

SVB FINANCIAL GROUP
Form 424B2
January 26, 2015
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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-201641

This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933 but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Prospectus supplement (subject to completion, dated January 26, 2015)

(To prospectus dated January 22, 2015)

\$

% Senior Notes due

Interest payable and

Issue price: %, plus accrued and unpaid interest, if any, from , 2015.

We will pay interest on the notes at an annual rate equal to % and will pay interest on and of each year, beginning on , 2015. The notes will mature on , .

We may redeem the notes, in whole or in part, at any time at the redemption prices described on page S-42. There is no sinking fund for the notes.

The notes will be senior, unsecured obligations of SVB Financial Group, will rank equally among themselves and with all of our other unsecured and unsubordinated indebtedness, and will be effectively subordinated in right of payment to all of our existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes will not be guaranteed by any of our subsidiaries and will be structurally subordinated to all existing and future indebtedness incurred by our subsidiaries.

The notes will be issued only in registered book-entry form, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

The notes will not be listed on any securities exchange. Currently there is no public market for the notes.

The notes are not savings accounts, deposits or other obligations of any of our bank or non-bank subsidiaries and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

Investing in the notes involves risks. See Risk Factors beginning on page S-10 to read about factors you should consider before buying the notes.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS SUPPLEMENT OR THE ACCOMPANYING PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Per Note	Total
Public offering price(1)	%	\$
Underwriting discount and commissions	%	\$
Proceeds to SVB Financial Group (before expenses)(1)	%	\$

(1) Plus accrued and unpaid interest, if any, from _____, 2015.
 The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on or about _____, 2015. Beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by The Depository Trust Company and its direct and indirect participants, including Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank S.A./N.V.

Joint Book-Running Managers

J.P. Morgan

BofA Merrill Lynch

The date of this prospectus is _____.

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No one is authorized to give any information or to represent anything not contained in this prospectus supplement, the accompanying prospectus or any issuer free writing prospectus. This prospectus supplement and the accompanying prospectus together are an offer to sell only the notes offered in this offering, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement and the accompanying prospectus or any issuer free writing prospectus is current only as of its date.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described under the heading **Where You Can Find More Information**. We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you.

In this prospectus supplement, as permitted by law, we incorporate by reference information from other documents that we file with the Securities and Exchange Commission, or the SEC. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus supplement and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC, the information incorporated by reference in this prospectus supplement is considered to be automatically updated and superseded. In other words, in case of a conflict or inconsistency between information contained in this prospectus supplement and information incorporated by reference into this prospectus supplement, you should rely on the information contained in the document that was filed later.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. SVB Financial Group's business, financial condition, results of operations and prospects may have changed since such dates. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase, any of the notes and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

Unless otherwise indicated or unless the context requires otherwise, when we refer in this prospectus supplement to SVB Financial Group, SVB Financial, the Company, we, our, us or similar words, we are referring only to the parent company, SVB Financial Group, a Delaware corporation. References to notes in this prospectus supplement are to the % Senior Notes due offered hereby.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the information incorporated by reference herein and therein contain certain statements that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements that are not historical facts. Forward-looking statements include, without limitation, the following:

Projections of our net interest income, noninterest income, earnings per share, noninterest expenses (including professional services, compliance, compensation and other costs), cash flows, balance sheet positions, capital expenditures, liquidity and capitalization or other financial items;

Descriptions of our strategic initiatives, plans or objectives for future operations, including pending sales or acquisitions;

Forecasts of venture capital/private equity funding and investment levels;

Forecasts of future interest rates, economic performance, and income from investments;

Forecasts of expected levels of provisions for loan losses, loan growth and client funds; and

Descriptions of assumptions underlying or relating to any of the foregoing.

In this prospectus supplement and the accompanying prospectus we incorporate by reference forward-looking statements, including but not limited to those discussing our management's expectations about:

Market and economic conditions (including interest rate environment and levels of public offerings, mergers/acquisitions and venture capital financing activities) and the associated impact on us;

The sufficiency of our capital, including sources of capital (such as deposits and funds generated through retained earnings), the extent to which capital may be used or required, our capital category classification, and management of our capital ratios;

The adequacy of our liquidity position, including sources of liquidity (such as funds generated through retained earnings);

Our overall investment plans, strategies and activities, including venture capital/private equity funding and investments, and our investment of excess cash/liquidity;

The realization, timing, valuation and performance of equity or other investments, including the impact of changes in our valuation of our investments (such as FireEye, Inc.), and the volatility of any gains or losses;

The likelihood that the market value of our temporarily impaired investments will recover;

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Our intent to sell our available-for-sale securities prior to recovery of our cost basis, or the likelihood of such;

Our ability and intent to hold our held-to-maturity securities until maturity;

The impact on our interest income from mortgage prepayment levels as it relates to our premium amortization expense, and from changes in loan yields due to shifts in loan mix;

Expected cash requirements for unfunded commitments to certain investments, including capital calls;

Our overall management of interest rate risk, including managing the sensitivity of our interest-earning assets and interest-bearing liabilities to interest rates, and the impact to earnings from a change in interest rates;

The credit quality of our loan portfolio, including levels and trends of nonperforming loans, impaired loans, troubled debt restructurings and other loans categorized as criticized under bank regulatory standards;

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The adequacy of reserves (including allowance for loan and lease losses) and the appropriateness of our methodology for calculating such reserves;

The level of loan and deposit and client investment fund balances;

The level of client investment fees and associated margins;

The profitability of our products and services, including loan yields, loan pricing, and interest margins;

Our strategic initiatives, including the expansion of operations and/or business activities in China, Hong Kong, Israel, the United Kingdom and elsewhere domestically or internationally;

The pending sale of the Bank's Indian subsidiary, SVB India Finance Private Limited;

The expansion and growth of our noninterest income sources;

Distributions of venture capital, private equity or debt fund investment proceeds; intentions to sell such fund investments;

The changes in, or adequacy of, our unrecognized tax benefits and any associated impact;

The realization of certain deferred tax assets, and of any benefit stemming from certain net operating loss carryforwards;

The extent to which counterparties, including those to our forward and option contracts, will perform their contractual obligations;

The condition and suitability of our properties;

The manner in which we compete;

The effect of application of accounting pronouncements and regulatory requirements;

The effect of lawsuits and claims;

Regulatory developments, including the nature and timing of the adoption, implementation and effectiveness of requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), new capital requirements and other applicable Federal, State and International laws and regulations, and any related impact on us; and

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The expected impact of the Volcker Rule under the Dodd-Frank Act, including our intention to seek the maximum extensions to the conformance period applicable to us.

You can identify these and other forward-looking statements by the use of words such as becoming, may, will, should, predicts, potential, continue, anticipates, believes, estimates, seeks, expects, plans, intends, the negative of such words, or comparable terminology. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we have based these expectations on our beliefs as well as our assumptions, and such expectations may prove to be incorrect. Our actual results of operations and financial performance could differ significantly from those expressed in or implied by our management's forward-looking statements. For factors, risks, uncertainties and assumptions that could cause our actual results of operations and financial performance to differ significantly from those expressed in or implied by our management's forward-looking statements, please see the Risk Factors section provided below and in portions of our periodic reports filed with the SEC and incorporated by reference in this prospectus supplement and the accompanying prospectus. There is no assurance that any list of risks and uncertainties or risk factors is complete.

In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus supplement, the accompanying prospectus and the information incorporated by reference may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Forward-looking statements are based on information available to us on the date of the document that contains the forward-looking statements, and we assume no obligation to update any such forward-looking statements.

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Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to review any additional disclosures we make in the documents we subsequently file with the SEC that are incorporated by reference in this prospectus supplement and the accompanying prospectus. See **Where You Can Find More Information** in the accompanying prospectus.

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SUMMARY

*This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and does not contain all the information that you need to consider in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the information to which we refer you and the information incorporated by reference herein, before deciding whether to invest in the notes. You should pay special attention to the **Risk Factors** section of this prospectus supplement to determine whether an investment in the notes is appropriate for you.*

About SVB Financial Group

SVB Financial Group

SVB Financial Group is a diversified financial services company, as well as a bank holding company and a financial holding company. SVB Financial Group was incorporated in the state of Delaware in 1999. Through our various subsidiaries and divisions, we offer a variety of banking and financial products and services to clients across the United States, as well as in key international entrepreneurial markets.

We offer commercial, investment, international and private banking products and services through our principal subsidiary, Silicon Valley Bank (the **Bank**), which is a California state-chartered bank founded in 1983 and a member of the Federal Reserve System. Through its subsidiaries, the Bank also offers broker-dealer transactions, asset management and private wealth management. Through our other subsidiaries and divisions, we also offer non-banking products and services, such as funds management and business valuation services. Additionally, we focus on cultivating strong relationships with firms within the venture capital and private equity community worldwide, many of which are also our clients and may invest in our corporate clients.

For over 30 years, we have been dedicated to helping entrepreneurs succeed, primarily in the technology-related, life science and healthcare, venture capital and private equity, and premium wine industries. We provide our clients of all sizes and stages with a diverse set of products and services to support them throughout their life cycles.

Headquartered in Santa Clara, California, SVB Financial Group operates in centers of innovation in the United States and around the world.

For reporting purposes, SVB Financial Group has three operating segments for which we report our financial information:

Global Commercial Bank is comprised of results from the following:

Our **Commercial Bank** products and services are provided by the Bank to commercial clients in the technology, life science and clean technology (energy and resource innovation) industries. The Bank provides solutions to the financial needs of commercial clients through credit, global treasury management, foreign exchange, global trade finance, and other services. It serves clients within the United States, as well as non-U.S. clients in key international entrepreneurial markets. In addition, the Bank and its subsidiaries offer a variety of investment services and solutions, including investment advisory and broker-dealer services.

Our **Private Equity Division** provides banking products and services primarily to our venture capital and private equity clients.

Our **Wine** practice provides banking products and services to our premium wine industry clients.

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SVB Analytics provides equity valuation services to companies and venture capital/private equity firms.

Debt Fund Investments include our investments in certain debt funds.

SVB Private Bank is the private banking division of the Bank, which provides banking products and a range of personal financial solutions for consumers. Our clients are primarily venture capital/private equity professionals and executive leaders of the innovation companies they support. We offer a customized suite of private banking services, including mortgages, home equity lines of credit, restricted stock purchase loans, capital call lines of credit and other secured and unsecured lending, as well as cash and wealth management services.

SVB Capital is the venture capital investment arm of SVB Financial Group, which focuses primarily on funds management. SVB Capital manages funds (primarily venture capital funds) on behalf of third party limited partners and SVB Financial Group. The SVB Capital family of funds is comprised of funds of funds and direct venture funds. SVB Capital generates income for the Company primarily through management fees, carried interest arrangements and returns through the Company's investments in the funds.

Recent Developments

On January 22, 2015, we reported certain preliminary unaudited financial results for the fourth quarter and year ended December 31, 2014.

Fourth Quarter 2014 Financial Results

Consolidated net income available to common stockholders for the fourth quarter of 2014 was \$58.8 million, or \$1.14 per diluted common share, compared to \$63.0 million, or \$1.22 per diluted common share, for the third quarter of 2014, and includes a post-tax net loss of \$11.4 million related to the pending sale transaction of our Indian subsidiary, SVB India Finance Private Limited.

Other selected highlights of our consolidated financial results for the fourth quarter of 2014 included:

Average loan balances of \$12.7 billion, an increase of \$1.3 billion (or 11.0 percent) compared to the third quarter of 2014.

Average total client funds (consisting of both on-balance sheet deposits and off-balance sheet client investment funds) of \$64.5 billion, an increase of \$3.7 billion (or 6.2 percent) compared to the third quarter of 2014, with average total on-balance sheet deposits increasing by \$2.9 billion (or 9.6 percent) and average total off-balance sheet client investment funds increasing by \$0.9 billion (or 2.8 percent), in each case compared to the third quarter of 2014.

Provision for loan losses of \$40.4 million, compared to \$16.6 million for the third quarter of 2014. The provision of \$40.4 million was primarily driven by \$23.6 million from period-end loan growth, \$12.7 million from an increase in the reserve for impaired loans, primarily related to one loan client, and \$4.1 million in net charge-offs.

As of December 31, 2014, we had total consolidated assets of \$39.3 billion.

Full-Year 2014 Financial Results

Consolidated net income available to common stockholders for 2014 was \$263.9 million, or \$5.31 per diluted common share, compared to \$215.9 million, or \$4.70 per diluted common share, for 2013.

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These above results for the fourth quarter and full year 2014 have not been audited or reviewed by our independent registered public accountants, nor have any other review procedures been performed by them with respect to these results. Accordingly, no opinion or any other form of assurance can be provided with respect to this information. Our actual results could differ from these estimates based on the completion of the review and audit process. Consequently, you should not place undue reliance on them.

Other Information

Our principal executive offices are located at 3003 Tasman Drive, Santa Clara, California 95054, and our telephone number is (408) 654-7400. We maintain a website at www.svb.com. We are not incorporating the contents of, or information accessible through, our website into this prospectus supplement or the accompanying prospectus, and you should not consider information on our website to be a part of this prospectus supplement or the accompanying prospectus.

Risk Factors

An investment in the notes involves certain risks. You should carefully consider the risks described under **Risk Factors** beginning on page S-10 of this prospectus supplement, as well as other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our financial statements and the notes thereto, before making an investment decision.

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The following summary contains basic information about the notes and is not complete. It does not contain all the information that is important to you. For a more complete understanding of the notes, you should read the section of this prospectus supplement entitled "Description of the Notes," together with the section of the accompanying prospectus entitled "Description of the Senior Debt Securities."

Issuer	SVB Financial Group, a Delaware corporation.
Notes offered	\$ _____ aggregate principal amount of _____ % Senior Notes due _____ (the notes _____).
Issue price	_____, plus accrued and unpaid interest, if any, from _____, 2015.
Issue date	_____, 2015.
Maturity date	_____.
Interest rate; Interest payment dates	We will pay interest on the notes at an annual rate equal to _____ % and will pay such interest on _____ and _____ of each year (each an interest payment date _____), beginning on _____, 2015.
Record dates	_____ and _____.
Day count convention	30/360.
No guarantees	The notes are not guaranteed by any of our subsidiaries. As a result, the notes will be structurally subordinated to the liabilities of our subsidiaries as discussed below under Ranking.
Ranking	The notes will be our senior unsecured obligations, will rank equally with all of our other unsecured and unsubordinated indebtedness, and will be effectively subordinated to our existing and future secured indebtedness, to the extent of the value of the collateral securing such indebtedness, and structurally subordinated to the existing and future indebtedness of our subsidiaries.

As of September 30, 2014, our consolidated subsidiaries had, in the aggregate, outstanding debt and other liabilities, including deposits, of approximately \$32.1 billion, substantially all of which would structurally rank senior to the notes in case of liquidation or otherwise. As of September 30, 2014, SVB Financial Group on an unconsolidated basis had an aggregate of approximately \$348.4 million of outstanding senior debt and approximately \$54.9 million of outstanding subordinated debt, none of which was

secured.

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	<p>The indenture does not limit the amount of additional indebtedness we or our subsidiaries may incur.</p>
Optional redemption	<p>We may redeem the notes at any time, in whole or from time to time in part, at the redemption prices described under Description of the Notes Optional Redemption by Us in this prospectus supplement.</p>
Sinking fund	<p>There is no sinking fund for the notes.</p>
Future issuances	<p>The notes will initially be limited to an aggregate principal amount of \$. We may from time to time, without notice to or consent of the holders, increase the aggregate principal amount of the notes outstanding by issuing additional notes in the future with the same terms as the notes, except for the issue date and offering price; provided that such additional notes are fungible with the notes offered hereby for U.S. federal income tax purposes; and provided, further, that the additional notes have the same CUSIP number as the notes offered hereby. Such additional notes shall be consolidated with the notes issued in this offering and form a single series.</p>
Use of proceeds	<p>We expect to receive net proceeds from this offering of approximately \$ million after deducting underwriting discounts and commissions and estimated expenses payable by us. We intend to use the net proceeds from this offering for general corporate purposes. General corporate purposes may include working capital, capital expenditures, capitalizing the Bank and continued lending to clients through the Bank. See the section entitled Use of Proceeds.</p>
Form and denomination	<p>The notes will be delivered in book-entry form through the facilities of The Depository Trust Company in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.</p>
Listing	<p>The notes will not be listed on any securities exchange.</p>
Governing law	<p>The notes and the indenture pursuant to which we will issue the notes will be governed by the laws of the State of New York.</p>
Trustee	<p>U.S. Bank National Association.</p>
No prior market	<p>The notes will be new securities for which there is no existing market. Although the underwriters have informed us that they intend to make a market in the notes, they are not obligated to do so, and they may discontinue market-making activities at any time without notice. We cannot assure you that an active or liquid market for the notes will develop or be maintained.</p>

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We present below our summary selected consolidated financial information. The summary consolidated statements of income data for 2013, 2012 and 2011 and the summary consolidated balance sheet data as of December 31, 2013 and 2012 have been derived from our audited consolidated financial statements incorporated by reference into this prospectus supplement. The summary consolidated statements of income for 2010 and 2009 and the summary consolidated balance sheet data as of December 31, 2011, 2010 and 2009 have been derived from our audited consolidated financial statements which have not been incorporated by reference into this prospectus supplement. The summary consolidated statements of income data for the first nine months of 2014 and 2013 and the summary consolidated balance sheet data as of September 30, 2014 and 2013 have been derived from our unaudited interim consolidated financial statements incorporated by reference in this prospectus supplement. The unaudited consolidated financial data include, in the opinion of management, all adjustments, consisting only of normal recurring adjustments, that management considers necessary for the fair presentation of the financial information set forth in those statements in accordance with accounting principles generally accepted in the United States of America (GAAP). The historical results presented below are not necessarily indicative of financial results to be achieved in future periods, and the results for the first nine months of 2014, are not necessarily indicative of results to be expected for the full year 2014 or for any other period. You should read this information together with Management's Discussion and Analysis of Financial Condition and Results of Operations and our audited and unaudited consolidated financial statements and related notes, each included in our Annual Report on Form 10-K for the year ended December 31, 2013 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, incorporated by reference in this prospectus supplement.

	Nine months ended		Year ended December 31,				
	September 30, (unaudited)		2013	2012	2011	2010	2009
	2014	2013	2013	2012	2011	2010	2009
	(Dollars in thousands, except per share data and ratios)						
Income Statement Summary:							
Net interest income	\$ 621,858	\$ 510,346	\$ 697,344	\$ 617,864	\$ 526,277	\$ 418,135	\$ 382,150
Provision for loan losses	(19,051)	(35,023)	(63,693)	(44,330)	(6,101)	(44,628)	(90,180)
Noninterest income	404,602	434,493	673,206	335,546	382,332	247,530	97,743
Noninterest expense excluding impairment of goodwill	(527,871)	(452,830)	(621,680)	(545,998)	(500,628)	(422,818)	(339,774)
Impairment of goodwill							(4,092)
Income before income tax expense	479,538	456,986	685,177	363,082	401,880	198,219	45,847
Income tax expense	(131,460)	(103,773)	(139,058)	(113,269)	(119,087)	(61,402)	(35,207)
Net income before noncontrolling interests	348,078	353,213	546,119	249,813	282,793	136,817	10,640
Net (income) loss attributable to noncontrolling interests	(142,985)	(196,117)	(330,266)	(74,710)	(110,891)	(41,866)	37,370
Net income attributable to SVBFG	\$ 205,093	\$ 157,096	\$ 215,853	\$ 175,103	\$ 171,902	\$ 94,951	\$ 48,010
Preferred stock dividend and discount accretion							