%
Parametric Technology Corp.	0.5%
Tetra Tech Inc.	0.5%
FirstMerit Corp.	0.4%
Zions Bancorporation	0.4%
Synopsys Inc.	<u>0.4%</u>
Total	13.7%

**Total Net Assets**

**\$130,001,037**

The Fund may invest in securities of other mutual funds managed by SEI. You may view the prospectus and other information about the underlying SEI Funds at [www.seic.com](http://www.seic.com) or [www.sedar.com](http://www.sedar.com).