SVB Financial Group

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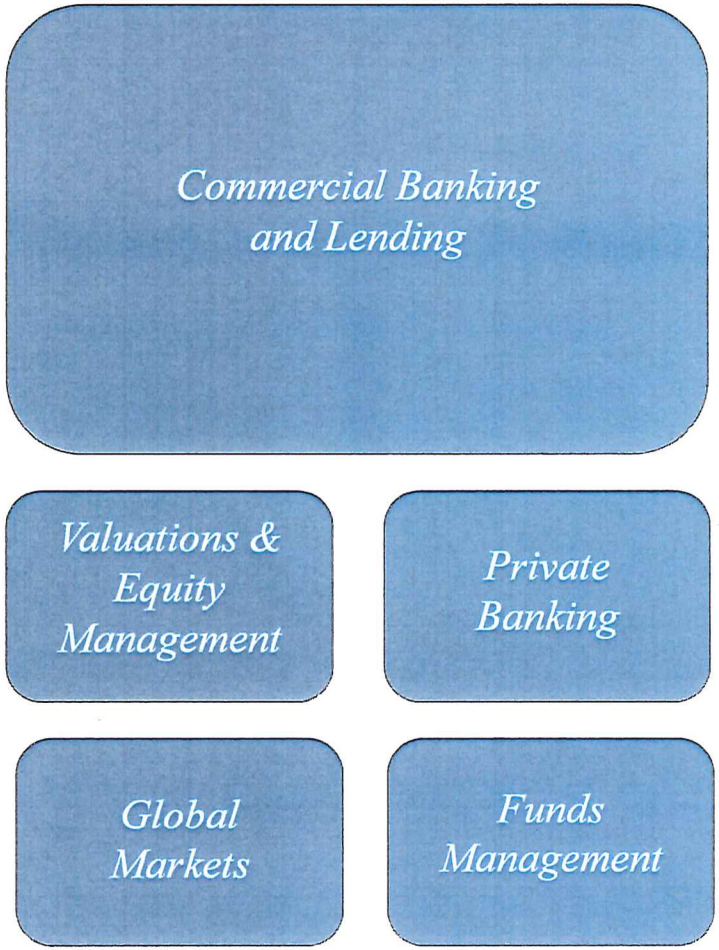
March 2011

SVB At A Glance

- *Founded in 1983*
- *26 offices across the United States*
- *International offices in China, India, Israel and the U.K.*
- *13,000+ clients and 1,350+ employees*
- *50% of VC-backed U.S. companies and VCs worldwide are clients*



The Innovation Ecosystem

Venture Investors

- Equity investments to transform ideas into reality
- Business expertise & networks
- Hands-on involvement
- *Typically work with portfolio companies for 5-10 years*

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- Debt financing with a "steady hand"
- Banking products & services to support the business
- Knowledge and programs to promote entrepreneurs' success and build the ecosystem
- Community involvement

High Growth Technology Startups

U.S. ECONOMY

- 12.1 million jobs – 11% of total private sector employment
- $3 trillion in revenues – 21% of U.S. GDP
- Transformative technologies and industries
  - How we live and work
  - How we treat and cure diseases
  - How we entertain ourselves
  - Energy independence and environmental sustainability
- U.S. exports and global competitiveness
- U.S. productivity
- Corporate growth

Key Attributes of Venture Capital Funds

1. Long Term Investment Horizon	• 10+ year fund term • No redemptions absent extraordinary circumstances • Company investments are held for years
2. Limited Use of Leverage	• Fund borrowing generally limited to short-term needs • Debt not used to financially engineer returns • Capital-intensive companies require debt (cleantech)
3. Investments in Private Companies	• Primarily invest in privately-held companies • Public market investments are rare (PIPE investments)
4. Non-Controlling Investments	• Minority ownership over time • Investments alongside management (not buyout)

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