

Q1 2019

Corporate Overview and Financial Results

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Important information regarding forward-looking statements and use of non-GAAP financial measures

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance, and are subject to known and unknown risks and uncertainties, many of which may be beyond our control. You can identify these and other forward-looking statements by the use of words such as "becoming," "may," "will," "should," "could," "would," "predict," "potential," "continue," "anticipate," "believe," "estimate," "seek," "expect," "plan," "intend," the negative of such words, or comparable terminology. In this presentation, we make forward-looking statements discussing management's expectations about, among other things: economic conditions; opportunities in the market; outlook on our clients' performance; our financial, credit, and business performance, including potential investment gains, loan growth, loan mix, loan yields, credit quality, deposits, noninterest income, and expense levels; our expected effective tax rate; and financial results, including the performance results of SVB Leerink for certain quarters in, and for the full year 2019, as well as 2020 and beyond. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we have based these expectations on our current beliefs as well as our assumptions, and such expectations may prove to be incorrect.

We wish to caution you that such statements are just predictions and actual events or results may differ materially, due to changes in economic, business and regulatory factors and trends. Our actual results of operations and financial performance could differ significantly from those expressed in or implied by our management's forward-looking statements. Important factors that could cause our actual results and financial condition to differ from the expectations stated in the forward-looking statements include, among others: market and economic conditions (including the general condition of the capital and equity markets, and IPO, M&A and financing activity levels) and the associated impact on us (including effects on client demand for our commercial and investment banking and other financial services, as well as on the valuations of our investments); changes in the volume and credit quality of our loans; the impact of changes in interest rates or market levels or factors affecting or affected by them, especially on our loan and investment portfolios; changes in the levels of our loans, deposits and client investment fund balances; changes in the performance or equity valuations of funds or companies in which we have invested or hold derivative instruments or equity warrant assets; variations from our expectations as to factors impacting our cost structure; changes in our assessment of the creditworthiness or liquidity of our clients or unanticipated effects of credit concentration risks which create or exacerbate deterioration of such creditworthiness or liquidity; variations from our expectations as to factors impacting the timing and level of employee share-based transactions; variations from our expectations as to factors impacting our estimate of our full-year effective tax rate; accounting changes, as required by Generally Accepted Accounting Principles (GAAP); and regulatory, tax or legal changes or their impact on us.

We refer you to the documents the Company files from time to time with the Securities and Exchange Commission, including (i) our latest Annual Report on Form 10-K; (ii) our latest Quarterly Report on Form 10-Q; and (iii) our most recent earnings release filed on Form 8-K. These documents contain and identify important risk factors that could cause the Company's actual results to differ materially from those contained in our projections or other forward-looking statements. All forward-looking statements included in this presentation are made only as of the date of this presentation. We assume no obligation and do not intend to revise or update any forward-looking statements contained in this presentation, except as required by law. This presentation shall not constitute an offer or solicitation in connection with any securities.

Use of Non-GAAP Financial Measures

To supplement our financial disclosures that are presented in accordance with GAAP, we use certain non-GAAP measures of financial performance (including, but not limited to, non-GAAP core fee income, non-GAAP noninterest income, non-GAAP net gains on investment securities, non-GAAP non-marketable and other equity securities, non-GAAP noninterest expense and non-GAAP financial ratios) of financial performance. These supplemental performance measures may vary from, and may not be comparable to, similarly titled measures by other companies in our industry. Non-GAAP financial measures are not in accordance with, or an alternative for, GAAP. Generally, a non-GAAP financial measure is a numerical measure of a company's performance that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. A non-GAAP financial measure may also be a financial metric that is not required by GAAP or other applicable requirement.

We believe that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures (as applicable), provide meaningful supplemental information regarding our performance by: (i) excluding amounts attributable to non-controlling interests for which we effectively do not receive the economic benefit or cost of, where indicated, or (ii) providing additional information used by management that is not otherwise required by GAAP or other applicable requirements. Our management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing our operating results and when planning, forecasting and analyzing future periods. These non-GAAP financial measures also facilitate a comparison of our performance to prior periods. We believe these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. However, these non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, net income or other financial measures prepared in accordance with GAAP. Under the "Non-GAAP reconciliations" section at the end of this presentation, we have provided reconciliations of, where applicable, the most comparable GAAP financial measures to the non-GAAP financial measures used in this presentation, or a reconciliation of the non-GAAP calculation of the financial measure. Please refer to that section for more information.

Additionally, from time to time, we may make reference to the non-GAAP financial metric of Core EPS in our earnings call and other investor presentations. Non-GAAP Core EPS consists of our net income available to common stockholders less gains or losses on investment securities and equity warrant assets, net of tax, divided by our diluted weighted average common shares outstanding. Our management believes this measure to be a useful assessment of our performance as it relates to our core business because it excludes certain financial items where performance is typically subject to market or other conditions beyond our control. A reconciliation of Core EPS to the closest corresponding GAAP measure is not available with respect to future goals due to our inability to provide a quantitative reconciliation to such measure.

Glossary

The following terms are used throughout this presentation to refer to certain SVB-specific metrics:

Non-GAAP Measures (Please see non-GAAP reconciliations at the end of this presentation for more information)

- **Core EPS –** Net income available to common stockholders less gains or losses on investment securities and equity warrant assets, net of tax; divided by diluted average common shares outstanding. Our management believes this measure to be a useful assessment of our performance as it relates to our core business because it excludes certain financial items where performance is typically subject to market or other conditions beyond our control. A reconciliation of Core EPS to the closest corresponding GAAP measure is not available with respect to future goals due to our inability to provide a quantitative reconciliation to such measure.
- **Core Fee Income –** Fees from letters of credit, client investments, credit cards, deposit service charges, foreign exchange and lending-related fees, in aggregate. In Q1'19, core fee income includes investment banking revenue and commissions from the acquisition of SVB Leerink.
- **Core Operating Efficiency Ratio –** Non-interest expense divided by total revenue, after adjusting for gains or losses on investment securities and equity warrant assets and SVB Leerink. This ratio excludes excludes income and expenses related to SVB Leerink and certain financial items where performance is typically subject to market or other conditions beyond our control.
- **Gains (losses) on Investment Securities, Net of Non-Controlling Interests –** Net gains on investment securities include gains and losses from our non-marketable and other equity securities, which include public equity securities held as a result of exercised equity warrant assets, gains and losses from sales of our AFS debt securities portfolio, when applicable, and carried interest. This measure excludes amounts attributable to noncontrolling interests for which we effectively do not receive the economic benefit or cost.

Other Measures

- **Total Client Funds –** The sum of on-balance sheet deposits and off-balance sheet client investment funds.
- **Fixed Income Securities –** Available-for-sale ("AFS") and held-to-maturity ("HTM") securities held on the balance sheet.

Acronyms

- **LIHTC –** Low income housing tax credit funds
- **NCI –** Non-controlling interests
- **NCO –** Net charge-off
- **VC/PE –** Venture Capital/Private Equity



About SVB

SVB: A unique financial services company

Over 35 years of focus on innovation companies, investors and influencers

Robust client funds franchise

Strong market position

$58B assets

Diversified revenue streams

$28B loans

Global presence

$137B total client funds

Average balances for Q1'19

We serve the global Innovation Economy

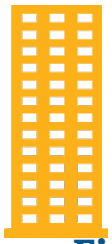
Technology + Life Science & Healthcare



Accelerator (Early Stage)
Revenue
<$5M



Growth
Revenue
$5M-$75M



Corp Fin
Revenue
>$75M



Investors
Private Equity
Venture Capital



Individuals
Influencers:
Entrepreneurs,
Investors, Executives

Serving innovative companies and the investors and individuals behind them

svb Financial Group

Silicon Valley Bank
Global commercial banking for innovators, enterprises and investors

SVB Capital
Private venture investing expertise, oversight and fund management

SVB Private Bank/Wealth Advisory
Private banking and investment strategies for influencers in the innovation ecosystem

SVB Leerink
Investment banking services focused on healthcare and life science companies

A strong, seasoned management team

- Average tenure of 13 years at SVB
- Diverse experience and skill sets to help direct our growth



Dan Beck

CHIEF FINANCIAL OFFICER
2 years at SVB



Greg Becker

PRESIDENT AND CEO
SVB FINANCIAL GROUP
26 years at SVB



Marc Cadieux

CHIEF CREDIT OFFICER
27 years at SVB



John China

PRESIDENT OF SVB CAPITAL*
23 years at SVB



Phil Cox

CHIEF OPERATIONS OFFICER
10 years at SVB



Mike Descheneaux

PRESIDENT
SILICON VALVEY BANK
13 years at SVB



Michelle Draper

CHIEF MARKETING OFFICER
6 years at SVB



Chris Edmonds-Waters

CHIEF HUMAN RESOURCES
OFFICER
15 years at SVB



Laura Izurieta

CHIEF RISK OFFICER
3 years at SVB



Michael Zuckert

GENERAL COUNSEL
5 years at SVB

* Effective May 1, 2019


in every step of the journey. UNITED In it together. We achieve
more by working together than we ever do on our own. The team—clients
When we're united, we reach success. Growth,
tus quo and dream
d business. To us, doing right
chieve more by working together than we ever
uture." Our Mission: Increase Our Clients' Probabi
move bold
ideas
forward
fast. We're
all SVB.
We're all in
investors
thing we
and in-
forward,
deliver
Partnership
move bold
do helps
vestors
fast. What
service with
passion,
ideas forward
innovators,
move bold
sets us
an entrep-
connections
Our Vision: Be the most sought after financial partner helping innovators, en
pulse of our clients' industries. Experience, insight, expertise. We're all in.
't done it in the past doesn't mean we shouldn't do it in the future." Our Mission:
They know they can rely on
expertise to guide them at
anking differently. Our clients
clients need, and
our inner drive,
ut the integrity,
ammates—comes
ght after financial
the skills and
Overview of Results

Q1'19 takeaways (vs. Q4'18)

EPS: $5.44

- **Outstanding Growth**
  - Average total client funds: +2.2%
  - Average loans: +3.3%
  - Net interest income: -0.3% (impacted by two fewer days in Q1
  - Core fee income: +5.6%
- **Non-interest expense including SVB Leerink: +18.9%***
- **Leerink EPS contribution of $0.11 EPS**
- **Return on equity: 22.16%**

Net Income: $289 million

- **Warrant gains: $21.3M**
- **Investment gains, net of NCI: $25.6M**
- **Stable credit quality despite higher nonaccrual loans**
- **Efficiency ratio: +46.10%**
- **Bank Tier 1 Leverage ratio: 8.38% (+28 bps)**
- **Repurchased $116M of shares ($263M repurchased since inception of $500M share repurchase program**

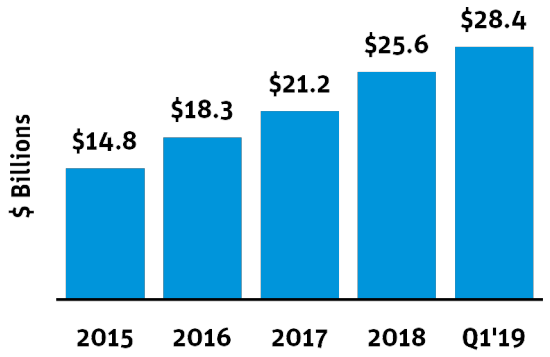
Challenges

- Public market volatility
- Lower reinvestment rates and higher deposit costs (although still at industry-leading lows)
- Market anxiety over U.S. - China trade tensions and weaker global economic indicators
- Competition from banks, non-banks and market liquidity impact on loan growth

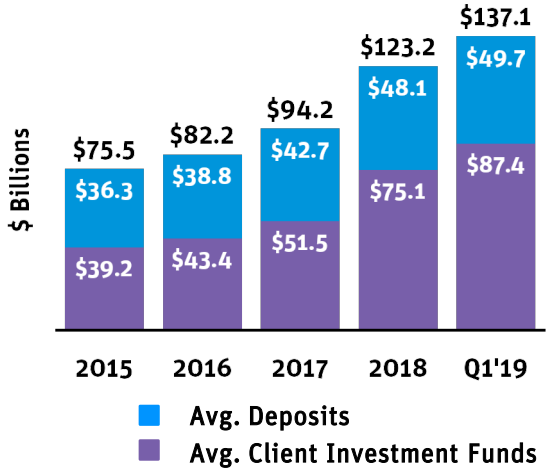
*Excluding $60.5M of expenses for SVB Leerink operations in Q1'19 and $8.5M of SVB Leerink acquisition costs in Q4'18, non-interest expenses increased 2.0%.

Key performance indicators

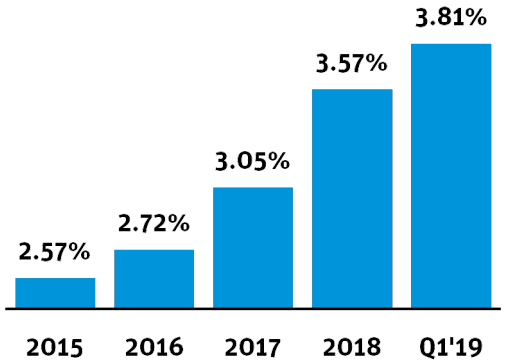
Average Loans, net of unearned income



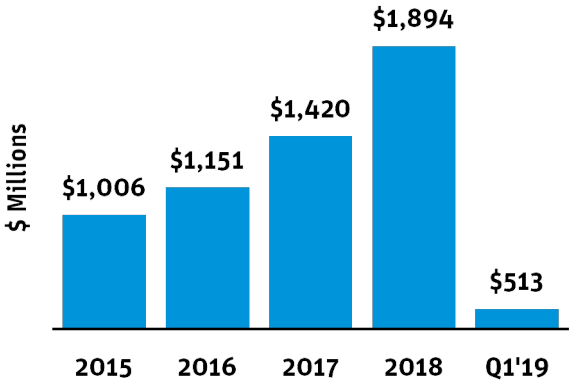
Average Total Client Funds



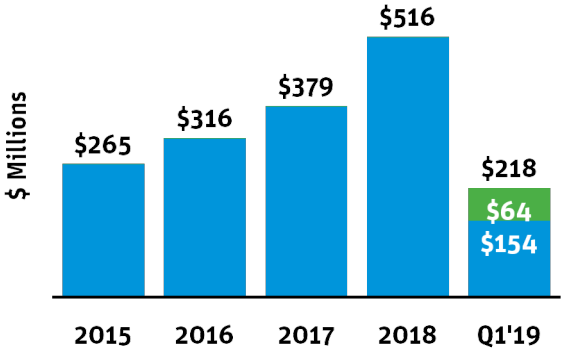
Net Interest Margin



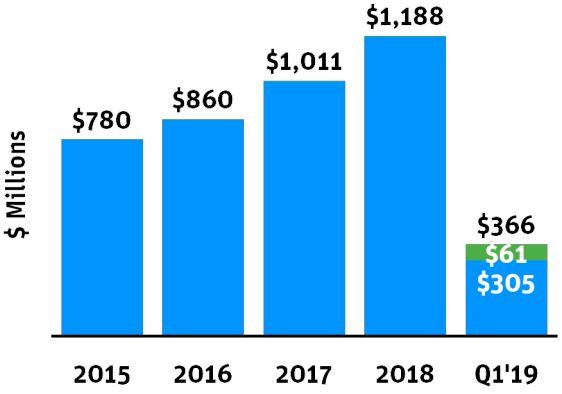
Net Interest Income



Core Fee Income



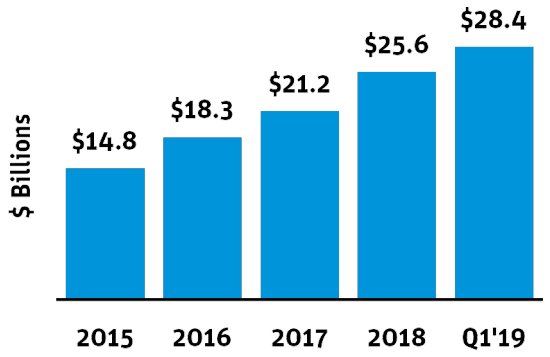
Noninterest Expense



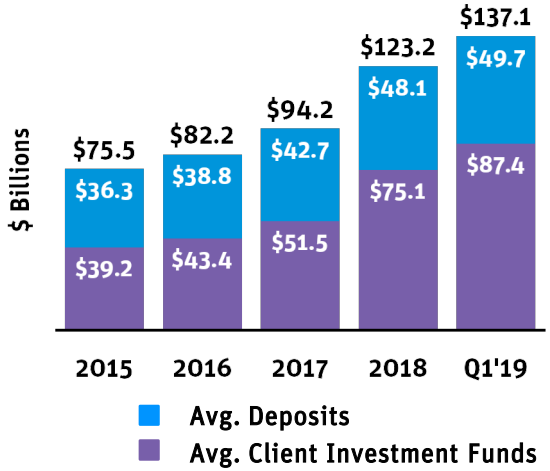
*SVB Leerink includes total revenue of $68.6M consisting of interest income, noninterest income from investment banking and commissions and investment security gains from Leerink Capital business. Leerink pre-tax income of $8.0M was recognized in Q1'19.

Key performance indicators

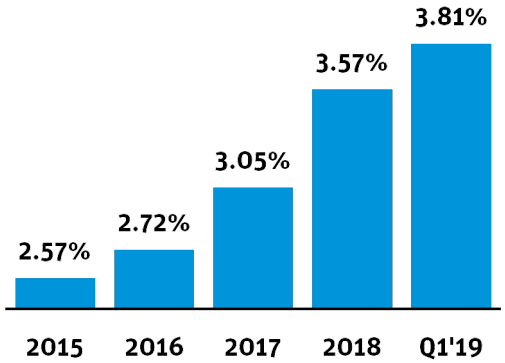
Average Loans, net of unearned income



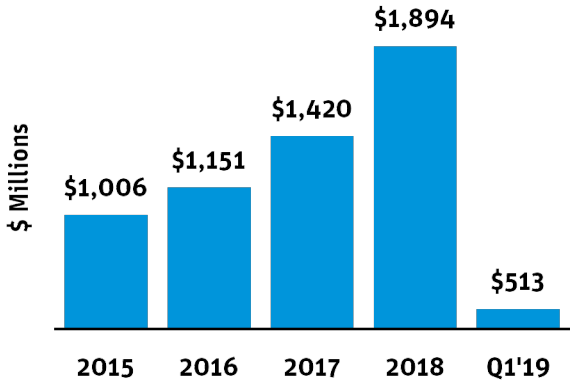
Average Total Client Funds



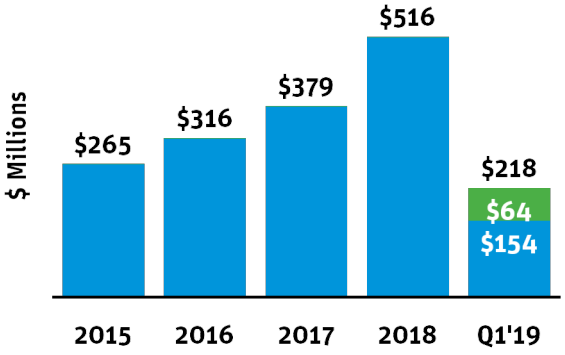
Net Interest Margin



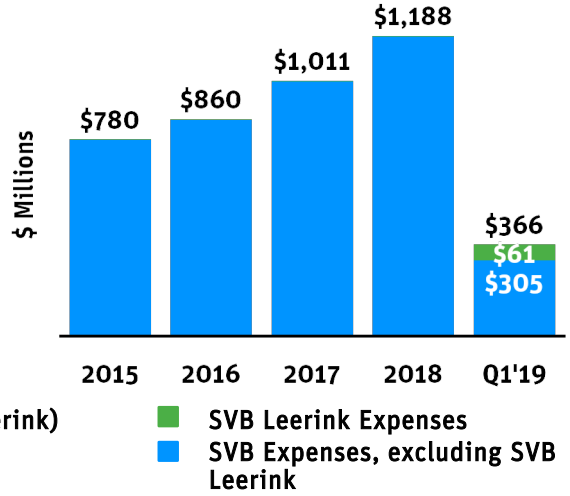
Net Interest Income



Core Fee Income



Noninterest Expense



*SVB Leerink includes total revenue of $68.6M consisting of interest income, noninterest income from investment banking and commissions and investment security gains from Leerink Capital business. Leerink pre-tax income of $8.0M was recognized in Q1'19.

Quarterly highlights

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Diluted earnings per share	$3.63	$4.42	$5.10	$4.96	$5.44
Net income available to common stockholders	$195.0M	$237.8M	$274.8M	$266.3M	$288.7M
Average assets	$52.4B	$54.4B	$56.5B	$57.6B	$57.5B
Change	*3.1%*	*3.8%*	*3.9%*	*1.9%*	*(0.2)%*
Average loans	$23.8B	$24.9B	$26.3B	$27.5B	$28.4B
Change	*6.1%*	*4.4%*	*5.9%*	*4.4%*	*3.3%*
Average deposits	$46.1B	$48.0B	$49.1B	$49.1B	$49.7B
Change	*3.0%*	*4.0%*	*2.3%*	*—%*	*1.3%*
Average off-balance sheet client investment funds	$64.4B	$71.3B	$79.6B	$85.0B	$87.4B
Change	*11.8%*	*10.8%*	*11.6%*	*6.9%*	*2.8%*
Average fixed income securities	$24.0B	$25.2B	$25.5B	$24.5B	$22.1B
Net interest margin	3.38%	3.59%	3.62%	3.69%	3.81%
Net interest income	$419.9M	$466.4M	$493.2M	$514.5M	$512.9M
GAAP non-interest income	$155.5M	$192.7M	$210.1M	$186.7M	$280.4M
Non-GAAP non-interest income, net of non-controlling interests[1]	$142.5M	$183.2M	$203.4M	$177.9M	$277.1M
Non-interest expense	$265.4M	$305.7M	$309.4M	$307.6M	$365.7M
Net charge-offs / Average total gross loans (annualized)	0.15%	0.22%	0.30%	0.20%	0.11%
Effective tax rate[2]	27.50%	24.53%	25.75%	28.28%	27.12%
Return on average SVBFG stockholders' equity (annualized)	18.12%	20.82%	22.46%	20.61%	22.16%
Return on average assets (annualized)	1.51%	1.75%	1.93%	1.83%	2.04%

1) This is a non-GAAP measure. Please see non-GAAP reconciliations at end of this presentation for more information.
2) Our effective tax rate is calculated by dividing income tax expense by the sum of income before income tax expense and net income attributable to noncontrolling interests. Q4'17 included $37.6M of additional income tax expense due to the revaluation of deferred tax assets and investments in low income housing tax credit funds following tax reform.

Quarterly highlights

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Diluted earnings per share	$3.63	$4.42	$5.10	$4.96	$5.44
Net income available to common stockholders	$195.0M	$237.8M	$274.8M	$266.3M	$288.7M
Average assets	$52.4B	$54.4B	$56.5B	$57.6B	$57.5B
Change	*3.1%*	*3.8%*	*3.9%*	*1.9%*	*(0.2)%*
Average loans	$23.8B	$24.9B	$26.3B	$27.5B	$28.4B
Change	*6.1%*	*4.4%*	*5.9%*	*4.4%*	*3.3%*
Average deposits	$46.1B	$48.0B	$49.1B	$49.1B	$49.7B
Change	*3.0%*	*4.0%*	*2.3%*	*—%*	*1.3%*
Average off-balance sheet client investment funds	$64.4B	$71.3B	$79.6B	$85.0B	$87.4B
Change	*11.8%*	*10.8%*	*11.6%*	*6.9%*	*2.8%*
Average fixed income securities	$24.0B	$25.2B	$25.5B	$24.5B	$22.1B
Net interest margin	3.38%	3.59%	3.62%	3.69%	3.81%
Net interest income	$419.9M	$466.4M	$493.2M	$514.5M	$512.9M
GAAP non-interest income	$155.5M	$192.7M	$210.1M	$186.7M	$280.4M
Non-interest expense	$265.4M	$305.7M	$309.4M	$307.6M	$365.7M
Net charge-offs / Average gross loans (ann.)	0.15%	0.22%	0.30%	0.20%	0.11%
Effective tax rate	27.50%	24.53%	25.75%	28.28%	27.12%
ROAE (ann.)	18.12%	20.82%	22.46%	20.61%	22.16%
ROAA (ann.)	1.51%	1.75%	1.93%	1.83%	2.04%

Annual highlights

	2015	2016	2017	2018
Diluted earnings per share	$6.62	$7.31	$9.20	$18.11
Net income available to common stockholders	$343.9M	$382.7M	$490.5M	$973.8M
Average assets	$40.8B	$44.0B	$48.4B	$55.2B
Change	*23.9%*	*7.7%*	*10.0%*	*14.2%*
Average loans	$14.8B	$18.3B	$21.2B	$25.6B
Change	*28.3%*	*23.8%*	*15.7%*	*21.1%*
Average deposits	$36.3B	$38.8B	$42.7B	$48.1B
Change	*28.2%*	*6.8%*	*10.3%*	*12.5%*
Average off-balance sheet client investment funds	$39.2B	$43.4B	$51.5B	$75.1B
Change	*30.6%*	*10.5%*	*18.8%*	*45.7%*
Average fixed-income securities	$22.3B	$21.5B	$22.4B	$24.8B
Net interest margin	2.57%	2.72%	3.05%	3.57%
Net interest income	$1,006.4M	$1,150.5M	$1,420.4M	$1,894.0M
GAAP non-interest income	$472.8M	$456.6M	$557.2M	$745.0M
Non-GAAP non-interest income, net of non-controlling interests[1]	$441.1M	$448.5M	$527.8M	$707.0M
Non-interest expense	$780.0M	$859.8M	$1,010.7M	$1,188.2M
GAAP operating efficiency ratio	53.50%	51.11%	45.02%	45.02%
Net charge-offs / Average total gross loans	0.30%	0.46%	0.27%	0.22%
Effective tax rate[2]	39.95%	39.55%	42.02%	26.52%
Return on average SVBFG stockholders' equity	11.18%	10.90%	12.38%	20.57%
Return on average assets	0.84%	0.87%	1.01%	1.76%

1) Please see non-GAAP reconciliations at end of this presentation for more information
2) Our effective tax rate is calculated by dividing income tax expense by the sum of income before income tax expense and net income attributable to noncontrolling interests. Included in 2017 is $37.6M of additional income tax expense due to the revaluation of deferred tax assets and investments in low income housing tax credit funds following tax reform.



2019 Outlook and Long-Term Financial Targets

2019 full-year outlook[1]

Business Driver	2019 Full Year Outlook vs. 2018 Full Year Results	Change from 1/24/19
Average loans	Increase at a percentage rate in the mid teens	No change
Average deposits	Increase at a percentage rate in the high single digits	No change
Net interest income	Increase at a percentage rate in the mid teens	**Outlook decreased** to mid teens from previous outlook of high teens
Net interest margin	Between 3.70% and 3.80%	**Outlook decreased** to between 3.70% and 3.80% from previous outlook of between 3.80% and 3.90%
Allowance for loan losses for total gross performing loans as a % of total gross performing loans	Comparable to 2018 levels	No change
Net loan charge-offs	Between 0.20% and 0.40% of avg. total gross loans	No change
Non-performing loans/total gross loans	Between 0.30% and 0.50% of total gross loans	No change
Core fee income[2]	Increase at a percentage rate in the low twenties	**Outlook increased** to low twenties from previous outlook of high teens
Non-interest expense (excluding expenses related to non-controlling interests)[2]	Increase at a percentage rate in the low teens	**Outlook decreased** to low teens from previous outlook of mid teens
Effective Tax Rate	Between 26.0% and 28.0%	No change
Current full year 2019 outlook compared to 2018 results, including expected results of SVB Leerink reflective of the completed acquisition on January 4, 2019		
Core fee income with investment banking activities[2,3]	Increase at a percentage rate in the low seventies	**Outlook increased** to low seventies from previous outlook of high sixties
Non-interest expense with investment banking activities[2,3]	Increase at a percentage rate in the mid thirties	No change

1) As of 4/25/2019; compared to full-year 2018 results; assumes no rate increases; please see our most recent Financial Release for complete information on management's assumptions and forecasts regarding this outlook.
2) Non-GAAP measure.
3) Current full year outlook for 2019 compared to full-year 2018 results, including expected results of SVB Leerink reflective of the completed acquisition on January 4, 2019.

Our market expectations for 2019

Positive influence from...

- Healthy VC investment and fundraising
- Another strong year for IPOs
- Healthy liquidity and activity among SVB clients

But with...

- Fading market tailwinds
- Flat to potentially down interest rates
- Macro challenges:
  - U.S. - China trade tensions
  - Signs of softening global economy
  - Equity market volatility
  - Potential U.S. Government closures
- Continued intense competition

Themes and areas of focus in 2019

Themes

- Continued healthy balance sheet and fee income growth
- Stable credit quality
- Healthy client markets

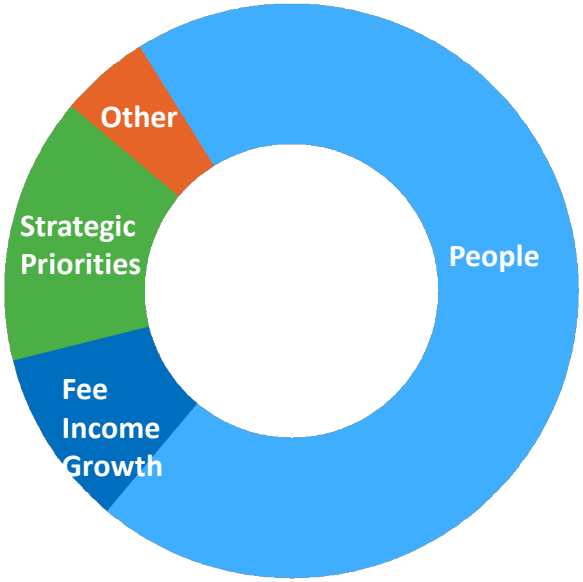
Focus Areas

- Ongoing investments in growth and efficiency
- Leveraging client liquidity to drive revenues and growth
- Gradually reducing the downside of asset sensitivity

Focus Area: Ongoing investments in growth and efficiency 1 of 2

Strategic Priorities: ~15%

- Global client and loan onboarding
- Digitizing and governing data infrastructure
- Employee enablement & scalability
- Digital Bank
- Risk management



People: ~70%

Hiring in key areas to support and drive long- term revenue growth

- Germany and Canada expansion
- Private Bank/Wealth Advisory expansion
- Front office sales
- Relationship Management
- Risk management
- Competitive pay in high-cost markets
- Support for volume growth

Fee Income Growth Initiatives: ~10%

- Core fee income growth initiatives drive higher transaction volumes and processing costs

Focus Area: Ongoing investments in growth and efficiency 2 of 2

Investing to improve operating leverage and support our growth: through systems, tools, processes, analytics and people

Enhance Client Experience	Improve Employee Enablement	Enhance Risk Management	Drive Scalable Long-term Growth	Drive Revenue Growth
Engage with clients in more meaningful ways	Help employees optimize their performance	Support timely, resolution of issues	Optimize cost efficiencies	Expand product offerings to address evolving client needs
Streamline and speed key processes	Minimize time spent on non-value add activities	Enhance data quality and governance frameworks	Improve long-term growth efficiency	Improve product penetration
				Extend platform to Germany and Canada
				Expand Private Bank and Wealth Advisory

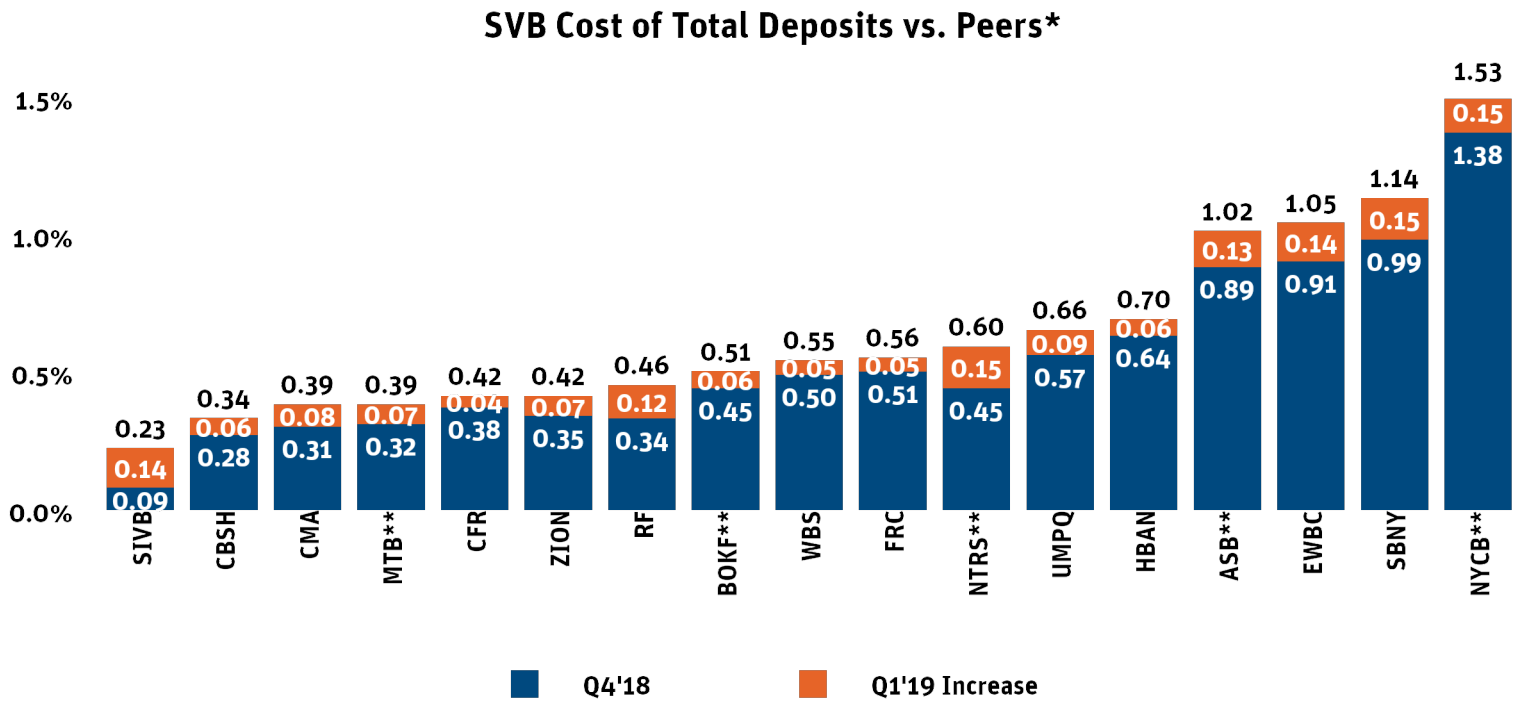
Target Outcomes

- **Expanded product** offerings with new opportunities for **revenue growth**
- **Improved future operating leverage** through **transformation** of key business processes and implementation of scalable solutions
- **2020 expense growth rate target: high single digits, assuming no rate decreases**

Focus Area: Leveraging client liquidity

SVB's deposit franchise is a competitive advantage

- Client operating accounts make up the majority of our deposits (noninterest bearing deposits 75% of period-end total deposits)
- Deposit costs rising but remain materially lower than peer costs
- Low loan-to-deposit ratio of 57.1%



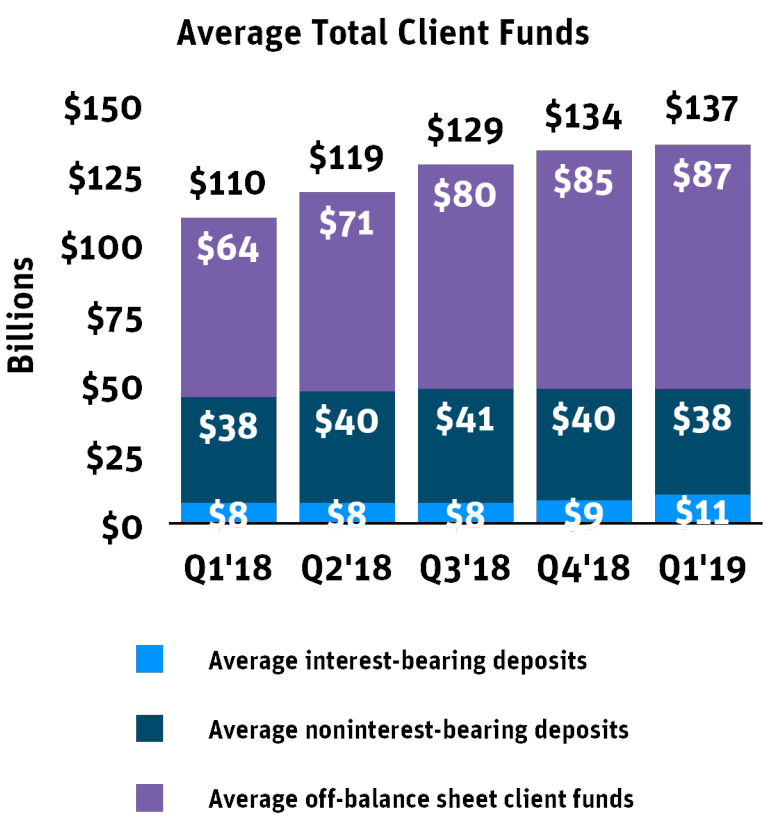
* "Peers" refers to peer group as reported in our proxy statement and are subject to change on an annual basis. Peer data is based on the most recently available Q1'19 and Q4'18 cost of total deposits as reported by S&P Global Market Intelligence.

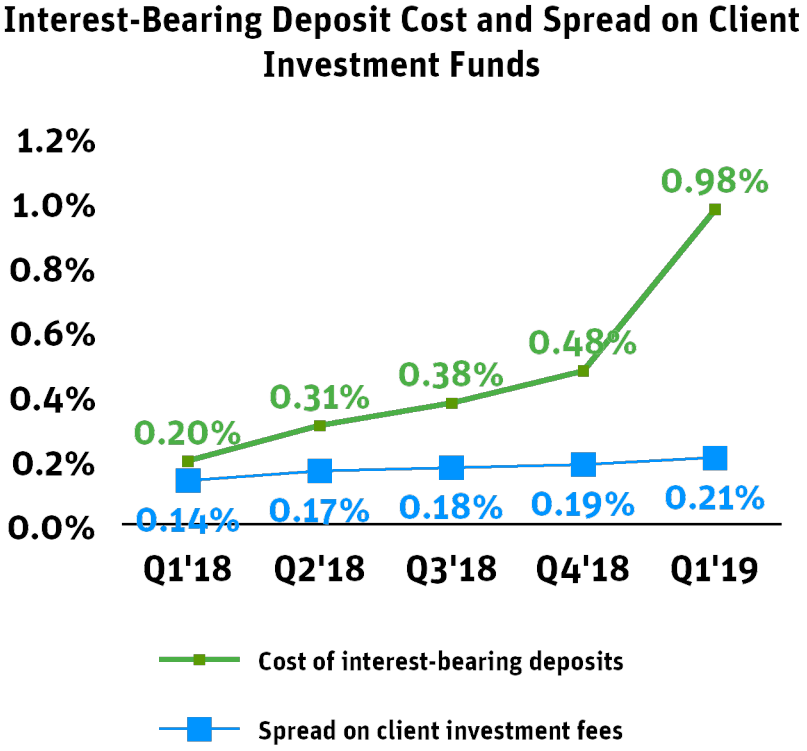
** Where Q1'19 data was not available as of April 26, 2019, Q4'18 compared to Q3'18 cost of total deposits was reported.

Focus Area: Leveraging client liquidity

2 of 4

- Market demands and competition driving higher deposit costs
- Strategic deposit initiatives driving on-balance sheet deposit growth
- Interest-bearing deposit costs increased 50 bps in Q1 '19, driven by deposit growth initiatives, representing $17 million in additional interest expense
- Full year average deposit costs expected to be approximately 30 bps, subject to market demand for our interest-bearing products

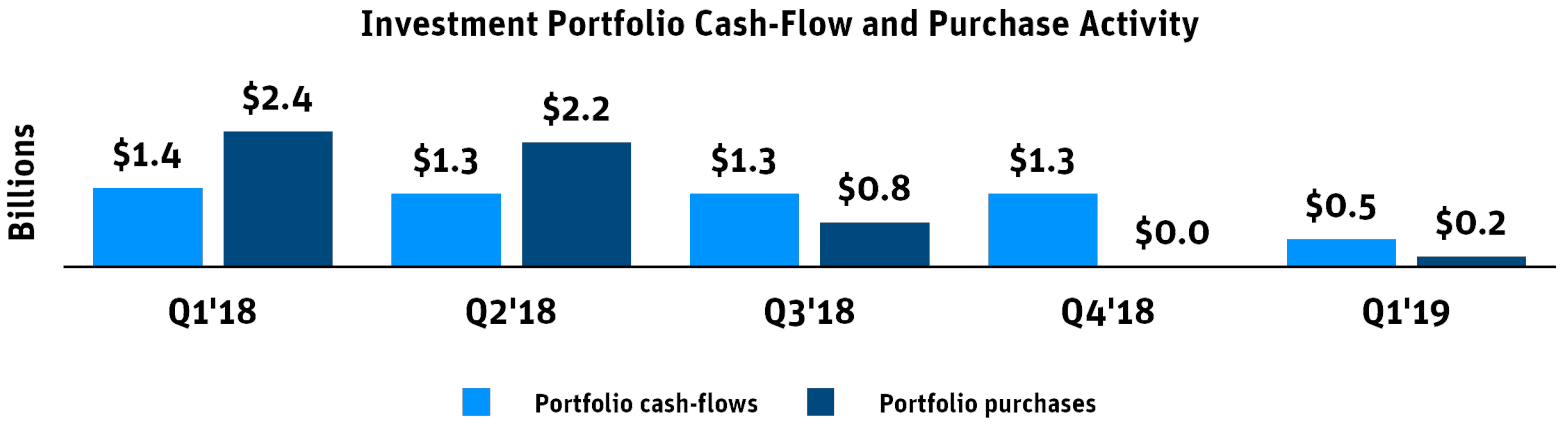




Focus Area: Leveraging client liquidity

Liquidity strategy for 2019

- Fund loan growth, capture higher investment portfolio yields through reinvestment of portfolio cash flows and new investments
- Anticipated investment portfolio purchases of $1.0B - $1.5B per quarter
  - Yields on security purchases estimated at 2.70% - 2.80%, with portfolio roll-off yields of approximately 2.10% - 2.20% (assuming rates as of April 25, 2019)



We are refining our solutions over time to balance client liquidity needs and market demand with anticipated returns on short- and medium-term investments.

* During Q4'18 and Q1'19 the majority of portfolio cash flows were used to fund loan growth and repay short-term borrowings.

Focus Area: Leveraging client liquidity

Sources of funds

New clients

More than 1,000 commercial clients deposited $1.0B of new funds on the balance sheet in Q1'19

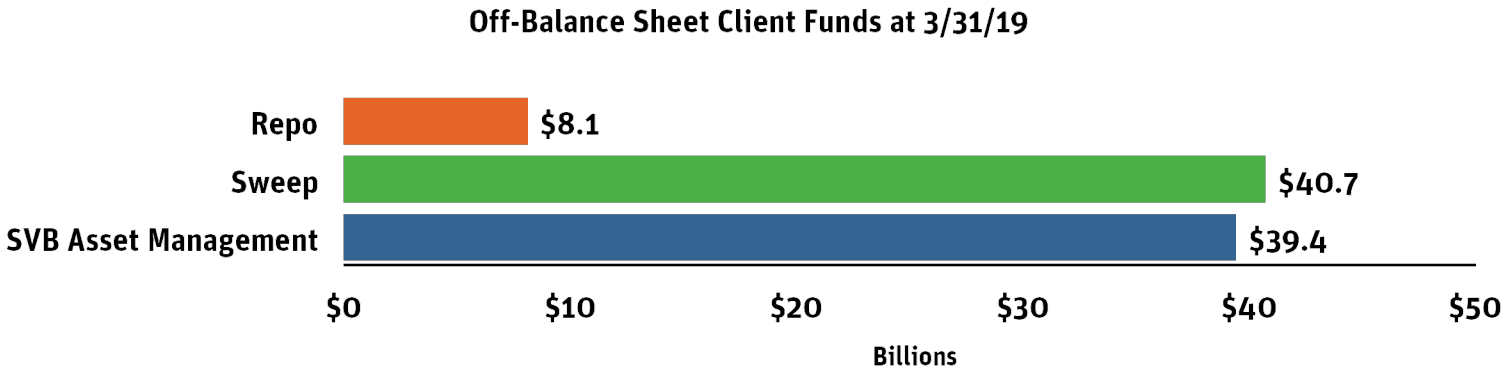
New products

Additional new on-balance sheet products in development to support new and existing client needs

Mix shift

Opportunities to gradually move a portion of off-balance sheet client funds to balance sheet

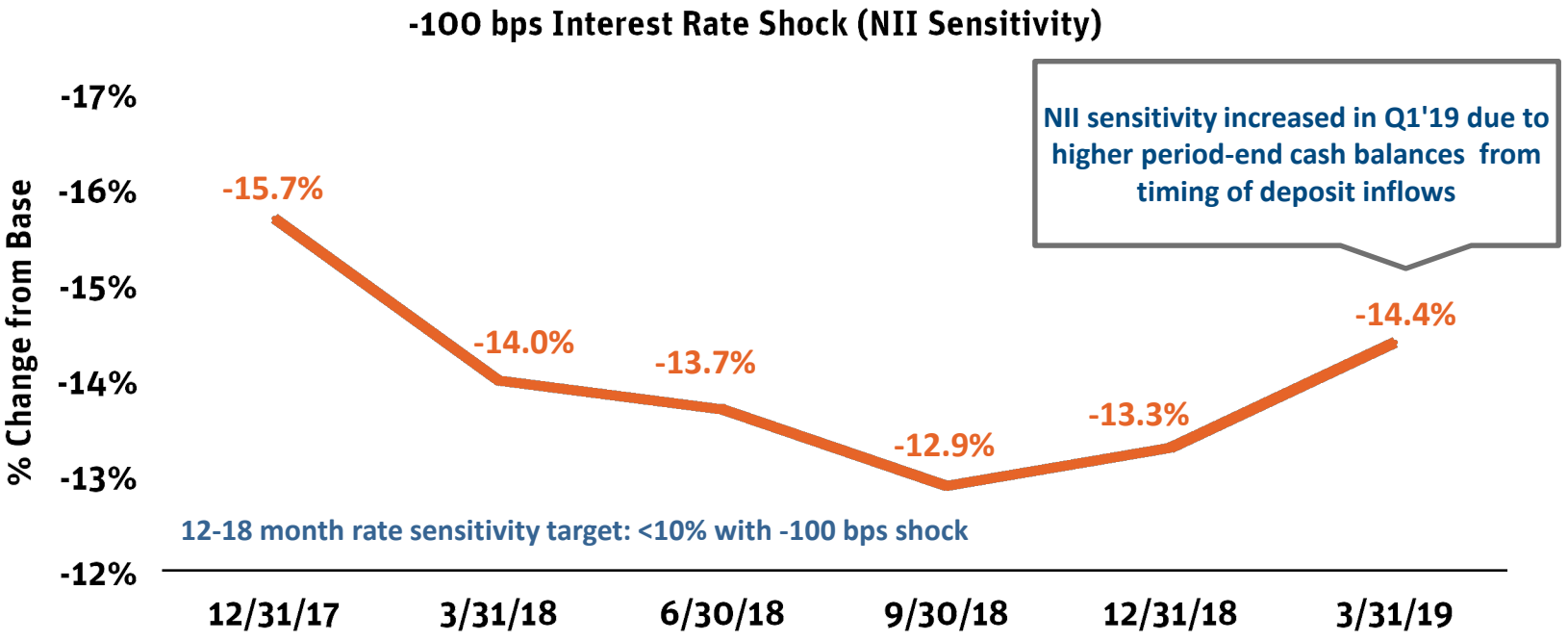
Approximately 10%-20% of Repo/Sweep funds are addressable with new products over the long-term



Focus Area: Reducing asset sensitivity

What we're doing

- Gradually extending duration in our investment securities portfolio
- Managing cash balances lower than Q1'19 levels
- Implementing loan rate floors to preserve income when rates fall
- Adding "Receive Fixed" interest rate swaps to convert variable-rate loans to fixed



Long-term financial objectives[1,2]

Strong, sustainable, smart growth

ROE ~15% in *low rate* environment
~20% in a *normalized rate* environment

Core EPS[3] ~10% growth in a *flat rate* environment
~20% growth in a *rising rate* environment

Investments in growth & improved operating leverage

Normalized Rates
Mid-40% Core Efficiency Ratio[3]

Low Rates
Mid-50% Core Efficiency Ratio

Asset Sensitivity

<10% in down 100 bps scenario
>10% in up 100 bps scenario

Strong Capital & Liquidity

Bank Tier 1 Leverage ratio ~7-8%

Loan-to-Deposit ratio <70%

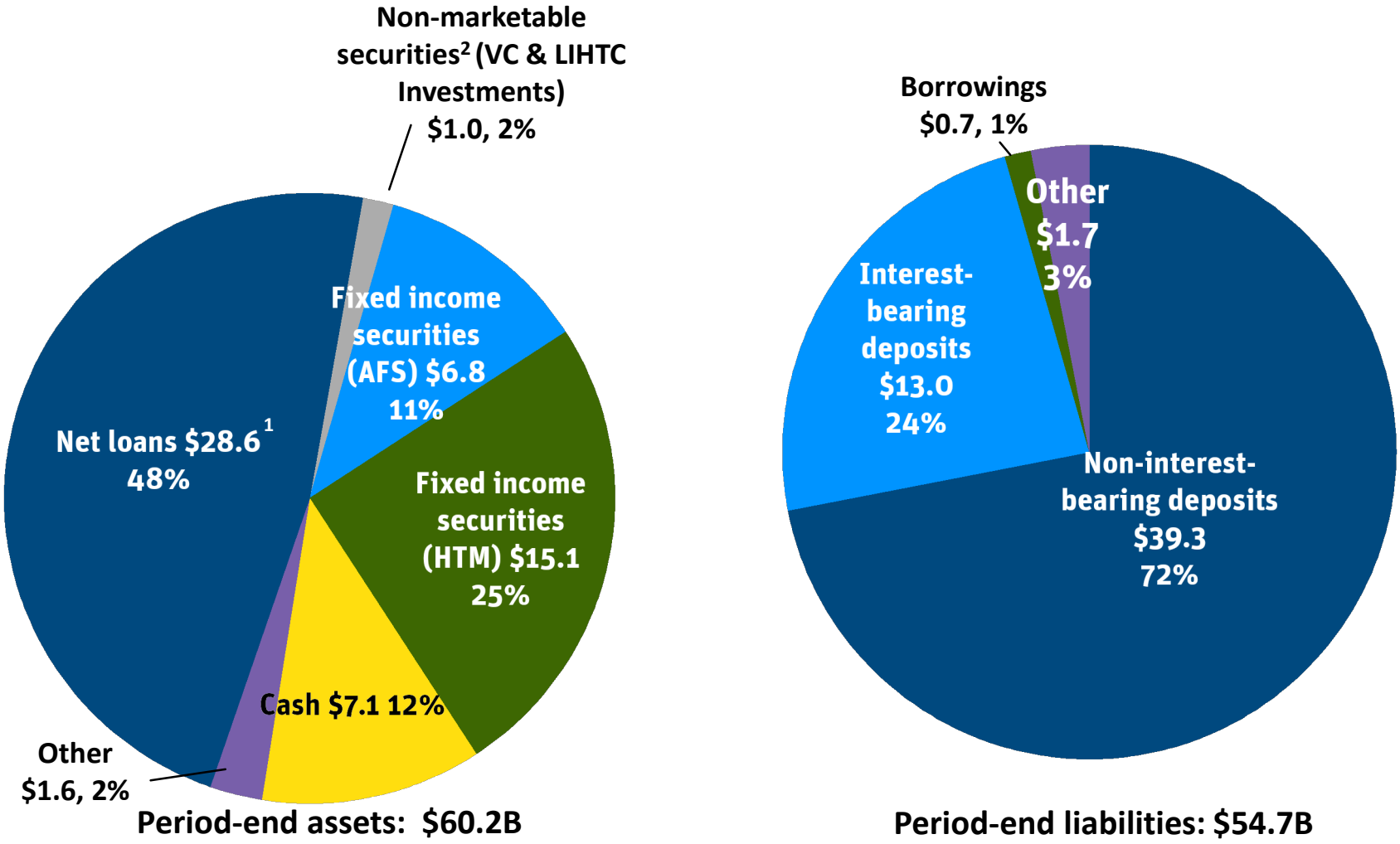
1) Excludes impact of SVB Leerink revenue and expense
2) Normalized rate environment represents Fed Funds rate above 2.5%, low rate environment represents Fed Funds at or below 2.5%
3) Non-GAAP measure



Financial Performance (Balance Sheet)

A high quality balance sheet

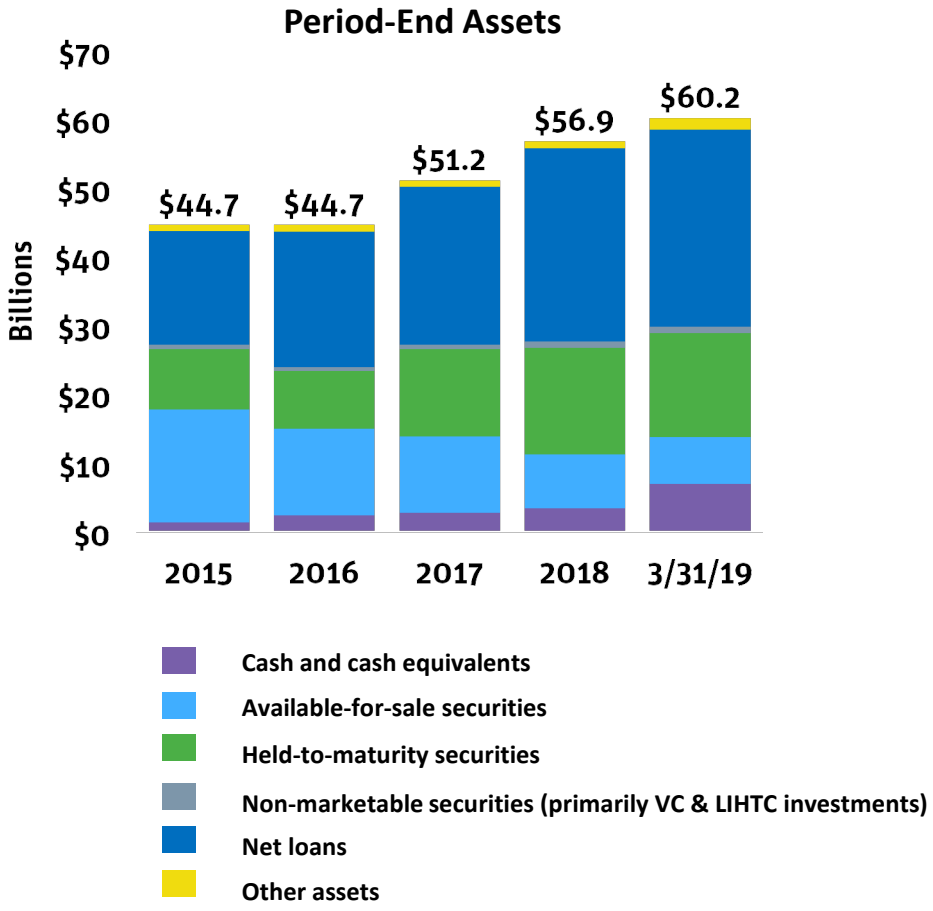
At 3/31/2019



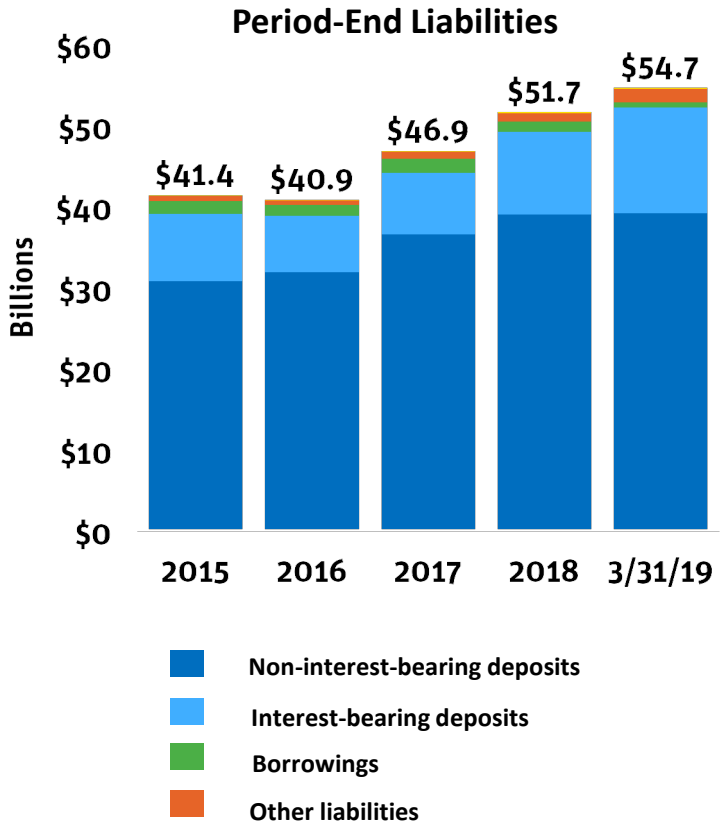
1) Net loans represents gross loans net of the allowance for loan losses and unearned interest income. Gross loans at 3/31/2019 were $29.0B
2) Non-marketable securities net of non-controlling interests were $841 million. This is a non-GAAP measure.

Robust balance sheet growth

Strong growth in loans and securities

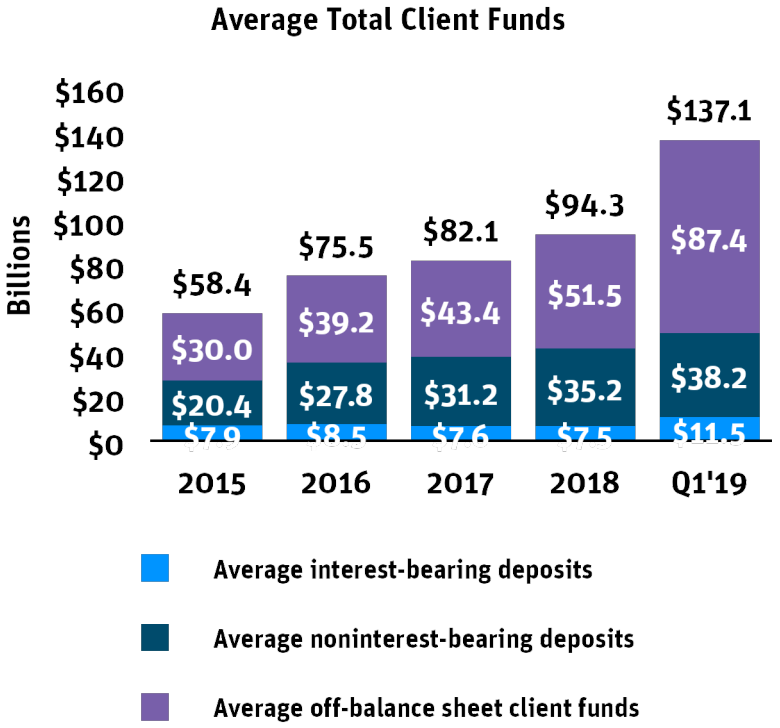


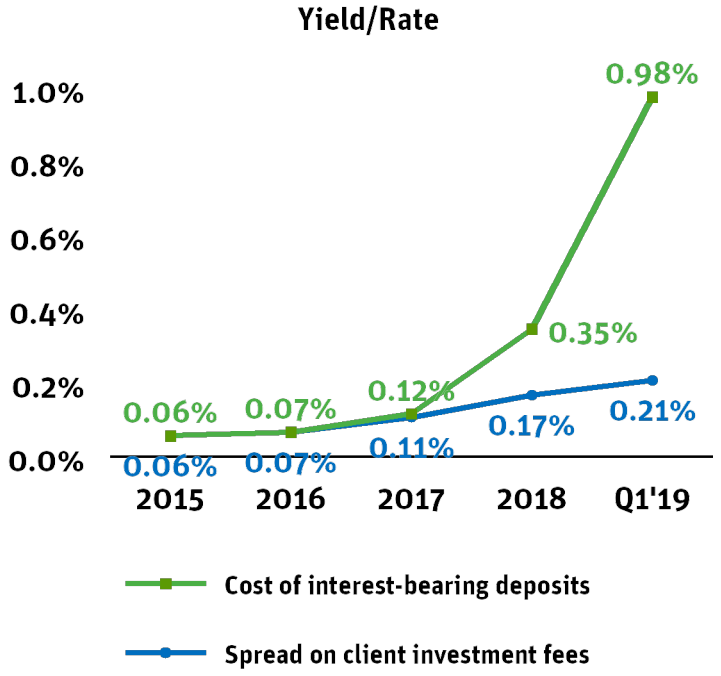
Non-interest-bearing deposits 75% of total deposits



A history of robust client liquidity

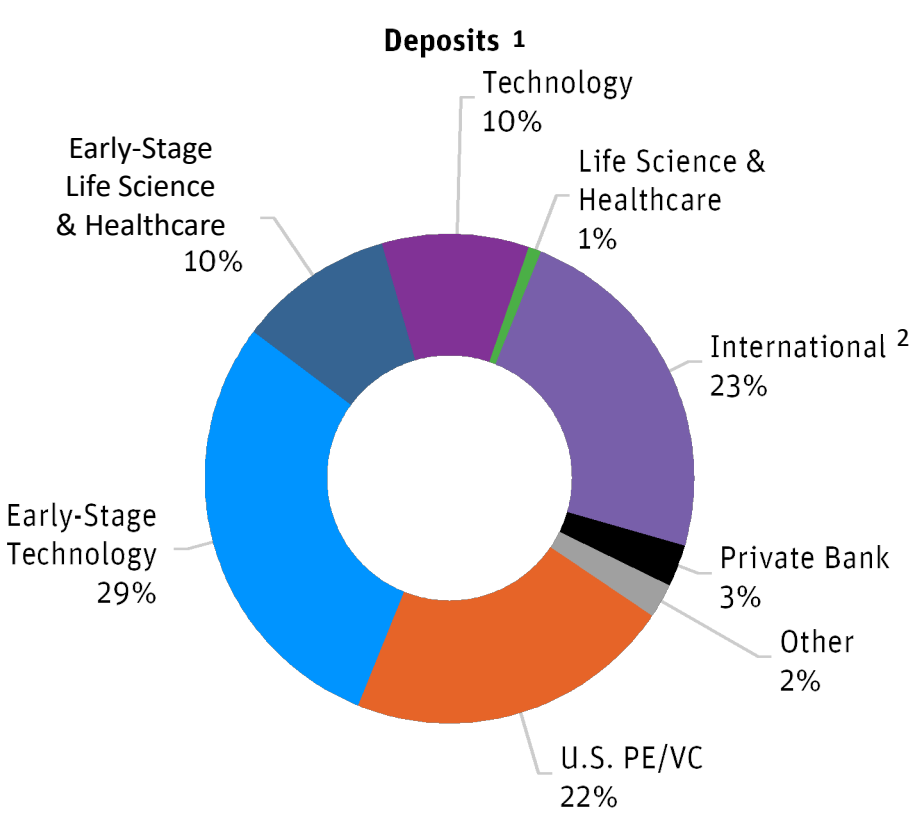
- Liquidity from venture capital/private equity funding and exit activity has driven strong growth in client deposits and off-balance sheet client funds over time
- Recently, higher market rates have led our clients to seek returns in our off-balance sheet investment products (due to limited on-balance sheet options)
- Successful initiatives to drive on-balance sheet deposit growth with new products are driving higher deposit costs, though still much lower than peers

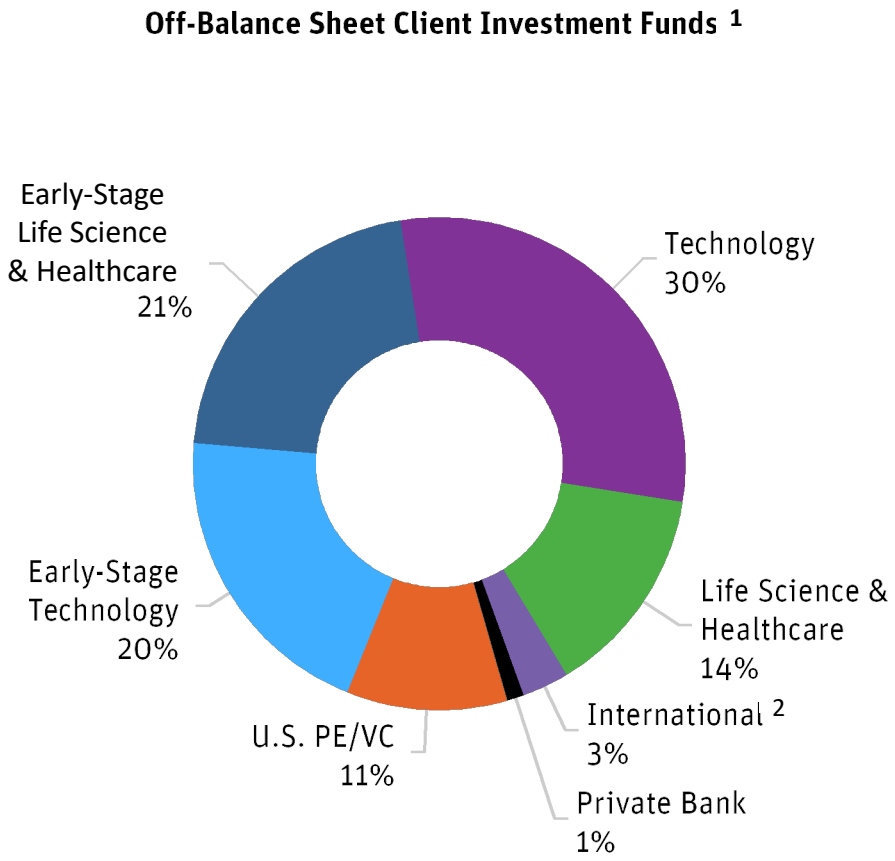




Total Client Funds Contributions by Niche

at 3/31/19

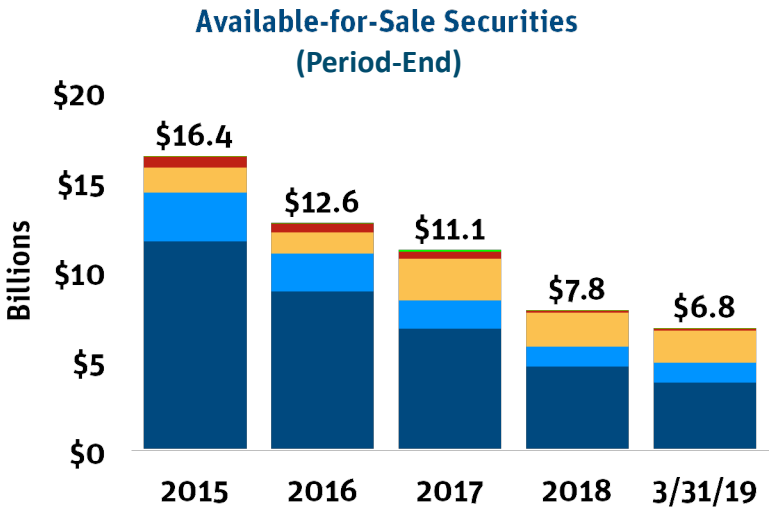


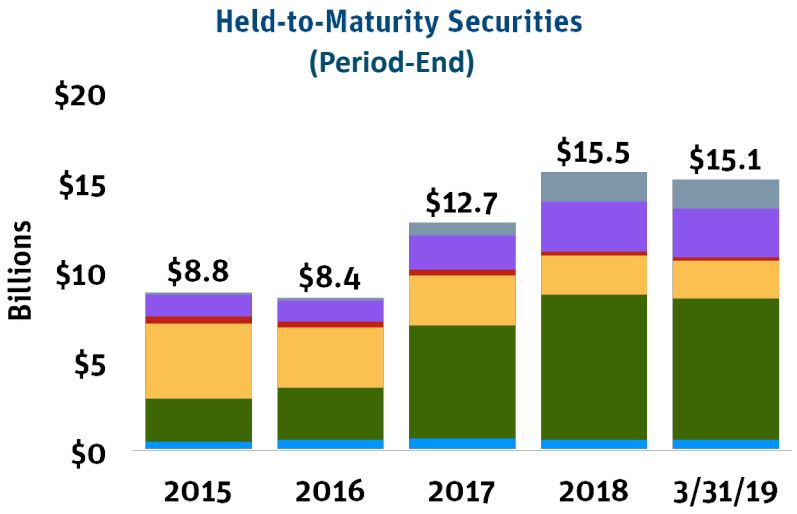


1. Deposit and off-balance sheet client investment funds balances by portfolio is a management view of client niches.
2. International balances is a management view of client niches and does not tie to regulatory definitions for foreign exposure. International balances include clients across all client niches and life-stages, with International PE/VC representing 8% of total deposits and 1% of off-balance sheet client investment funds.

Q1'19: A high-quality investment portfolio

- Liquid, primarily fixed-income portfolio with a duration of 3.7 years
- U.S. Treasuries make up 17% of investment portfolio
- Available lines of credit in place to provide short-term liquidity

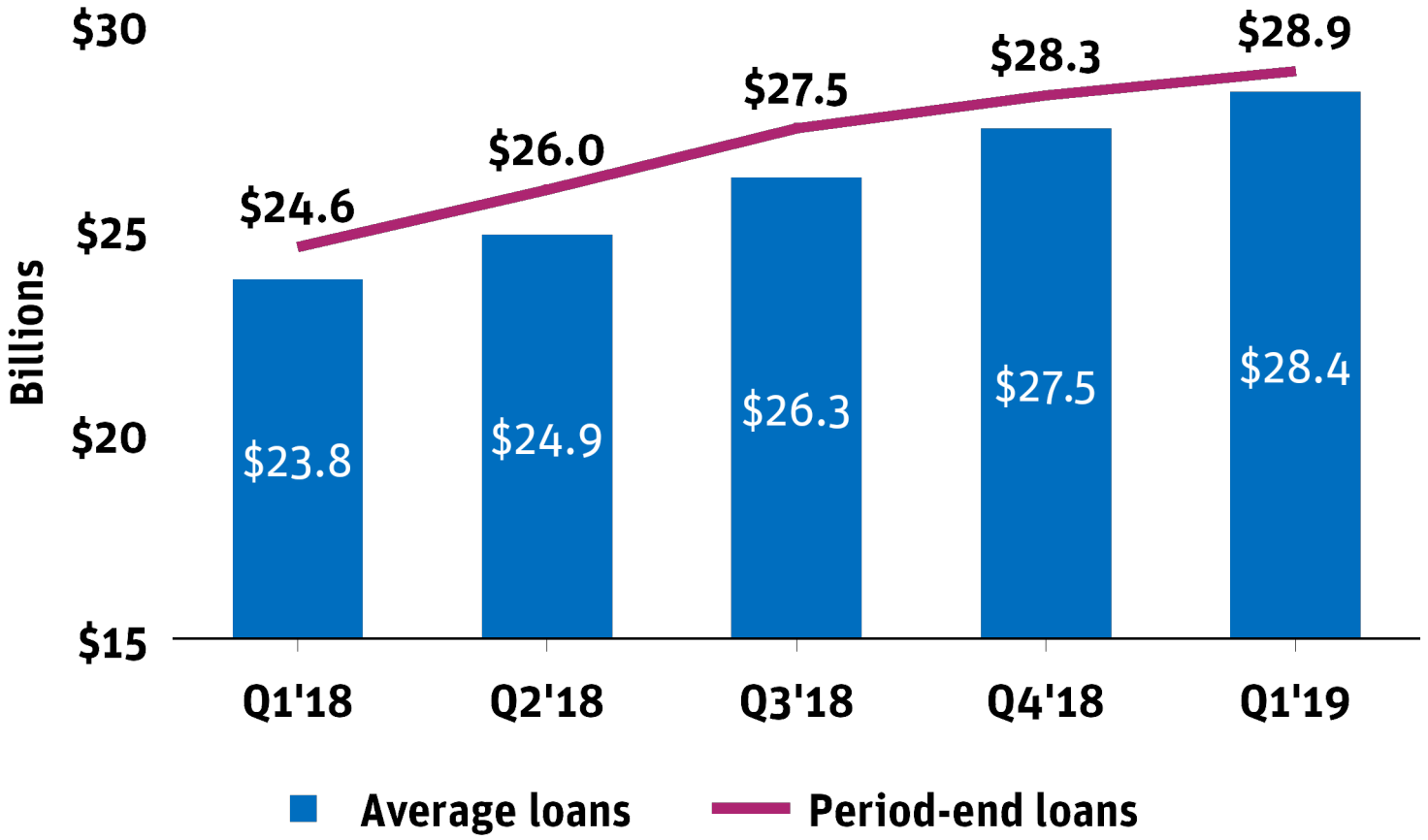




- U.S. Treasury securities
- U.S. agency debentures
- Agency-issued collateralized residential mortgage-backed securities – fixed rate
- Agency-issued collateralized residential mortgage-backed securities – variable rate
- Agency-issued residential mortgage-backed securities
- Municipal bonds and notes
- Agency-issued commercial mortgage-backed securities

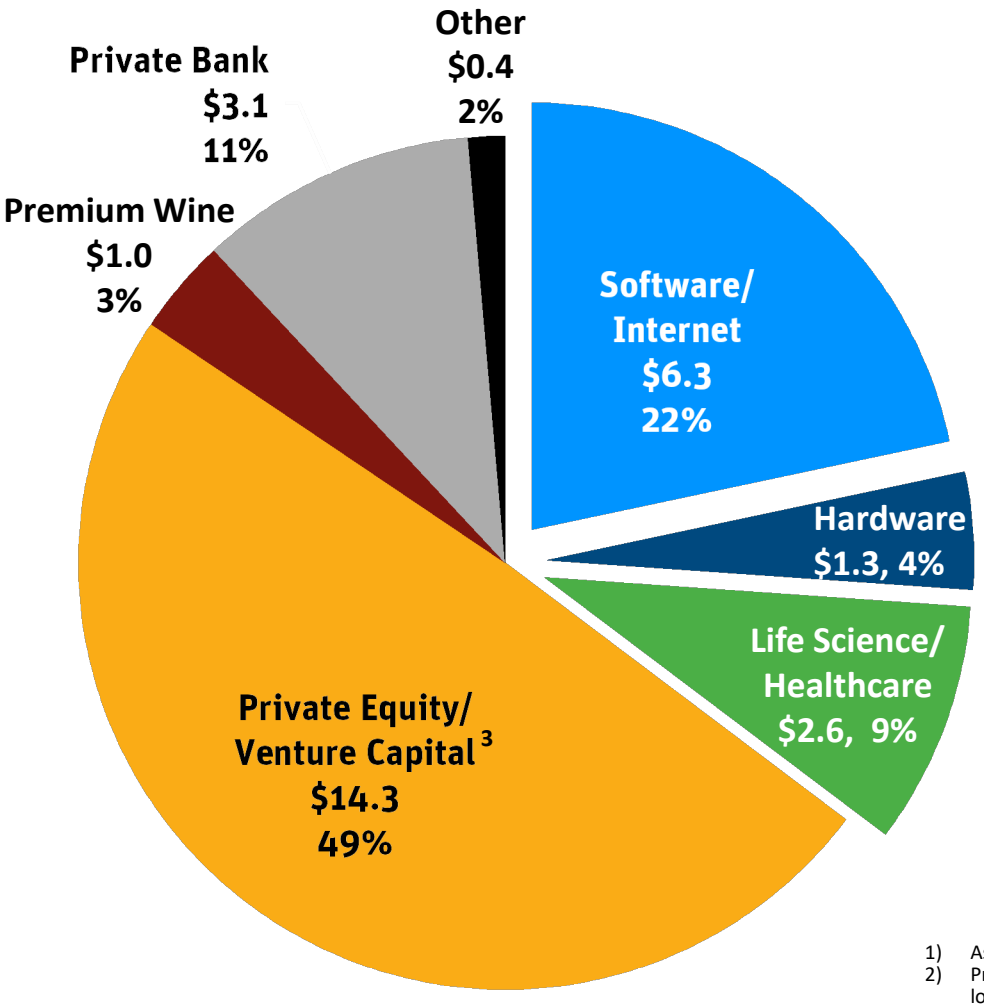
Q1'19: average loans grew 3.3%

Growth driven primarily by Private Equity, Life Science & Healthcare and Private Bank

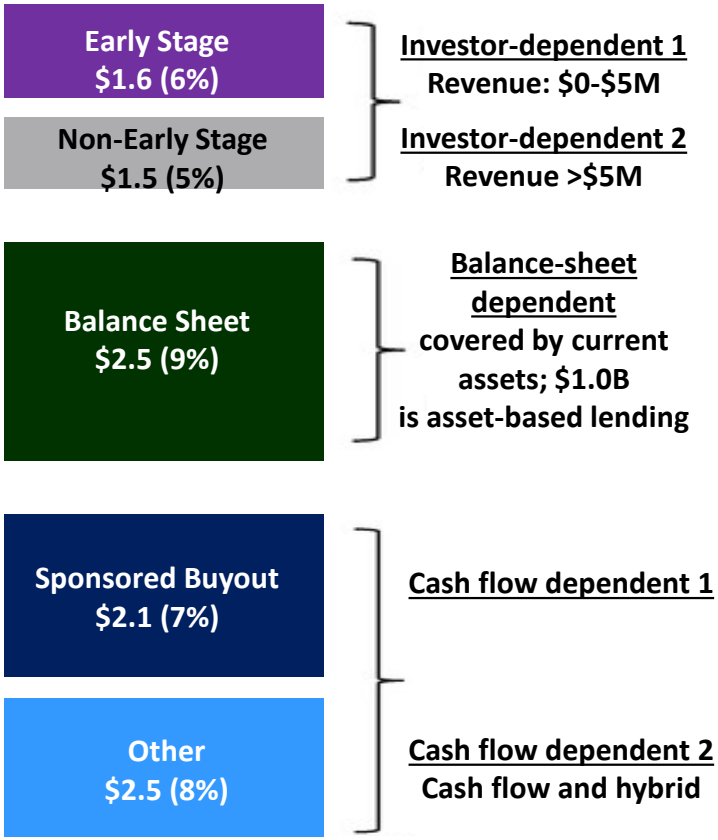


Q1'19: A diversified loan portfolio

Gross Loans: $29.0 billion[1,2]



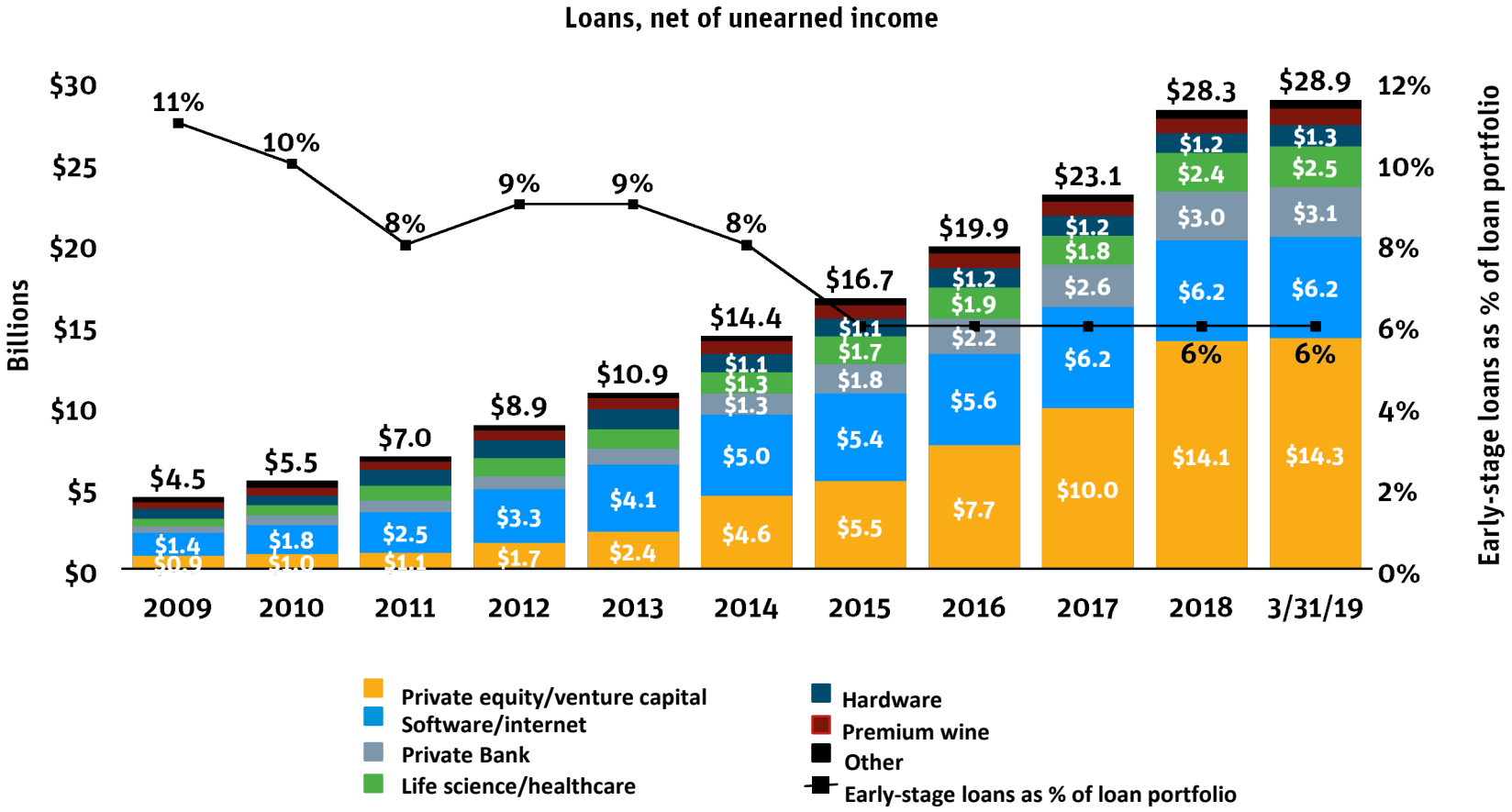
Technology and Life Science/Healthcare Only[1]
$10.2 billion (35% of Gross Loans)



1) As of 3/31/2019; gross loans do not include deferred fees and costs.
2) Private Bank includes loans designated as Consumer Loans (including real estate secured loans) in our earnings releases and our Form 10-K and 10-Q reports.
3) Primarily capital call lines of credit

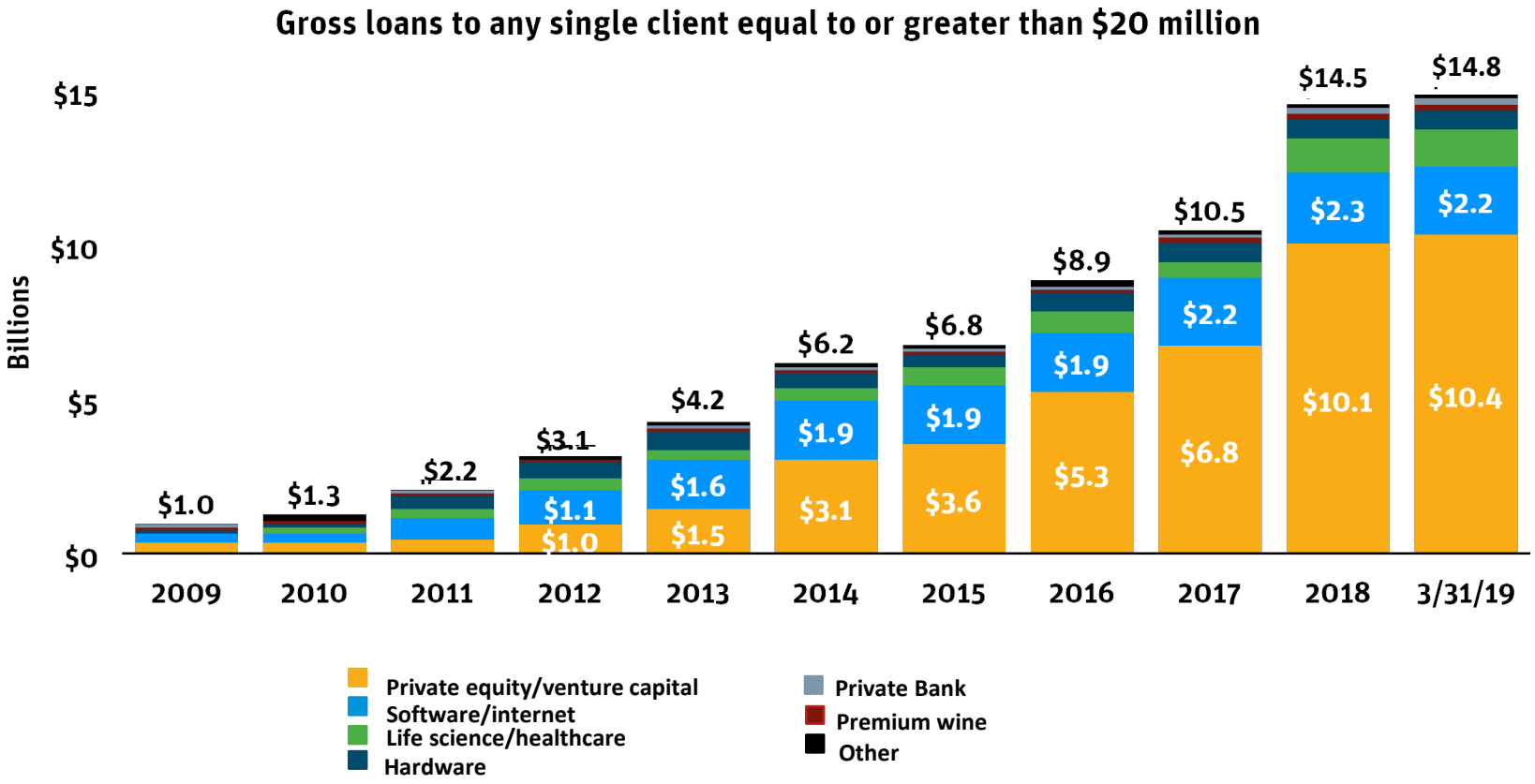
Our loan portfolio has evolved over time

- Private Equity has driven the majority of recent growth, although we have seen growth in all niches
- Our Private Equity portfolio has historically been characterized by lower yields. relative to the rest of our portfolio, and exceptional credit quality



Loans >$20M are primarily Private Equity capital call lines, which have a history of exceptional credit quality

Capital call lines have maturities of <1 year and are secured by contractual capital commitments and the invested assets of the fund borrowers.

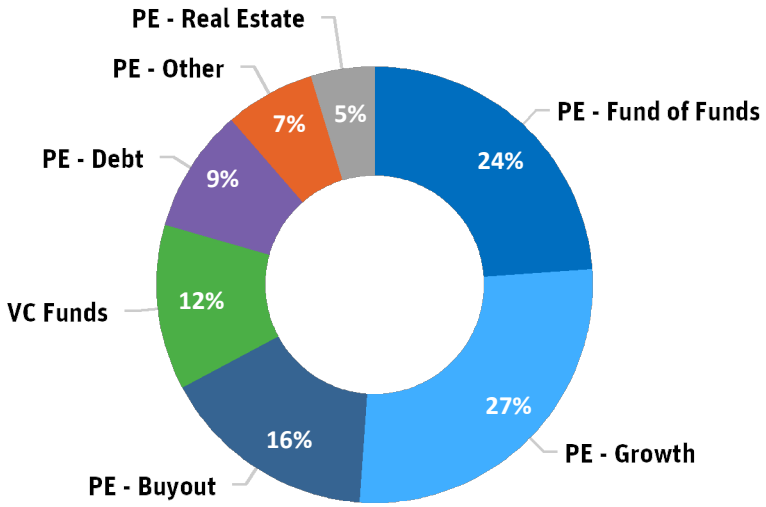


Private Equity capital call lines: High growth, diversification, low credit risk

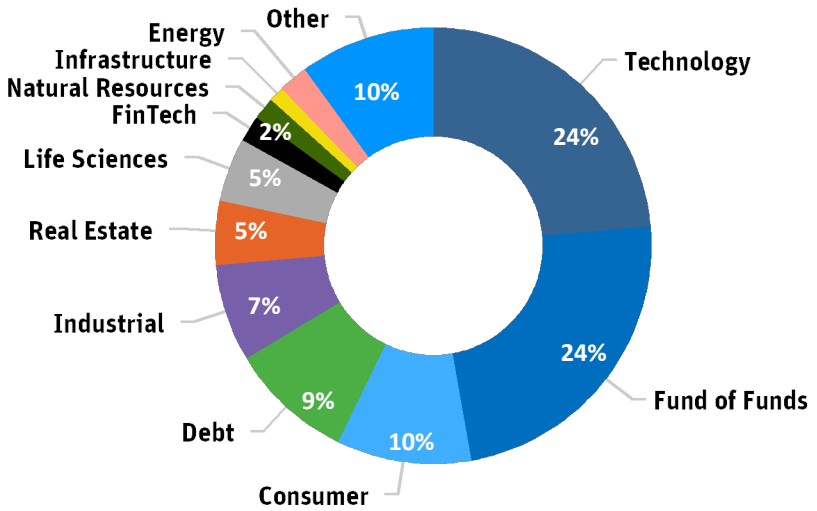
- High-quality, strong underwriting
- Strong secondary markets

PE/VC Fund Commitments by Investment Style and Industry*

Investment Style



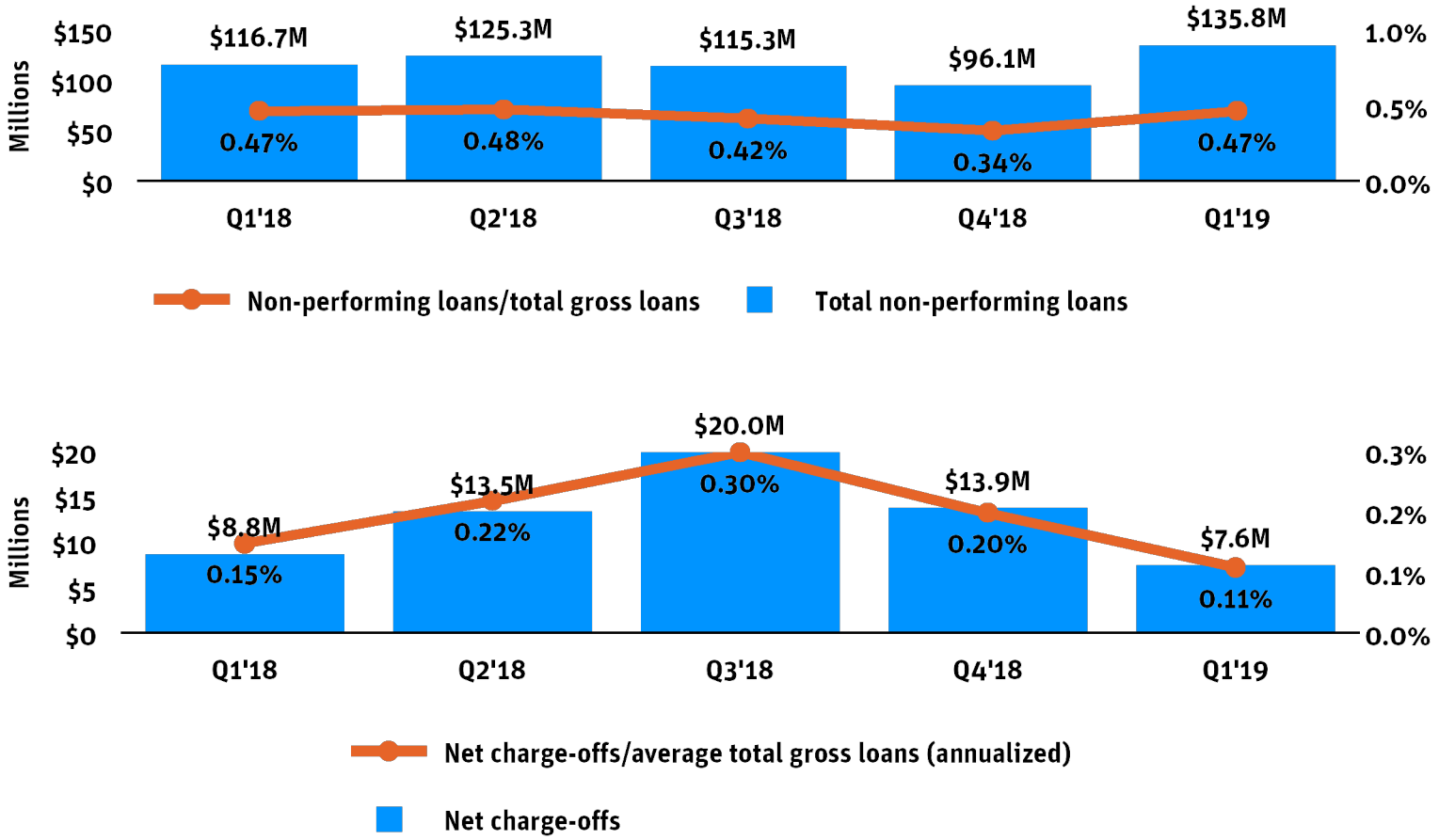
Industry



* PE/VC portfolio by investment style and industry is based on fund commitments as of 9/30/18

Q1'19: Credit quality remained stable

- Provision for credit losses of $28.6M (vs. 13.6M in Q4)
- Allowance for loan losses/total gross loans: at 1.03% (vs. 0.99% in Q4)



History of high credit quality and resilience through market cycles

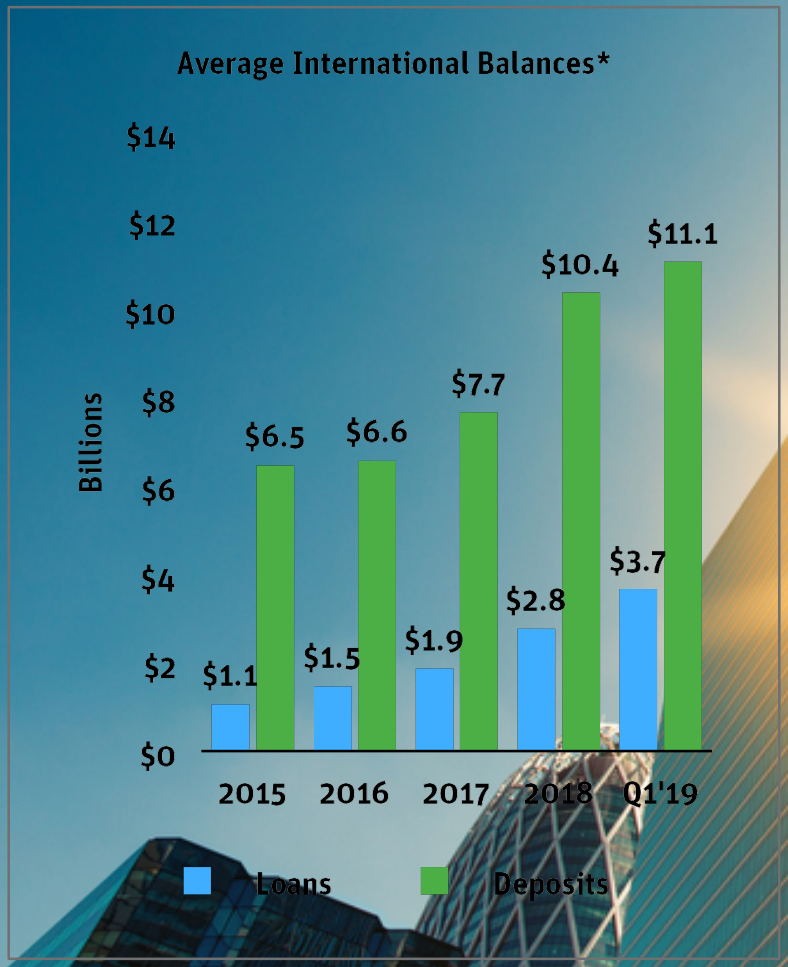


Loan Portfolio Statistics	2000	2007	2018
	48% Technology 30% Early-Stage % of total loans	47% Technology 14% Early-Stage % of total loans	26% Technology 6% Early-Stage % of total loans

Non-performing loans as a % of total gross loans

Net charge-offs as a % of average total gross loans

Expanding international business activity



Location	Description	Year opened
U.K.	Full service branch	2012
Israel	Business development and representative office	2008
China	Business development office (Beijing)	2005
	SPD Silicon Valley Bank (joint venture, offices in Beijing, Shanghai, Shenzhen)	2012
Hong Kong	Representative office	2013
Germany	Branch (lending)	2018
Canada	Branch (lending)	2019

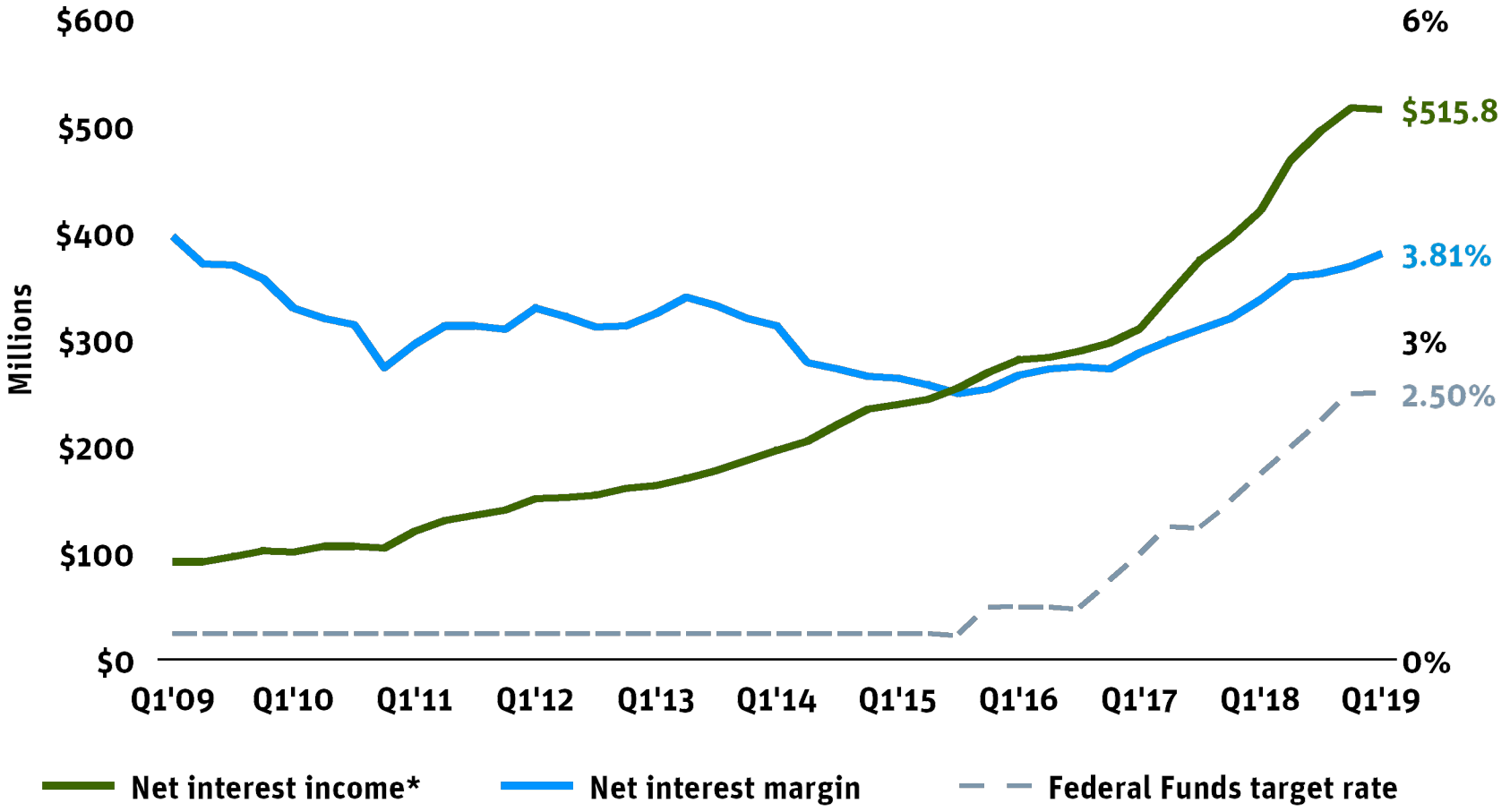
* Includes full-year and Q1'19 average loan and deposit balances for international operations in U.K., Israel and Asia; this is a management segment view and does not tie to regulatory definitions for foreign exposure



Financial Performance (Income Statement)

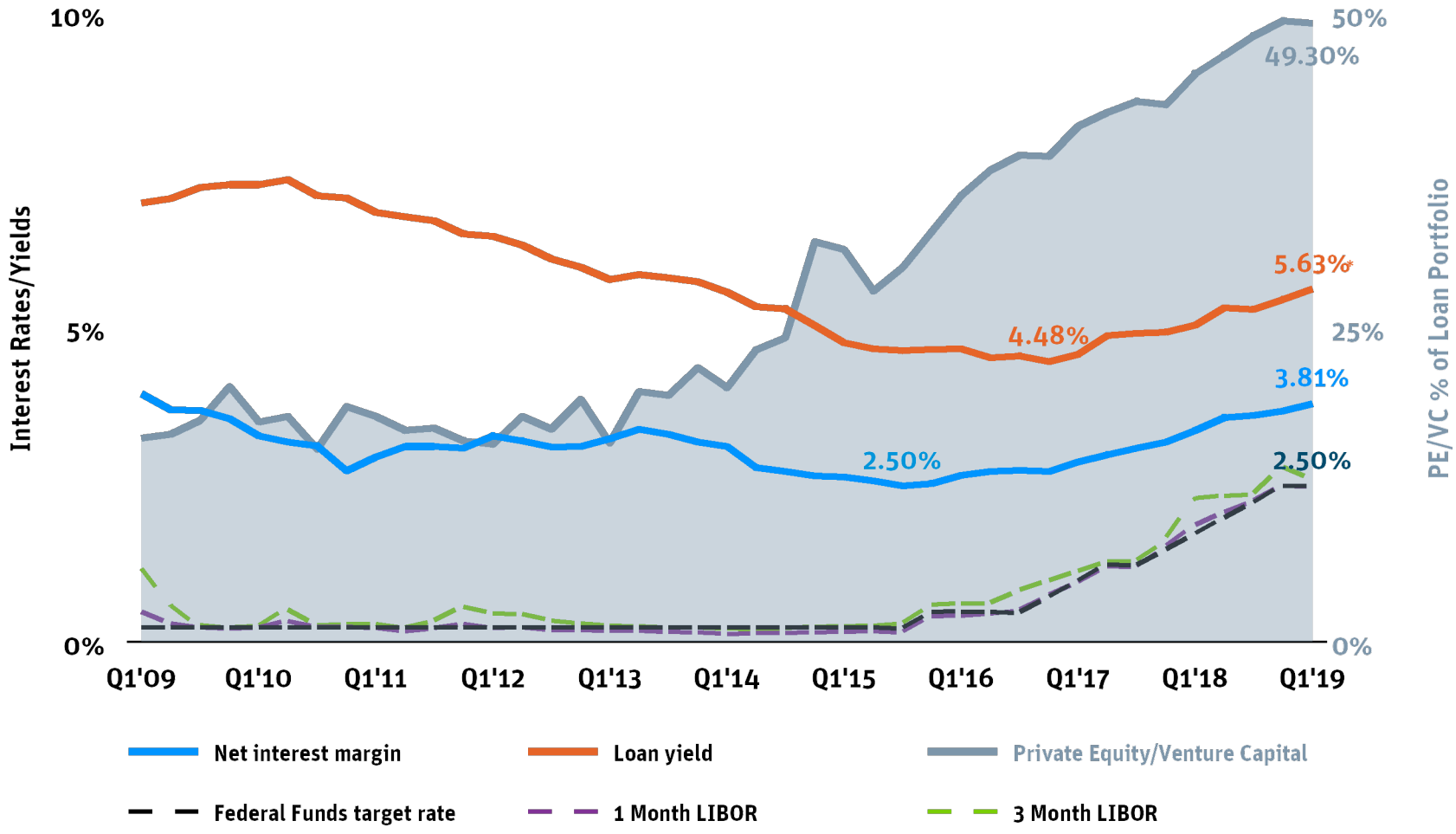
Q1'19: Net interest income decreased 0.3%

Higher average loans and yields were offset by higher deposit cost. The first quarter also had two less days compared to Q4'18.



* Net interest income is presented on a fully taxable equivalent basis to consistently reflect income from taxable loans and securities and tax-exempt securities based on the federal statutory tax rate (35 percent for periods prior to 2018 and 21 percent after 12/31/17)

Higher rates have driven higher NIM



* Consolidated loan yields have been impacted by the change in the mix of our loan portfolio to PE/VC loans, which have lower loan yields in comparison to Technology and Life Science lending.

We maintain the benefits of asset sensitivity, with strategies to mitigate the downside

Estimated net interest income could change as follows if short-term rates move
+25 bps could increase net interest income by $73 million
-25 bps could decrease net interest income by $73 million

Changes in market interest rates (basis points)	% Change in Base Case Net Interest Income as of	
	12/31/18	3/31/19
+100	13.1%	14.3%
-100	(13.3)%	(14.4)%

Primary benchmark indices:

- Federal Funds target rate
- National Prime rate
- 1-month LIBOR

Drivers

1) Impact of interest rate changes on:

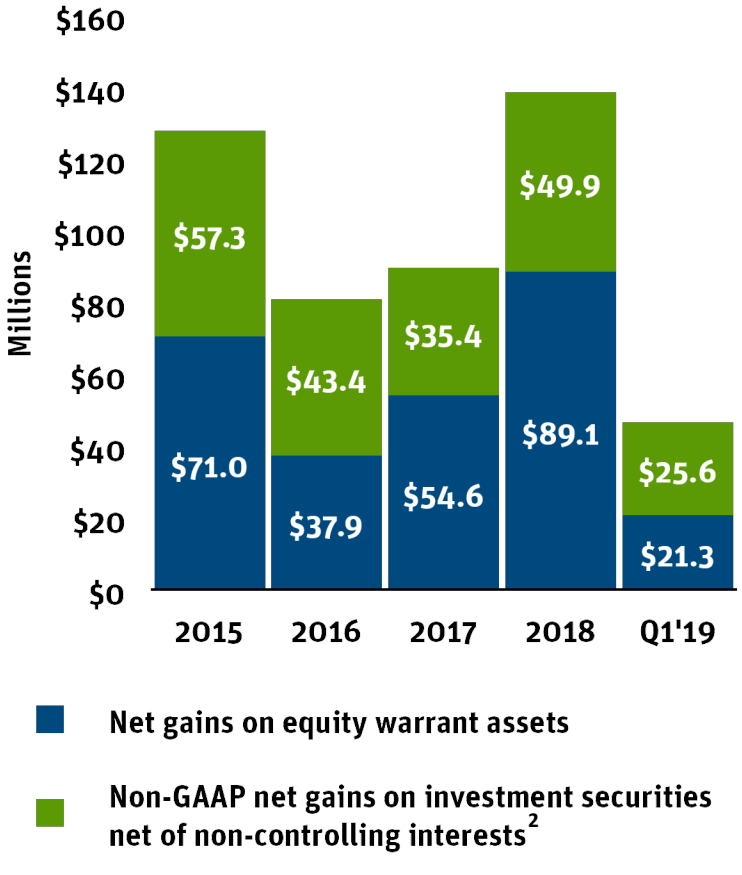
- Reinvestment of fixed income portfolio cash flows
- Variable rate loans and LIBOR-based investments

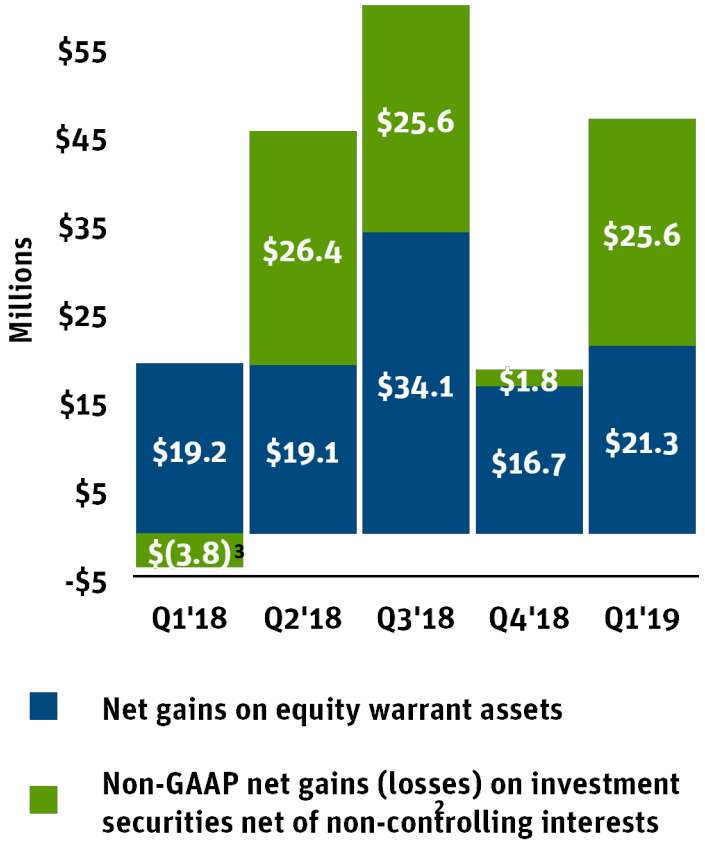
2) Balance sheet growth and asset/liability composition:

- Large non-interest bearing deposit funding base

* For more information, please refer to our sensitivity analysis included in our most recently filed quarterly reports pursuant to applicable SEC requirements. These estimates are reported on a pre-tax basis and are based on a static balance sheet and assumptions as of March 31, 2019. Actual results may differ. Simulations used to analyze interest-rate sensitivity may differ from actual results due to, among other things, differences in timing, frequency, and magnitude of changes in market rates; impact of competition; fluctuating business conditions and impact of strategies taken by management to mitigate these risks.

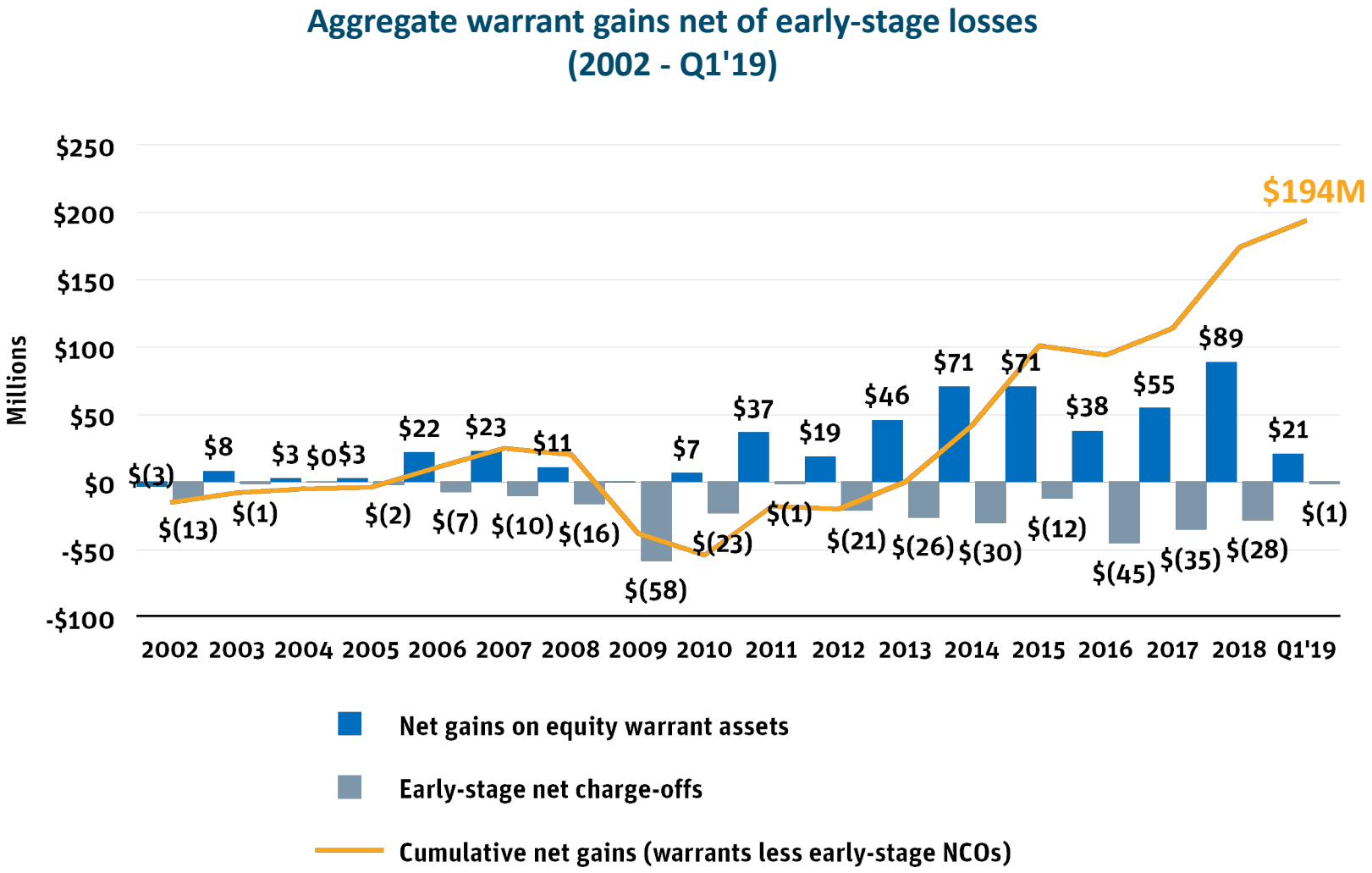
Investment securities and warrant gains[1]





1. The gains (or losses) resulting from changes in valuations (fair values) of investment securities within our nonmarketable and other equity securities portfolio and equity warrant assets are currently unrealized. The extent to which such gains (or losses) will become realized are subject to a variety of factors including, among other things, performance of the underlying portfolio companies, investor demand for IPOs, fluctuations in the underlying valuation of these companies, levels of M&A activity, and legal and contractual restrictions on our ability to sell the underlying securities.
2. This is a non-GAAP measure.
3. In Q1'18, losses on investment securities net of non-controlling interests included $22.2 million of losses from the sale of shares from exercised equity warrants in a single company that went public in the prior quarter. Despite the loss in Q1'18, total net gains from this investment were approximately $46 million.

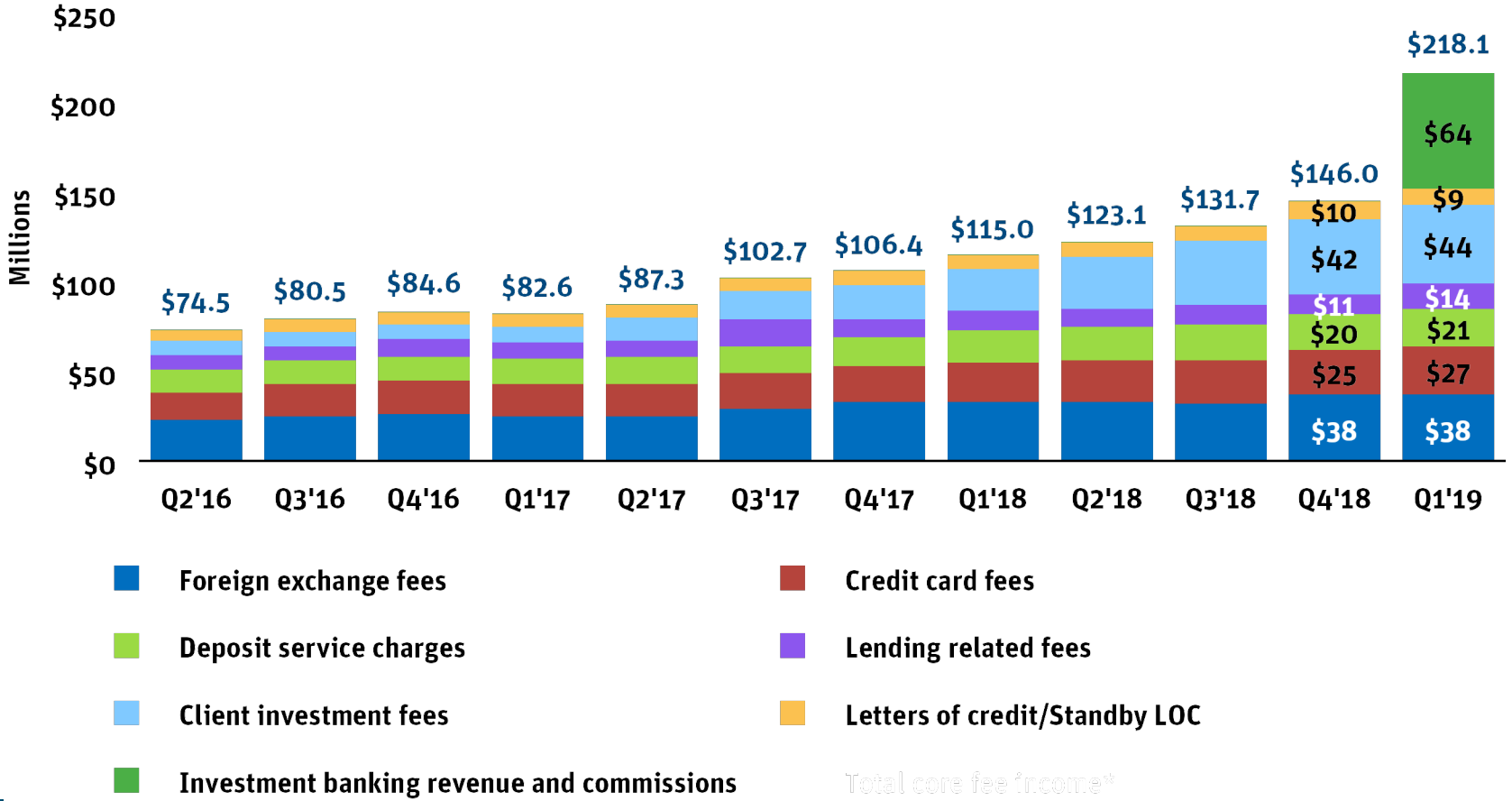
Net warrant gains have more than offset early-stage charge-offs over time



Q1'19: Core fee income grew 5.6% (excluding investment banking income)

Growth drivers:

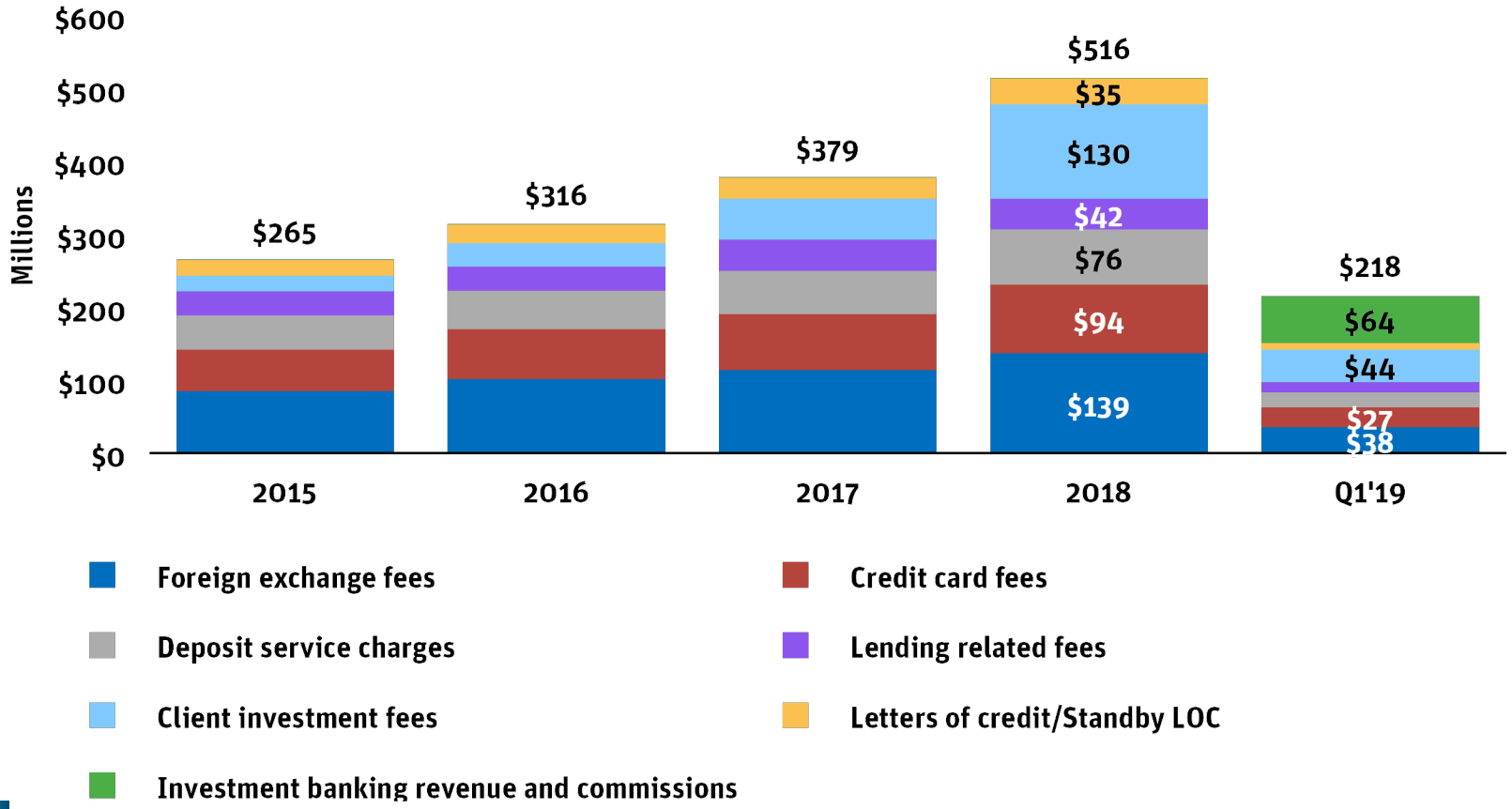
- Higher client investment fees from higher fund balances and rate increases
- Stronger lending related fees from unused commitment fees and loan syndications
- Q1'19 includes investment banking revenue and commissions from SVB Leerink



A history of strong core fee income growth

Recent core fee income growth has been driven by strong transaction volumes across core fee banking products:

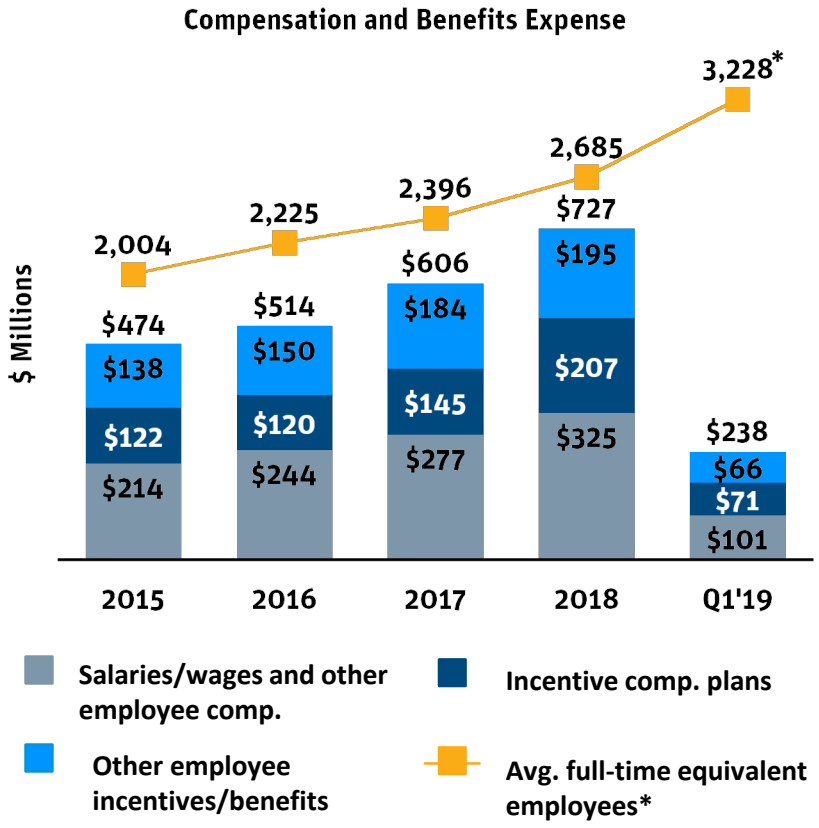
- **Client investment fee growth from higher fund balances and rate increases**
- **Foreign exchange and credit card volume growth, partially offset by lower competitive spreads**
- **Investment banking reveneu and commissions from Leerink acquisition**

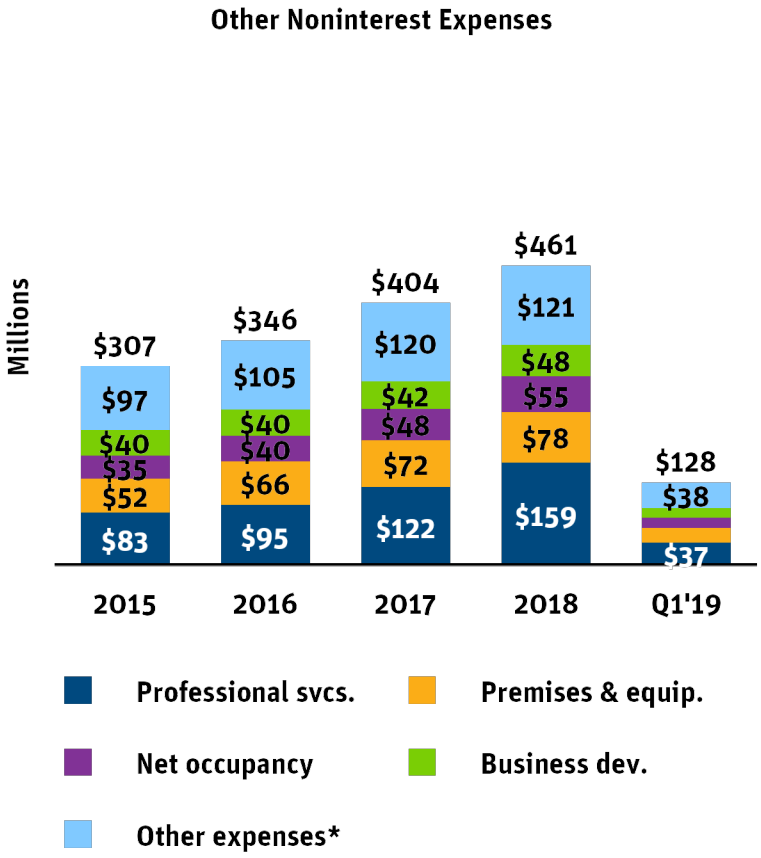


Performance and growth driving non-interest expense

Revenue and growth investment initiatives:

- Client experience
- People (staffing, enablement, performance-based incentive compensation)
- Infrastructure improvements (banking, risk & compliance)

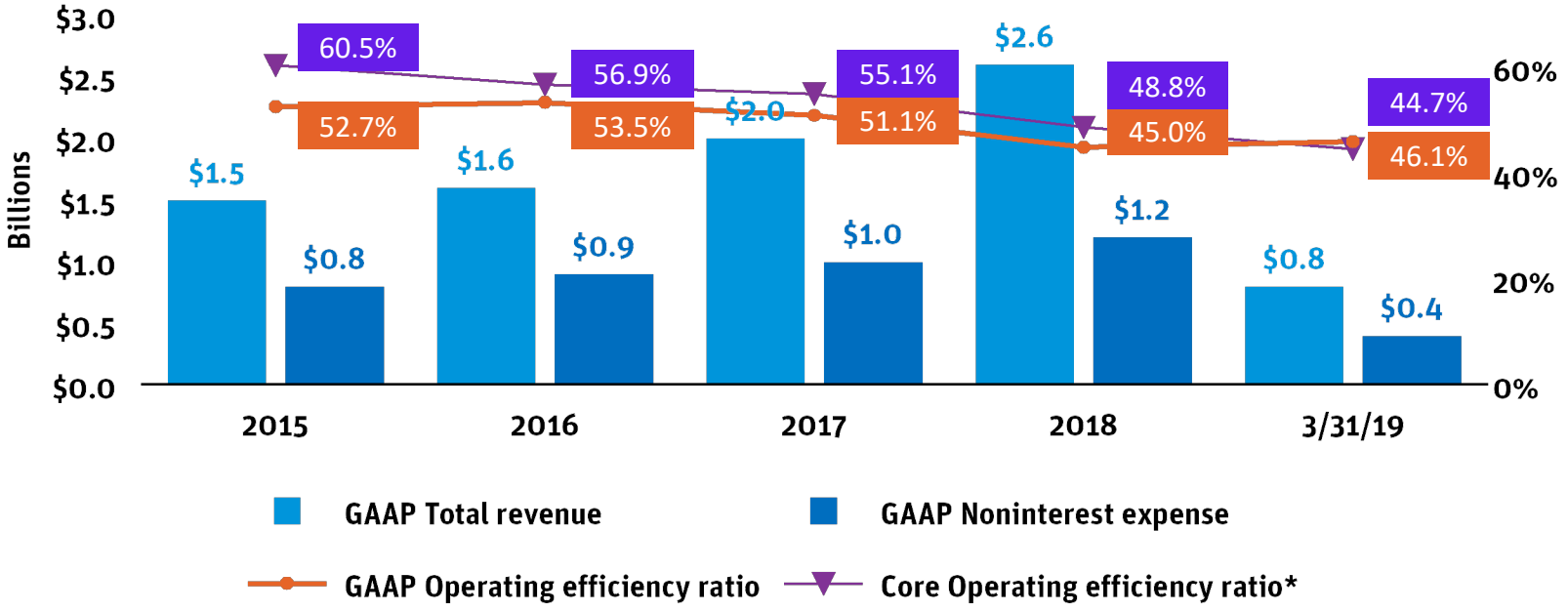




* Q1'19 includes 233 full-time equivalent employees from SVB Leerink

* Includes costs for FDIC and state assessments, correspondent bank fees, lending and other client-related processing, telephone, data processing and other expenses; please see our quarterly filings for more information.

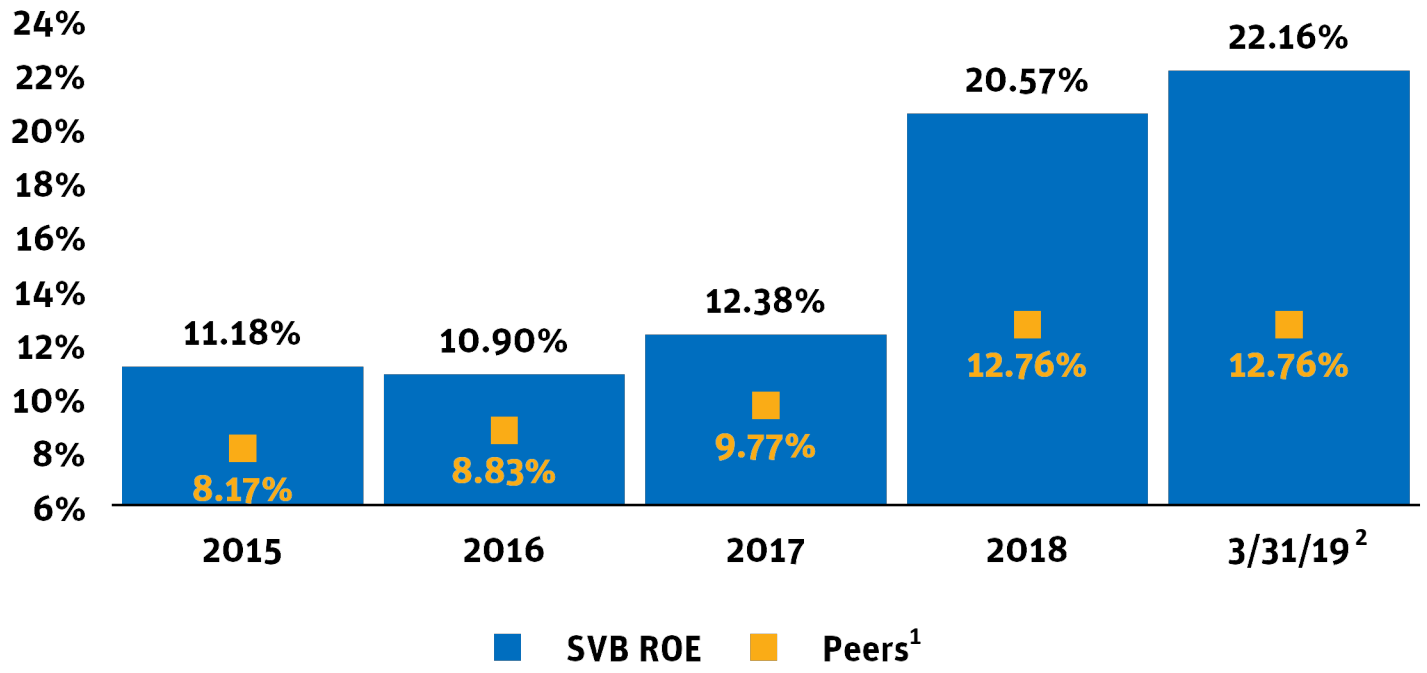
Core operating efficiency ratio* has trended down over time, driven by strong revenue growth



* Non-GAAP measure

Above-peer return on average equity

Increase in 2018 ROE primarily due to strong balance sheet growth, higher interest rates and lower taxes



1. "Peers" refers to peer group as reported in our proxy statements specific to the years reported and are subject to change on an annual basis. Peer ROE is the average of our peer group using data from S&P Global Market Intelligence.
2. Annualized



Capital

We are well capitalized - Holding Company

- $500M Share Repurchase Program authorized in November 2018
- $147M of shares repurchased in Q4'18
- $116M of shares repurchased in Q1'19

SVB Financial Group[1]	2015	2016	2017	2018	3/31/19
CET 1 risk-based capital	12.28%	12.80%	12.78%	13.41%	12.89%
Tier 1 risk-based capital	12.83	13.26	12.97	13.58	13.04
Total risk-based capital	13.84	14.21	13.96	14.45	13.94
Tier 1 leverage	7.63	8.34	8.34	9.06	9.10
Tangible common equity to tangible assets[2]	7.16	8.15	8.16	8.99	8.59
Tangible common equity to risk-weighted assets[2]	12.34	12.89	12.77	13.28	12.86

1) All ratios, except TCE/TA and TCE/RWA, are as reported in our most recent bank holding company consolidated reports on Form FR Y-9C. TCE/TA and TCE/RWA ratios are as reported in our most recent quarterly earnings releases.
2) These are non-GAAP measures. Please see non-GAAP reconciliations at end of this presentation for more information.

We are well capitalized - Bank

- Pressure on Tier 1 Leverage ratio from exceptional deposit and total asset growth in 2015
- Strong Bank earnings resulted in $167M of dividends from Bank to SVBFG in Q1'19, $140M in 2018, $90M in 2017 and $40M in 2016

Silicon Valley Bank[1]	2015	2016	2017	2018	3/31/19
CET 1 risk-based capital	12.52%	12.65%	12.06%	12.41%	12.35%
Tier 1 risk-based capital	12.52	12.65	12.06	12.41	12.35
Total risk-based capital	13.60	13.66	13.04	13.32	13.29
Tier 1 leverage	7.09	7.67	7.56	8.10	8.38
Tangible common equity to tangible assets[2]	6.95	7.77	7.47	8.13	7.99
Tangible common equity to risk-weighted assets[2]	12.59	12.75	11.98	12.28	12.32

1) All ratios, except TCE/TA and TCE/RWA, are as reported in our most recent bank holding company consolidated reports on Form FR Y-9C. TCE/TA and TCE/RWA ratios are as reported in our most recent quarterly earnings releases.
2) These are non-GAAP measures. Please see non-GAAP reconciliations at end of this presentation for more information.


Regulatory

Complex regulatory environment

As a growing, global bank with a holding company structure, we face a complex regulatory landscape.

- Key areas of Focus
  - Risk Management
  - Bank Secrecy Act/Anti-Money Laundering (BSA/AML)
  - Compliance
  - General Data Protection Regulation (GDPR)/Privacy
  - Cybersecurity
- Current Expected Credit Loss (CECL) implementation
- Ongoing investments in regulatory and compliance infrastructure



Non-GAAP Reconciliations

Non-GAAP reconciliation

Core fee income[1]

Non-GAAP core fee income (dollars in thousands)	Quarter ended Jun 30, 2016	Sep 30, 2016	Dec 31, 2016	Mar 31, 2017	Jun 30, 2017	Sep 30, 2017
GAAP noninterest income	$112,776	$144,140	$113,502	$117,659	$128,528	$158,778
Less: gains on investment securities, net	23,270	23,178	9,976	15,970	17,630	15,238
Less: net gains on equity warrant assets	5,089	21,558	4,639	6,690	10,820	24,922
Less: other noninterest income	9,963	18,878	14,239	12,421	12,811	15,896
Non-GAAP core fee income	$74,454	$80,526	$84,648	$82,578	$87,267	$102,722

Non-GAAP core fee income (dollars in thousands)	Quarter ended Dec 31, 2017	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
GAAP noninterest income	$152,266	$155,518	$192,689	$210,070	$186,707	$280,376
Less: gains on investment securities, net	15,765	9,058	36,114	32,193	10,729	29,028
Less: net gains on equity warrant assets	12,123	19,191	19,061	34,141	16,749	21,305
Less: other noninterest income	17,982	12,259	14,390	12,022	13,187	11,897
Non-GAAP core fee income including investment banking revenue and commissions	$106,396	$115,010	$123,124	$131,714	$146,042	$218,146
Less: investment banking revenue	—	—	—	—	—	49,795
Less: commissions	—	—	—	—	—	14,108
Non-GAAP core fee income	$106,396	$115,010	$123,124	$131,714	$146,042	$154,243

Non-GAAP core fee income (dollars in thousands)	Year ended December 31, 2015	2016	2017	2018	QTD Mar 31, 2019
GAAP noninterest income	$472,794	$456,552	$557,231	$744,984	$280,376
Less: gains on investment securities, net	89,445	51,740	64,603	88,094	29,028
Less: net gains on equity warrant assets	70,963	37,892	54,555	89,142	21,305
Less: other noninterest income	47,004	50,750	59,110	51,858	11,897
Non-GAAP core fee income including investment banking revenue and commissions	$265,382	$316,170	$378,963	$515,890	$218,146
Less: investment banking revenue	—	—	—	—	49,795
Less: commissions	—	—	—	—	14,108
Non-GAAP core fee income	$265,382	$316,170	$378,963	$515,890	$154,243

1) This is a non-GAAP measure. See “Use of Non-GAAP Financial Measures” at the end of our most recent quarterly earnings release for further information regarding the calculation and limitations of this measure.

Non-GAAP reconciliation*

Non-marketable and other equity securities

Non-GAAP non-marketable and other equity securities, net of non-controlling interests (dollars in thousands)	Mar 31, 2019
GAAP non-marketable and other equity securities	$974,979
Less: amounts attributable to non-controlling interests	134,130
Non-GAAP non-marketable and other equity securities, net of non-controlling interests	$840,849

Composition of non-GAAP non-marketable and other equity securities, net of non-controlling interests (dollars in thousands)	Mar 31, 2019
Non-marketable and other equity securities (fair value accounting):	
Consolidated venture capital and private equity fund investments	$28,055
Unconsolidated venture capital and private equity fund investments	196,049
Investments without a readily determinable fair value	37,796
Other equity securities in public companies	10,736
Non-marketable securities (equity method accounting):	
Venture capital and private equity fund investments	95,223
Debt funds	5,826
China Joint Venture Investment	79,415
Other investments	47,849
Investments in qualified affordable housing projects, net	339,900
Total non-marketable and other equity securities	$840,849

* See “Use of Non-GAAP Financial Measures” at the end of our most recent quarterly earnings release for further information regarding the calculation and limitations of this measure.

Non-GAAP reconciliation[1]

Net gains (losses) on investment securities

Non-GAAP net gains (losses) on investment securities (dollars in thousands)	Quarter ended Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
GAAP net gains on investment securities	$9,058	$36,114	$32,193	$10,729	$29,028
Less: income attributable to noncontrolling interests, including carried interest	12,905	9,672	6,641	8,965	3,436
Non-GAAP net gains (losses) on investment securities, net of noncontrolling interests	$(3,847)	$26,442	$25,552	$1,764	$25,592

Non-GAAP net gains (losses) on investment securities (dollars in thousands)	Year ended December 31, 2015	2016	2017	2018	QTD Q1'19
GAAP net gains on investment securities	$89,445	$51,740	$64,603	$88,094	$29,028
Less: income attributable to noncontrolling interests, including carried interest	32,115	8,312	29,187	38,183	3,436
Non-GAAP net gains on investment securities, net of noncontrolling interests	$57,330	$43,428	$35,416	$49,911	$25,592

1) This is a non-GAAP measure. See “Use of Non-GAAP Financial Measures” at the end of our most recent quarterly earnings release for further information regarding the calculation and limitations of this measure.

Non-GAAP reconciliation*

Capital ratios

Consolidated (SVBFG) TCE/TA and TCE/RWA

Non-GAAP tangible common equity and tangible assets (dollars in thousands, except ratios)	Year ended December 31, 2015	2016	2017	2018	Mar 31, 2019
GAAP SVBFG stockholders' equity	$3,198,134	$3,642,554	$4,179,795	$5,116,209	$5,342,773
Less: Intangible assets	—	—	—	—	193,219
Tangible common equity (TCE)	$3,198,134	$3,642,554	$4,179,795	$5,116,209	$5,149,554
GAAP Total assets	$44,686,703	$44,683,660	$51,214,467	$56,927,979	$60,160,285
Less: Intangible assets	—	—	—	—	193,219
Tangible assets (TA)	$44,686,703	$44,683,660	$51,214,467	$56,927,979	$59,967,066
Risk-weighted assets (RWA)	$25,919,594	$28,248,750	$32,736,959	$38,527,853	$40,048,892
Tangible common equity to tangible assets	7.16%	8.15%	8.16%	8.99%	8.59%
Tangible common equity to risk-weighted assets	12.34%	12.89%	12.77%	13.28%	12.86%

Bank only TCE/TA and TCE/RWA

Non-GAAP tangible common equity and tangible assets (dollars in thousands, except ratios)	Year ended December 31, 2015	2016	2017	2018	Mar 31, 2019
Tangible common equity (TCE)	$3,059,045	$3,423,427	$3,762,542	$4,554,814	$4,696,564
Tangible assets (TA)	$44,045,967	$44,059,340	$50,383,774	$56,047,134	$58,774,326
Risk-weighted assets (RWA)	$24,301,043	$26,856,850	$31,403,489	$37,104,080	$38,511,235
Tangible common equity to tangible assets	6.95%	7.77%	7.47%	8.13%	7.99%
Tangible common equity to risk-weighted assets	12.59%	12.75%	11.98%	12.28%	12.20%

* See "Use of Non-GAAP Financial Measures" at the end of our most recent quarterly earnings release for further information regarding the calculation and limitations of this measure.

Non-GAAP reconciliation

Non-interest income[1]

Non-GAAP non-interest income, net of non-controlling interests (dollars in thousands)	Quarter ended				
	Mar 31, 2018	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019
GAAP non-interest income	$155,518	$192,689	$210,070	$186,707	$280,376
Less: income attributable to non-controlling interests, including carried interests	13,024	9,445	6,692	8,839	3,248
Non-GAAP non-interest income, net of non-controlling interests	142,494	183,244	203,378	177,868	277,128

Non-GAAP Non-interest income, net of non-controlling interests (dollars in thousands)	Year ended December 31,				QTD
	2015	2016	2017	2018	Mar 31, 2018
GAAP noninterest income	$472,794	$456,552	$557,231	$744,984	$280,376
Less: income attributable to noncontrolling interests, including carried interest	31,736	8,039	29,452	38,000	3,248
Non-GAAP noninterest income, net of noncontrolling interests	$441,058	$448,513	$527,779	$706,984	$277,128

1) See “Use of Non-GAAP Financial Measures” at the end of our most recent quarterly earnings release for further information regarding the calculation and limitations of this measure.

Non-GAAP reconciliation

Non-GAAP core operating efficiency ratio[1]

(Dollars in thousands, except ratios)		Year ended December 31, 2015	2016	2017	2018	QTD Mar 31, 2019
GAAP noninterest expense	**A**	**$ 779,962**	**$ 859,797**	**$ 1,010,655**	**$ 1,188,193**	**$ 365,664**
Less: amounts attributable to noncontrolling interests		828	524	813	522	379
Non-GAAP noninterest expense, net of noncontrolling interests		$ 779,134	$ 859,273	$ 1,009,842	$ 1,187,671	$ 365,285
Less: expense attributable to SVB Leerink		—	—	—	—	60,540
Non-GAAP noninterest expense, net of noncontrolling interests and SVB Leerink	**B**	**$ 779,134**	**$ 859,273**	**$ 1,009,842**	**$ 1,187,671**	**$ 304,745**
GAAP net interest income		$ 1,006,425	$ 1,150,523	$ 1,420,369	$ 1,893,998	$ 512,886
Adjustments for taxable equivalent basis		1,564	1,203	3,076	9,201	2,907
Non-GAAP taxable equivalent net interest income		$ 1,007,989	$ 1,151,726	$ 1,423,445	$ 1,903,189	$ 515,793
Less: income attributable to noncontrolling interests		8	66	33	30	11
Non-GAAP taxable equivalent net interest income, net of noncontrolling interests		$ 1,007,981	$ 1,151,660	$ 1,423,412	$ 1,903,159	$ 515,782
Less: net interest income attributable to SVB Leerink		—	—	—	—	442
Non-GAAP taxable equivalent net interest income, net of noncontrolling interests and SVB Leerink		$ 1,007,981	$ 1,151,660	$ 1,423,412	$ 1,903,159	$ 515,340
GAAP noninterest income		$ 472,794	$ 456,552	$ 557,231	$ 744,984	$ 280,376
Less: income attributable to noncontrolling interests		31,736	8,039	29,452	38,000	3,248
Non-GAAP noninterest income, net of noncontrolling interests		$ 441,058	$ 448,513	$ 527,779	$ 706,984	$ 277,128
Less: Non-GAAP net gains on investment securities, net of noncontrolling interests		89,445	51,740	64,603	88,094	25,592
Less: net gains on equity warrant assets		70,963	37,892	54,555	89,142	21,305
Less: investment banking revenue		—	—	—	—	49,795
Less: commissions		—	—	—	—	14,108
Non-GAAP noninterest income, net of noncontrolling interests and net of net gains on investments securities, net gains on equity warrants assets, investment banking revenue and commissions		$ 280,650	$ 358,881	$ 408,621	$ 529,748	$ 166,328
GAAP total revenue	**C**	**$ 1,479,219**	**$ 1,607,075**	**$ 1,977,600**	**$ 2,638,972**	**$ 793,262**
Non-GAAP taxable equivalent revenue, net of noncontrolling interests and SVB Leerink, net of net gains on investments securities, net gains on equity warrants assets, investment banking revenue and commissions	**D**	**$ 1,288,631**	**$ 1,510,541**	**$ 1,832,033**	**$ 2,432,907**	**$ 681,668**
GAAP operating efficiency ratio (A/C)		**52.73%**	**53.50%**	**51.11%**	**45.02%**	**46.10%**
Non-GAAP core operating efficiency ratio (B/D)		**60.46%**	**56.89%**	**55.12%**	**48.82%**	**44.71%**

1) See "Use of Non-GAAP Financial Measures" at the end of our most recent quarterly earnings release for further information regarding the calculation and limitations of this measure.
2) This ratio excludes certain financial items where performance is typically subject to market or other conditions beyond our control. It is calculated by dividing noninterest expense by total revenue, after adjusting for noncontrolling interests, gains or losses on investment securities and equity warrant assets and Leerink fee income.



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2018 takeaways

EPS: $18.11

Net Income: $0M

- **Outstanding Growth (vs. 2017)**
  - Average total client funds: #N/A
  - Average loans: +10.8%
  - Net interest income: +33.3%
  - Core fee income: +36.1%

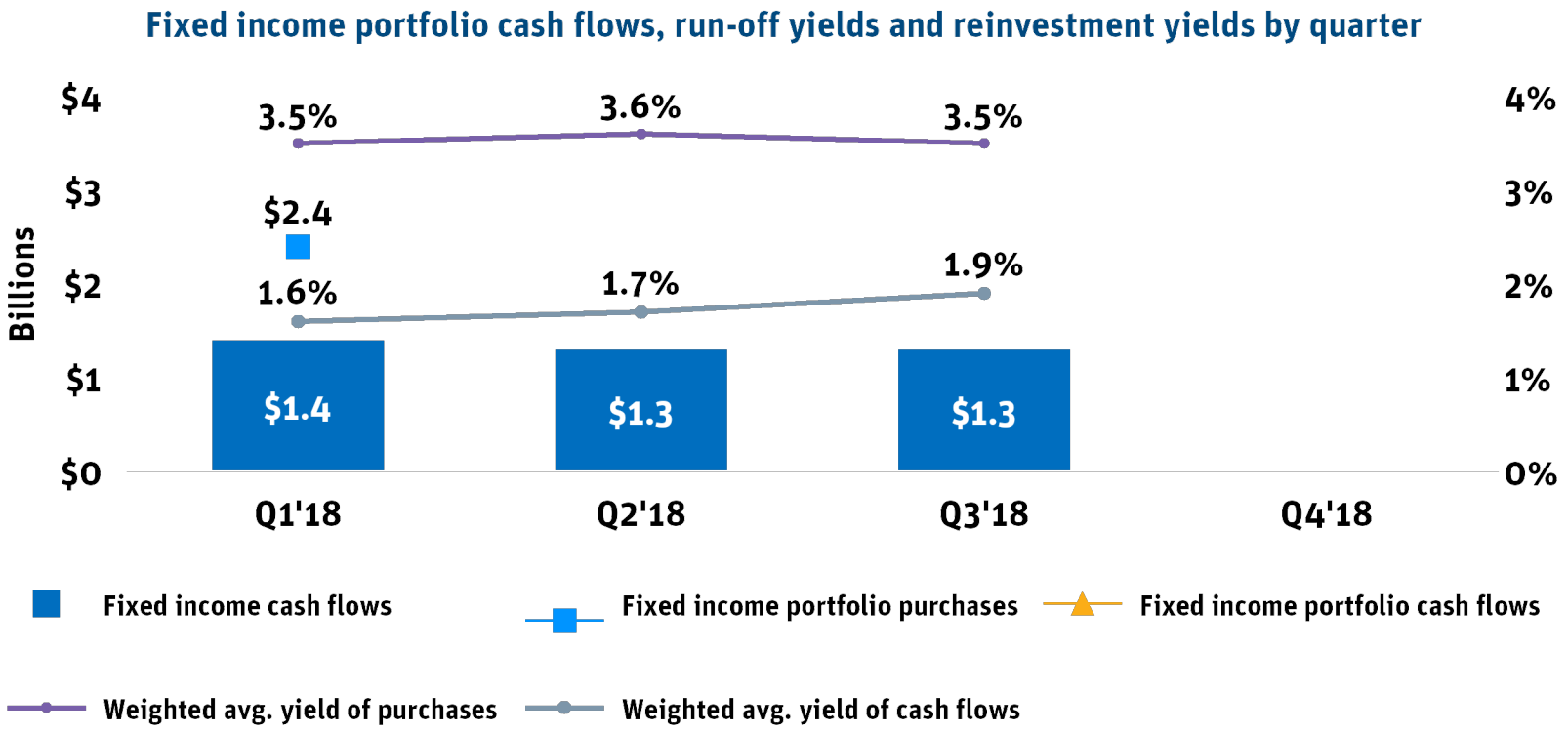
- **Non-interest expense: +17.6% (vs. 2017)**
  - Investments in people,
  - Infrastructure investments to support our growth
  - Enhancements to our risk and compliance infrastructure

- **Warrant gains: $89M**
- **Investment gains, net of NCI: $50M**
- **Efficiency ratio: #DIV/0!**
- **Return on equity: 20.57% (12.38% in 2017)**
- **Stable credit quality**
- **Bank Tier 1 Leverage ratio: 8.38% (+54 bps vs. 2017)**

Benefits of a liquid, fixed-income portfolio in a rising rate environment

Average portfolio cash flows of $___B per quarter over the last four quarters

- Reinvestment yields significantly higher than portfolio run-off yields
- Excess cash flows reinvested in mortgage-backed securities and municipal bonds





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2019 preliminary outlook[1]

Business Driver	2019 Full Year Outlook vs. 2018 Full Year Expected Results
Average loans	Increase at a percentage rate in the mid teens
Average deposits	Increase at a percentage rate in the high single digits
Net interest income	Increase at a percentage rate in the high teens
Net loan charge-offs	Between 0.20% and 0.40% of avg. total gross loans
Core fee income[2]	Increase at a percentage rate in the mid teens
Non-interest expense (excluding expenses related to non-controlling interests)[2]	Increase at a percentage rate in the mid teens

Key Challenges

- **Competition from banks and non-banks**
- **Impact of abundant market liquidity on technology loan growth**
- **Market anxiety (rising interest rates, slowing global economies, etc.)**

1. As of 4/25/2019 (subject to change), assumes no rate increases, please see our most recent Financial Release and earnings call transcript for complete information on management's assumptions and forecasts regarding this outlook.
2. Non-GAAP measure

Non-GAAP reconciliation

Non-GAAP core efficiency ratio

(Dollars in thousands, except ratios)	Year ended December 31, 2014	2015[2]	2016	2017	2018	YTD Sep 30, 2018
GAAP noninterest expense[1]	$ 700,669	$ 779,962	$ 859,797	$ 1,010,655		
GAAP net interest income	$ 856,595	$ 1,006,425	$ 1,150,523	$ 1,420,369		
GAAP noninterest income	$ 572,239	$ 472,794	$ 456,552	$ 557,231		
Less: GAAP gains on investment securities, net	267,023	89,445	51,740	64,603		
Less: GAAP gains on equity warrant assets, net	71,012	70,963	37,892	54,555		
Non-GAAP noninterest income	$ 234,204	$ 312,386	$ 366,920	$ 438,073	$ —	$ —
GAAP total revenue[3]	$ 1,428,834	$ 1,479,219	$ 1,607,075	$ 1,977,600	$ —	
Non-GAAP total revenue[4]	$ 1,090,799	$ 1,318,811	$ 1,517,443	$ 1,858,442	$ —	
GAAP operating efficiency ratio[5]	49.04%	52.73%	53.50%	51.11%	#DIV/0!	#DIV/0
Non-GAAP core efficiency ratio[6]	64.23%	59.14%	56.66%	54.38%	#DIV/0!	#DIV/0

1) Our consolidated GAAP noninterest expenses were modified from prior periods' presentation to conform to the current period's presentation, which reflects our provision for loan losses and provision for unfunded credit commitments together as our "provision for credit losses". In prior periods, our provision for unfunded credit commitments were reported separately as a component of noninterest expense.
2) Amounts prior to December 31, 2015 have not been revised to reflect the retrospective application of new accounting guidance adopted in the second quarter of 2015 related to deconsolidation of our investments in VC- and PE-related funds (ASU 2015-02).
3) GAAP total revenue consists of GAAP net interest income plus GAAP noninterest income.
4) Non-GAAP total revenue consists of GAAP net interest income plus Non-GAAP noninterest income.
5) Ratio is calculated by dividing GAAP noninterest expense by GAAP total revenue.
6) Ratio is calculated by dividing GAAP noninterest expense by Non-GAAP total revenue.