

Shareholder Alert: Bernstein Litowitz Berger & Grossmann LLP Announces the Filing of Securities Class Action Lawsuit On Behalf Of SVB Financial Group Investors Expanding the Claims Asserted

New York, NY – (Business Wire) – April 7, 2023 – Today, prominent investor rights law firm Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) filed a class action lawsuit for violations of the federal securities laws in the U.S. District Court for the Northern District of California against certain of SVB Financial Group’s (“SVB” or the “Company”) senior executives, members of the Company’s Board of Directors, the underwriters of SVB’s public offerings, and the Company’s auditing firm KPMG, LLP (collectively, “Defendants”). The complaint expands the claims that were asserted in the previously filed related securities class actions pending on behalf of SVB investors captioned *Vanipenta v. SVB Financial Group*, No. 3:23-cv-01097-JD (N.D. Cal.); *Snook v. SVB Financial Group*, No. 3:23-cv-01173-VC (N.D. Cal.); and *Siddiqui v. Becker*, No. 4:23-cv-01228-HSG (N.D. Cal.), and is brought on behalf of all persons or entities that purchased or otherwise acquired SVB securities: (i) between January 22, 2021, and March 10, 2023, inclusive (the “Class Period”); and/or (ii) pursuant and/or traceable to the Company’s public securities offerings on or around January 26, 2021, March 22, 2021, May 6, 2021, August 9, 2021, October 25, 2021, and April 26, 2022 (the “Offerings”).

BLB&G filed this action on behalf of its clients, City of Hialeah Employees’ Retirement System, Asbestos Workers Philadelphia Welfare and Pension Fund, and Heat & Frost Insulators Local 12 Funds, and the case is captioned *City of Hialeah Employees’ Retirement System, Asbestos Workers Philadelphia Welfare and Pension Fund, and Heat & Frost Insulators Local 12 Funds v. Becker*, No. 23-cv-1697 (N.D. Cal.). The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. A copy of the complaint is available on BLB&G’s website by clicking [here](#).

SVB’s Alleged Fraud

SVB is a diversified financial services company, and is the parent company of Silicon Valley Bank, a California state-chartered bank, primarily providing banking and financial services in the technology and life science/healthcare industries as well as to global private equity and venture capital clients. Prior to the Class Period, SVB filed a shelf registration statement authorizing the Company to “offer and sell from time to time any combination of the securities described in [the registration statement] in one or more offering.” During the Class Period, SVB issued prospectuses in connection with the Offerings that incorporated the shelf registration statement.

The complaint alleges that, in the prospectuses issued in connection with the Offerings, and throughout the Class Period, some or all Defendants misrepresented the strength of the Company’s balance sheet, liquidity, and position in the market. Among other things, Defendants understated and concealed the magnitude of the risks facing the Company’s business model that would result from any decision by the Federal Reserve system raising the federal funds rate. As a result of Defendants’ misrepresentations and omissions, SVB’s stock traded at artificially inflated prices during the Class Period.

The truth began to emerge on July 21, 2022, when SVB announce disappointing second quarter 2022 financial results and slashed its 2022 financial guidance. Among other things, SVB lowered its expected net interest income (“NII”) growth to the mid-forties, down from its April 2022 guidance projecting growth in the low fifties. In response to this news, SVB common stock declined \$74.81 per share, or more than 17%. Then, on October 20, 2022, SVB reported disappointing financial results for the third quarter of 2022, further reduced its 2022

financial guidance, and again lowered its expected NII to the low forties. In response to this news, the price of SVB common stock fell \$72.43 per share, or approximately 24%. Finally, after the market closed on March 8, 2023, SVB announced it was seeking to raise approximately \$2.25 billion in capital to address its mushrooming liquidity issues after having incurred a loss of approximately \$1.8 billion on the sale of its available for sale securities portfolio. In response to this news, the price of SVB common stock fell \$161.79 per share, or more than 60%. Similarly, on this news, the price of SVB preferred stock fell \$4.27 per share, or more than 21%.

The filing of this action does not alter the previously established deadline to seek appointment as Lead Plaintiff. Pursuant to the March 13, 2023 notice published in connection with the *Vanipenta* action, under the Private Securities Litigation Reform Act of 1995, investors that purchased or otherwise acquired SVB securities: (i) between January 22, 2021, and March 10, 2023; and/or (ii) pursuant and/or traceable to the Offerings may, no later than May 12, 2023, seek to be appointed as Lead Plaintiff for the Class. Any member of the proposed Class may seek to serve as Lead Plaintiff through counsel of their choice or may choose to do nothing and remain a member of the proposed Class.

If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact Scott R. Foglietta of BLB&G at 212-554-1903, or via e-mail at scott.foglietta@blbglaw.com.

About BLB&G

BLB&G is widely recognized worldwide as a leading law firm advising institutional investors on issues related to corporate governance, shareholder rights, and securities litigation. Since its founding in 1983, BLB&G has built an international reputation for excellence and integrity and pioneered the use of the litigation process to achieve precedent-setting governance reforms. Unique among its peers, BLB&G has obtained some of the largest and most significant securities recoveries in history, recovering over \$37 billion on behalf of investors. More information about the firm can be found online at www.blbglaw.com.

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