SVB Financial Group

Silicon Valley Bank Announces Entertainment Litigation Settlement

Santa Clara, California - June 25, 2002 - Silicon Valley Bank (SVB), a wholly owned subsidiary of Silicon Valley Bancshares, today announced that it has reached a settlement with an insurance company that issued various insurance policies to Silicon Valley Bank. The insurance company provided insurance to Silicon Valley Bank in connection with so-called "gap" loans made by Silicon Valley Bank to several independent motion picture production companies in 1997 and 1998.

"We are pleased with the outcome of the settlement," said Lauren Friedman, SVB chief financial officer. "We believe that it demonstrates the strength of the Bank's credit culture and resolves much of the uncertainty related to the Bank's former entertainment lending division."

The settlement concludes several suits between Silicon Valley Bank and this insurer. The suits were filed in 2000 and 2001. Under the terms of the settlement, Silicon Valley Bank will recover the full principal amount of the loans owed under the insurer's policies. Neither party admitted any wrongdoing or liability. Other details of the settlement were not disclosed. Pending litigation against other insurers continues.

About Silicon Valley Bank
Silicon Valley Bank serves emerging growth and middle-market companies in targeted niches, focusing on technology and life sciences, while also addressing other specific industries in which it can provide a higher level of service and better manage credit through specialization and focus. The Bank has 11 offices throughout California and operates regional offices in Phoenix, Arizona; Boulder, Colorado; West Palm Beach, Florida; Atlanta, Georgia; Chicago, Illinois; Boston, Massachusetts; Minneapolis, Minnesota; New York, New York; Durham, North Carolina; Portland, Oregon; Philadelphia, Pennsylvania; Austin, Texas; Dallas, Texas; Northern Virginia; and Seattle, Washington. More information on the Bank can be found at www.svb.com.

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