



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

SVB Financial Group

Person to be contacted regarding this report:	Annie Loo
UST Sequence Number:	87
CPP Funds Received:	235,000,000
CPP Funds Repaid to Date:	235,000,000
Date Funded (first funding):	Dec 12, 2008
Date Repaid ¹ :	Dec 23, 2009

RSSD: (For Bank Holding Companies)	802866
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	Santa Clara
State:	California

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	We participated in the CPP so that we could continue lending comfortably to clients in a challenging economic environment. In 2009, we added over 400 new loan clients with nearly \$1B of new loans, despite flat average loan growth from '08 to '09 due to clients' deleveraging of their businesses.
<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	We primarily make commercial loans to technology and life science companies, and to the venture capital firms that support their growth. Our clients are the innovators of Silicon Valley and other key entrepreneurial markets, which include many small businesses and startup companies.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	
<input type="checkbox"/>	Reduce borrowings	
<input type="checkbox"/>	Increase charge-offs	
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	Another objective for participating in CPP was to strengthen our capital base in order to mitigate potential increases in credit risks due to the environment, to maintain strong levels of liquidity, and to allow us to continue pursuing business development and overall growth.

What actions were you able to avoid because of the capital infusion of CPP funds?

Our primary objectives for participating in the CPP in December 2008 were to enable us to continue lending comfortably to clients in a challenging economic environment and to maintain and strengthen our overall capital base. While we did not segregate our CPP funds from our other funds or otherwise separately track our use of the CPP proceeds, we believe that we achieved those objectives during the time we were a CPP participant.

In the fall of 2008, we had been considering a potential capital raising transaction, such as an equity or qualifying debt offering, to further strengthen our capital position to support our plans for growth. However, due to the opportunity for healthy financial institutions to participate in the CPP, we opted to raise capital through participating in the CPP instead. We believed that since the CPP was designed for healthy, viable institutions, participation in the program would enhance our capital base and reflect our financial soundness.

Absent the CPP funds or a capital raising transaction, we may have had to reduce new lending activities to ensure that we had sufficient capital to absorb potential credit losses in light of the challenging economic environment in 2008 and 2009. The CPP funds enabled us to continue to comfortably lend in a challenging economic environment in 2009. During the first quarter of 2009, we allocated \$100 million of the CPP funds to our lending efforts at our bank subsidiary, Silicon Valley Bank. We did not reduce our new lending activities and in fact, added over 400 new loan clients with nearly \$1 billion in new borrowings in 2009. Our overall total new client count, including our new loan clients, reached nearly 1,000 in 2009. Additionally, during 2009, with a capital base strengthened by the CPP funds, we maintained strong levels of liquidity to support our ongoing business needs, and we continued to pursue our growth opportunities, including our global initiatives in China, India, Israel and the United Kingdom primarily to facilitate our US clients' international operations and expansion, and to build our foundation for future revenue-generating opportunities, such as developing new products and services.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

In general, the capital infusion of CPP funds allowed us to continue operating our business confidently and comfortably, despite the challenges of the unstable economic environment in 2009. As discussed above, we continued to lend and to pursue growth and future revenue-generating opportunities.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

N/A

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.