

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 19, 2021

Commission File Number: 001-14965

The Goldman Sachs Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

13-4019460
(IRS Employer
Identification No.)

200 West Street, New York, N.Y.
(Address of principal executive offices)

10282
(Zip Code)

(212) 902-1000
(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Exchange on which registered
Common stock, par value \$.01 per share	GS	NYSE
Depositary Shares, Each Representing 1/1,000th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series A	GS PrA	NYSE
Depositary Shares, Each Representing 1/1,000th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series C	GS PrC	NYSE
Depositary Shares, Each Representing 1/1,000th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series D	GS PrD	NYSE
Depositary Shares, Each Representing 1/1,000th Interest in a Share of 5.50% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series J	GS PrJ	NYSE
Depositary Shares, Each Representing 1/1,000th Interest in a Share of 6.375% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series K	GS PrK	NYSE
Depositary Shares, Each Representing 1/1,000th Interest in a Share of 6.30% Non-Cumulative Preferred Stock, Series N	GS PrN	NYSE
5.793% Fixed-to-Floating Rate Normal Automatic Preferred Enhanced Capital Securities of Goldman Sachs Capital II	GS/43PE	NYSE
Floating Rate Normal Automatic Preferred Enhanced Capital Securities of Goldman Sachs Capital III	GS/43PF	NYSE
Medium-Term Notes, Series E, Callable Fixed Rate Notes due 2021 of GS Finance Corp.	GS/21F	NYSE
Medium-Term Notes, Series E, Index-Linked Notes due 2028 of GS Finance Corp.	FRLG	NYSE Arca

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act (17 CFR 230.405) or Rule 12b-2 of the Exchange Act (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Item 2.02 Results of Operations and Financial Condition.

On January 19, 2021, The Goldman Sachs Group, Inc. (Group Inc. and, together with its consolidated subsidiaries, the firm) reported its earnings for the fourth quarter and year ended December 31, 2020. A copy of Group Inc.'s press release containing this information is attached as Exhibit 99.1 to this Report on Form 8-K and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On January 19, 2021, at 9:30 a.m. (ET), the firm will hold a conference call to discuss the firm's financial results, outlook and related matters. Copies of the presentations for the conference call are attached as Exhibit 99.2 and Exhibit 99.3 to this Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

- 99.1 [Press release of Group Inc. dated January 19, 2021 containing financial information for its fourth quarter and year ended December 31, 2020.](#)

The quotation on page 1 of Exhibit 99.1 and the information under the caption "Annual Highlights" on the following page (Excluded Sections) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (Exchange Act) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of Group Inc. under the Securities Act of 1933 or the Exchange Act. The information included in Exhibit 99.1, other than in the Excluded Sections, shall be deemed "filed" for purposes of the Exchange Act.

- 99.2 [Earnings Results Presentation of Group Inc. dated January 19, 2021, for the conference call on January 19, 2021.](#)

- 99.3 [Strategic Update Presentation of Group Inc. dated January 19, 2021, for the conference call on January 19, 2021.](#)

Exhibit 99.2 and Exhibit 99.3 are being furnished pursuant to Item 7.01 of Form 8-K and the information included therein shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of Group Inc. under the Securities Act of 1933 or the Exchange Act.

- 101 Pursuant to Rule 406 of Regulation S-T, the cover page information is formatted in iXBRL (Inline eXtensible Business Reporting Language).

- 104 Cover Page Interactive Data File (formatted in iXBRL in Exhibit 101).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE GOLDMAN SACHS GROUP, INC.
(Registrant)

Date: January 19, 2021

By: /s/ Stephen M. Scherr

Name: Stephen M. Scherr

Title: Chief Financial Officer



Full Year and Fourth Quarter 2020 Earnings Results

Media Relations: Jake Siewert 212-902-5400
Investor Relations: Heather Kennedy Miner 212-902-0300

The Goldman Sachs Group, Inc.
200 West Street | New York, NY 10282

Full Year and Fourth Quarter 2020 Earnings Results
Goldman Sachs Reports Earnings Per Common Share of \$24.74 for 2020
 Fourth Quarter Earnings Per Common Share was \$12.08

“It was a challenging year on many fronts, and I am deeply proud of how our people helped clients respond to the economic disruption brought on by the pandemic and the extreme market volatility experienced over the past months. Our people responded admirably to a series of professional and personal challenges, while working from home or in offices that were reshaped dramatically. Thanks to their perseverance, we were able to help clients navigate a difficult environment, and, as a result, achieved strong results across the franchise, while advancing our strategic priorities. We hope this year brings much needed stability and a respite from the pandemic, but we remain ready to handle a wide range of outcomes and are poised to meet the needs of our clients.”

- David M. Solomon, Chairman and Chief Executive Officer

Financial Summary

Net Revenues		Net Earnings		EPS	
2020	\$44.56 billion	2020	\$9.46 billion	2020	\$24.74
4Q20	\$11.74 billion	4Q20	\$4.51 billion	4Q20	\$12.08

ROE ¹		ROTE ¹		Book Value Per Share	
2020	11.1%	2020	11.8%	2020	\$236.15
4Q20	21.1%	4Q20	22.5%	2020 Growth	8.1%

NEW YORK, January 19, 2021 – The Goldman Sachs Group, Inc. (NYSE: GS) today reported net revenues of \$44.56 billion and net earnings of \$9.46 billion for the year ended December 31, 2020. Net revenues were \$11.74 billion and net earnings were \$4.51 billion for the fourth quarter of 2020.

Diluted earnings per common share (EPS) was \$24.74 for the year ended December 31, 2020 compared with \$21.03 for the year ended December 31, 2019, and was \$12.08 for the fourth quarter of 2020 compared with \$4.69 for the fourth quarter of 2019 and \$8.98 for the third quarter of 2020.

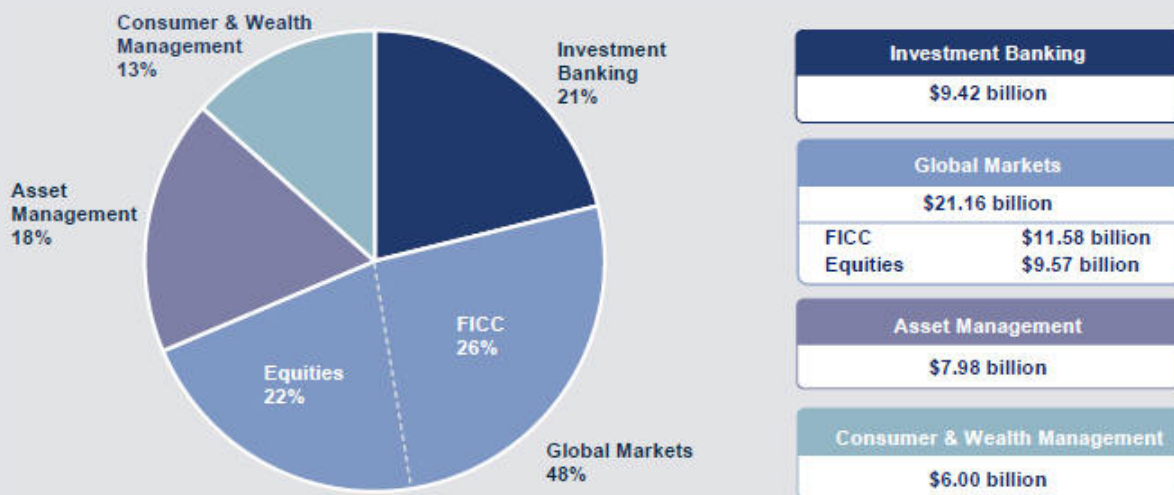
Return on average common shareholders' equity (ROE)¹ was 11.1% for 2020 and annualized ROE was 21.1% for the fourth quarter of 2020. Return on average tangible common shareholders' equity (ROTE)¹ was 11.8% for 2020 and annualized ROTE was 22.5% for the fourth quarter of 2020.

During 2020, the firm recorded net provisions for litigation and regulatory proceedings of \$3.42 billion, which reduced diluted EPS by \$9.51 and reduced ROE by 3.9 percentage points.

Annual Highlights

- During the year, the firm navigated an uncertain macroeconomic environment due to the impact of the COVID-19 pandemic, but remained focused on serving clients and executing on strategic priorities, which contributed to net revenues of \$44.56 billion, 22% higher than 2019, and the highest annual net revenues in 11 years. In addition, diluted EPS was \$24.74, the second highest annual EPS reported by the firm.
- Investment Banking generated record net revenues of \$9.42 billion, driven by record Equity underwriting net revenues and the second highest annual net revenues in Debt underwriting. The firm ranked #1 in worldwide announced and completed mergers and acquisitions, worldwide equity and equity-related offerings and common stock offerings for the year².
- Global Markets generated net revenues of \$21.16 billion, 43% higher than 2019, and its highest annual net revenues in ten years, reflecting strong results in both Fixed Income, Currency and Commodities (FICC), which included the third highest annual net revenues in intermediation and record net revenues in financing, and Equities, which included record net revenues in derivatives.
- Asset Management generated net revenues of \$7.98 billion, including record Management and other fees.
- Consumer & Wealth Management generated record net revenues of \$6.00 billion, including record Wealth management net revenues and significantly higher Consumer banking net revenues.
- Firmwide assets under supervision^{3,4} increased \$286 billion during the year to a record \$2.15 trillion.
- The firm continued to scale its digital consumer deposit platforms, as consumer deposits increased by \$37 billion during the year to \$97 billion⁴. In addition, the firm formally launched its transaction banking business in the U.S. and increased deposits to \$29 billion⁴.
- The Standardized Common Equity Tier 1 capital ratio³ increased 140 basis points during the year to 14.7%⁴.

Full Year Net Revenue Mix by Segment



Net Revenues

Full Year

Net revenues were \$44.56 billion for 2020, 22% higher than 2019, reflecting significantly higher net revenues in Global Markets and Investment Banking and higher net revenues in Consumer & Wealth Management, partially offset by lower net revenues in Asset Management.

Fourth Quarter

Net revenues were \$11.74 billion for the fourth quarter of 2020, 18% higher than the fourth quarter of 2019 and 9% higher than the third quarter of 2020. The increase compared with the fourth quarter of 2019 reflected higher net revenues across all segments, including significant increases in Global Markets and Investment Banking.

2020 Net Revenues

\$44.56 billion

4Q20 Net Revenues

\$11.74 billion

Investment Banking

Full Year

Net revenues in Investment Banking were \$9.42 billion for 2020, 24% higher than 2019, reflecting significantly higher net revenues in Underwriting. This increase was partially offset by significantly lower net revenues in Corporate lending and slightly lower net revenues in Financial advisory.

The increase in Underwriting net revenues was due to significantly higher net revenues in both Equity and Debt underwriting, reflecting an increase in industry-wide volumes. The decrease in Corporate lending net revenues primarily reflected net mark-downs on corporate loans in 2020 compared to net gains in 2019. The decrease in Financial advisory net revenues reflected a decrease in industry-wide completed mergers and acquisitions transactions, primarily in the middle of the year.

The firm's investment banking transaction backlog³ increased significantly compared with the end of 2019.

Fourth Quarter

Net revenues in Investment Banking were \$2.61 billion for the fourth quarter of 2020, 27% higher than the fourth quarter of 2019 and 33% higher than the third quarter of 2020. The increase compared with the fourth quarter of 2019 reflected significantly higher net revenues in Underwriting and Financial advisory, partially offset by a net loss in Corporate lending.

The increase in Underwriting net revenues was due to significantly higher net revenues in Equity underwriting, reflecting higher industry-wide activity, partially offset by lower net revenues in Debt underwriting, particularly in asset-backed underwriting. The increase in Financial advisory net revenues reflected an increase in completed mergers and acquisitions transactions. The net loss in Corporate lending primarily reflected lower results for relationship lending activities, including the impact of changes in credit spreads on hedges.

The firm's investment banking transaction backlog³ increased significantly compared with the end of the third quarter of 2020.

2020 Investment Banking

\$9.42 billion

Financial Advisory	\$3.07 billion
Underwriting	\$6.08 billion
Corporate Lending	\$282 million

4Q20 Investment Banking

\$2.61 billion

Financial Advisory	\$1.09 billion
Underwriting	\$1.64 billion
Corporate Lending	\$(119) million

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

Global Markets

Full Year

Net revenues in Global Markets were \$21.16 billion for 2020, 43% higher than 2019.

Net revenues in FICC were \$11.58 billion, 57% higher than 2019, primarily due to significantly higher net revenues in FICC intermediation, reflecting significantly higher net revenues across all major businesses. In addition, net revenues in FICC financing were higher, driven by repurchase agreements.

Net revenues in Equities were \$9.57 billion, 30% higher than 2019, due to significantly higher net revenues in Equities intermediation, reflecting significantly higher net revenues in both derivatives and cash products. Net revenues in Equities financing were lower, primarily reflecting higher net funding costs, including the impact of lower yields on the firm's global core liquid assets.

Fourth Quarter

Net revenues in Global Markets were \$4.27 billion for the fourth quarter of 2020, 23% higher than the fourth quarter of 2019 and 6% lower than the third quarter of 2020.

Net revenues in FICC were \$1.88 billion, 6% higher than the fourth quarter of 2019, due to higher net revenues in FICC intermediation, reflecting significantly higher net revenues in credit products and commodities and higher net revenues in currencies, partially offset by significantly lower net revenues in interest rate products and lower net revenues in mortgages. Net revenues in FICC financing were essentially unchanged.

Net revenues in Equities were \$2.39 billion, 40% higher than the fourth quarter of 2019, due to significantly higher net revenues in Equities intermediation, reflecting significantly higher net revenues in both derivatives and cash products. Net revenues in Equities financing were lower, reflecting higher net funding costs, including the impact of lower yields on the firm's global core liquid assets.

2020 Global Markets	
\$21.16 billion	
FICC Intermediation	\$ 9.99 billion
FICC Financing	\$ 1.59 billion
FICC	\$11.58 billion
Equities Intermediation	\$6.99 billion
Equities Financing	\$2.58 billion
Equities	\$9.57 billion

4Q20 Global Markets	
\$4.27 billion	
FICC Intermediation	\$1.50 billion
FICC Financing	\$380 million
FICC	\$1.88 billion
Equities Intermediation	\$1.80 billion
Equities Financing	\$591 million
Equities	\$2.39 billion

Asset Management

Full Year

Net revenues in Asset Management were \$7.98 billion for 2020, 11% lower than 2019, reflecting significantly lower net revenues in Equity investments and Lending and debt investments. Incentive fees were significantly higher, and Management and other fees (from the firm's institutional and third-party distribution asset management clients) were higher.

The decrease in Equity investments net revenues reflected significantly lower net gains from investments in private equities, partially offset by significantly higher net gains from investments in public equities. The decrease in Lending and debt investments primarily reflected net losses from debt investments in 2020 compared with net gains in 2019. The increase in Incentive fees was primarily driven by performance, and the increase in Management and other fees reflected the impact of higher average assets under supervision, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies.

2020 Asset Management	
\$7.98 billion	
Management and Other Fees	\$2.79 billion
Incentive Fees	\$287 million
Equity Investments	\$4.10 billion
Lending and Debt Investments	\$817 million

Asset Management

Fourth Quarter

Net revenues in Asset Management were \$3.21 billion for the fourth quarter of 2020, 7% higher than the fourth quarter of 2019 and 16% higher than the third quarter of 2020. The increase compared with the fourth quarter of 2019 primarily reflected significantly higher net revenues in Lending and debt investments, partially offset by slightly lower net revenues in Equity investments. In addition, Management and other fees (from the firm's institutional and third-party distribution asset management clients) and Incentive fees were both higher.

The increase in Lending and debt investments net revenues was due to significantly higher net gains, reflecting tighter corporate credit spreads during the quarter. The decrease in Equity investments net revenues reflected significantly lower net gains from investments in private equities, partially offset by significantly higher net gains from investments in public equities. The increase in Management and other fees reflected the impact of higher average assets under supervision, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies.

4Q20 Asset Management	
\$3.21 billion	
Management and Other Fees	\$733 million
Incentive Fees	\$ 71 million
Equity Investments	\$1.77 billion
Lending and Debt Investments	\$637 million

Consumer & Wealth Management

Full Year

Net revenues in Consumer & Wealth Management were \$6.00 billion for 2020, 15% higher than 2019.

Net revenues in Wealth management were \$4.78 billion, 10% higher than 2019, primarily reflecting higher Management and other fees, primarily reflecting the impact of higher average assets under supervision, higher transaction volumes and the impact of the full-year consolidation of GS Personal Financial Management⁵, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies.

Net revenues in Consumer banking were \$1.21 billion, 40% higher than 2019, reflecting higher credit card loan and deposit balances.

Fourth Quarter

Net revenues in Consumer & Wealth Management were \$1.65 billion for the fourth quarter of 2020, 17% higher than the fourth quarter of 2019 and 11% higher than the third quarter of 2020.

Net revenues in Wealth management were \$1.31 billion, 11% higher than the fourth quarter of 2019, primarily reflecting higher Management and other fees, primarily reflecting the impact of higher average assets under supervision and higher transaction volumes, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies. Net revenues in Private banking and lending were higher, primarily reflecting higher net interest income on mortgages.

Net revenues in Consumer banking were \$347 million, 52% higher than the fourth quarter of 2019, reflecting higher deposit and credit card loan balances.

2020 Consumer & Wealth Management	
\$6.00 billion	
Wealth Management	\$4.78 billion
Consumer Banking	\$1.21 billion

4Q20 Consumer & Wealth Management	
\$1.65 billion	
Wealth Management	\$1.31 billion
Consumer Banking	\$347 million

Provision for Credit Losses

Full Year

Provision for credit losses was \$3.10 billion for 2020, compared with \$1.07 billion for 2019. The increase was primarily due to significantly higher provisions related to wholesale loans as a result of individual impairments and ratings downgrades during the year, as well as deterioration and uncertainty in the broader economic environment (incorporating the accounting for credit losses under the Current Expected Credit Losses standard⁶) reflecting the impact of the COVID-19 pandemic. The increase also included higher provisions related to credit card loans, due to growth in the portfolio.

2020 Provision for Credit Losses

\$3.10 billion

Fourth Quarter

Provision for credit losses was \$293 million for the fourth quarter of 2020, 13% lower than the fourth quarter of 2019 and 5% higher than the third quarter of 2020. The fourth quarter of 2020 included reserve reductions on wholesale loans reflecting stabilization in the broader economic environment following the impact of the COVID-19 pandemic earlier in the year, partially offset by higher provisions from growth in credit card loans compared with the fourth quarter of 2019.

4Q20 Provision for Credit Losses

\$293 million

Operating Expenses

Full Year

Operating expenses were \$28.98 billion for 2020, 16% higher than 2019. The firm's efficiency ratio³ for 2020 was 65.0%, compared with 68.1% for 2019.

The increase in operating expenses compared with 2019 primarily reflected significantly higher net provisions for litigation and regulatory proceedings and higher compensation and benefits expenses (reflecting improved financial performance). In addition, transaction based expenses were higher (reflecting an increase in activity levels), technology expenses were higher and expenses related to consolidated investments, including impairments, were also higher (increase was primarily in depreciation and amortization and occupancy expenses). The increase also reflected higher charitable contributions (included in other expenses), which included approximately \$300 million to Goldman Sachs Gives and approximately \$125 million to The Goldman Sachs Foundation during 2020. These increases were partially offset by significantly lower travel and entertainment expenses (included in market development expenses) and lower occupancy-related expenses.

Net provisions for litigation and regulatory proceedings for 2020 were \$3.42 billion compared with \$1.24 billion for 2019.

Headcount increased 6% during 2020, reflecting investments in new business initiatives and an increase in technology professionals.

2020 Operating Expenses

\$28.98 billion

2020 Efficiency Ratio

65.0%

Operating Expenses

Fourth Quarter

Operating expenses were \$5.91 billion for the fourth quarter of 2020, 19% lower than the fourth quarter of 2019 and 5% lower than the third quarter of 2020.

The decrease in operating expenses compared with the fourth quarter of 2019 was primarily due to significantly lower net provisions for litigation and regulatory proceedings and lower compensation and benefits expenses. In addition, travel and entertainment expenses (included in market development expenses) and occupancy-related expenses were lower. These decreases were partially offset by significantly higher charitable contributions (included in other expenses), significantly higher transaction based expenses (reflecting an increase in activity levels) and higher technology expenses.

Net provisions for litigation and regulatory proceedings for the fourth quarter of 2020 were \$24 million compared with \$1.09 billion for the fourth quarter of 2019.

4Q20 Operating Expenses

\$5.91 billion

Provision for Taxes

The effective income tax rate for 2020 was 24.2%, down from 28.6% for the first nine months of 2020, primarily due to a decrease in the impact of non-deductible litigation for the full year compared with the first nine months of 2020. The 2020 effective income tax rate increased from 20.0% for 2019, primarily due to an increase in provisions for non-deductible litigation in 2020 compared to 2019.

2020 Effective Tax Rate

24.2%

Other Matters

- On January 15, 2021, the Board of Directors of The Goldman Sachs Group, Inc. declared a dividend of \$1.25 per common share to be paid on March 30, 2021 to common shareholders of record on March 2, 2021.
- During the year, the firm returned \$3.72 billion of capital to common shareholders, including \$1.93 billion of share repurchases (8.2 million shares at an average cost of \$236.35), all in the first quarter of 2020, and \$1.80 billion of common stock dividends. The fourth quarter of 2020 included \$448 million of common stock dividends.³
- Global core liquid assets³ averaged \$283 billion⁴ for 2020, compared with an average of \$234 billion for 2019. Global core liquid assets averaged \$298 billion⁴ for the fourth quarter of 2020, compared with an average of \$302 billion for the third quarter of 2020.

Declared Quarterly Dividend Per Common Share

\$1.25

Capital Returned

\$3.72 billion in 2020

Average GCLA

\$283 billion for 2020

Goldman Sachs Reports Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world.

Cautionary Note Regarding Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts or statements of current conditions, but instead represent only the firm’s beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of the firm’s control. It is possible that the firm’s actual results, financial condition and liquidity may differ, possibly materially, from the anticipated results, financial condition and liquidity in these forward-looking statements. For information about some of the risks and important factors that could affect the firm’s future results, financial condition and liquidity, see “Risk Factors” in Part II, Item 1A of the firm’s Quarterly Report on Form 10-Q for the period ended September 30, 2020 and in Part I, Item 1A of the firm’s Annual Report on Form 10-K for the year ended December 31, 2019.

Information regarding the firm’s assets under supervision, capital ratios, risk-weighted assets, supplementary leverage ratio, balance sheet data, global core liquid assets and VaR consists of preliminary estimates. These estimates are forward-looking statements and are subject to change, possibly materially, as the firm completes its financial statements.

Statements about the firm’s investment banking transaction backlog also may constitute forward-looking statements. Such statements are subject to the risk that transactions may be modified or may not be completed at all and related net revenues may not be realized or may be materially less than expected. Important factors that could have such a result include, for underwriting transactions, a decline or weakness in general economic conditions, an outbreak of hostilities, volatility in the securities markets or an adverse development with respect to the issuer of the securities and, for financial advisory transactions, a decline in the securities markets, an inability to obtain adequate financing, an adverse development with respect to a party to the transaction or a failure to obtain a required regulatory approval. For information about other important factors that could adversely affect the firm’s investment banking transactions, see “Risk Factors” in Part II, Item 1A of the firm’s Quarterly Report on Form 10-Q for the period ended September 30, 2020 and in Part I, Item 1A of the firm’s Annual Report on Form 10-K for the year ended December 31, 2019.

Conference Call

A conference call to discuss the firm’s financial results, outlook and related matters will be held at 9:30 am (ET). The call will be open to the public. Members of the public who would like to listen to the conference call should dial 1-888-281-7154 (in the U.S.) or 1-706-679-5627 (outside the U.S.). The number should be dialed at least 10 minutes prior to the start of the conference call. The conference call will also be accessible as an audio webcast through the Investor Relations section of the firm’s website, www.goldmansachs.com/investor-relations. There is no charge to access the call. For those unable to listen to the live broadcast, a replay will be available on the firm’s website or by dialing 1-855-859-2056 (in the U.S.) or 1-404-537-3406 (outside the U.S.) passcode number 64774224 beginning approximately three hours after the event. Please direct any questions regarding obtaining access to the conference call to Goldman Sachs Investor Relations, via e-mail, at gs-investor-relations@gs.com.

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. and Subsidiaries

Segment Net Revenues (unaudited)

\$ in millions

	YEAR ENDED		% CHANGE FROM DECEMBER 31, 2019
	DECEMBER 31, 2020	DECEMBER 31, 2019	
INVESTMENT BANKING			
Financial advisory	\$ 3,065	\$ 3,197	(4) %
Equity underwriting	3,406	1,482	130
Debt underwriting	2,670	2,119	26
Underwriting	6,076	3,601	69
Corporate lending	282	801	(65)
Net revenues	9,423	7,599	24
GLOBAL MARKETS			
FICC intermediation	9,991	6,009	66
FICC financing	1,593	1,379	16
FICC	11,584	7,388	57
Equities intermediation	6,989	4,374	60
Equities financing	2,584	3,017	(14)
Equities	9,573	7,391	30
Net revenues	21,157	14,779	43
ASSET MANAGEMENT			
Management and other fees	2,785	2,600	7
Incentive fees	287	130	121
Equity investments	4,095	4,765	(14)
Lending and debt investments	817	1,470	(44)
Net revenues	7,984	8,965	(11)
CONSUMER & WEALTH MANAGEMENT			
Management and other fees	3,889	3,475	12
Incentive fees	114	81	41
Private banking and lending	780	783	–
Wealth management	4,783	4,339	10
Consumer banking	1,213	864	40
Net revenues	5,996	5,203	15
Total net revenues	\$ 44,560	\$ 36,546	22

Geographic Net Revenues (unaudited)³

\$ in millions

	YEAR ENDED	
	DECEMBER 31, 2020	DECEMBER 31, 2019
Americas	\$ 27,508	\$ 22,148
EMEA	10,868	9,745
Asia	6,184	4,653
Total net revenues	\$ 44,560	\$ 36,546
Americas	62%	60%
EMEA	24%	27%
Asia	14%	13%
Total	100%	100%

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. and Subsidiaries

Segment Net Revenues (unaudited)

\$ in millions

	THREE MONTHS ENDED			% CHANGE FROM	
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019	SEPTEMBER 30, 2020	DECEMBER 31, 2019
INVESTMENT BANKING					
Financial advisory	\$ 1,091	\$ 507	\$ 855	115 %	28 %
Equity underwriting	1,115	856	378	30	195
Debt underwriting	526	571	599	(8)	(12)
Underwriting	1,641	1,427	977	15	68
Corporate lending	(119)	35	232	N.M.	N.M.
Net revenues	2,613	1,969	2,064	33	27
GLOBAL MARKETS					
FICC intermediation	1,498	2,170	1,382	(31)	8
FICC financing	380	332	387	14	(2)
FICC	1,878	2,502	1,769	(25)	6
Equities intermediation	1,796	1,466	979	23	83
Equities financing	591	585	732	1	(19)
Equities	2,387	2,051	1,711	16	40
Net revenues	4,265	4,553	3,480	(6)	23
ASSET MANAGEMENT					
Management and other fees	733	728	666	1	10
Incentive fees	71	28	45	154	58
Equity investments	1,770	1,423	1,865	24	(5)
Lending and debt investments	637	589	427	8	49
Net revenues	3,211	2,768	3,003	16	7
CONSUMER & WEALTH MANAGEMENT					
Management and other fees	1,035	957	967	8	7
Incentive fees	28	7	19	N.M.	47
Private banking and lending	242	201	194	20	25
Wealth management	1,305	1,165	1,180	12	11
Consumer banking	347	326	228	6	52
Net revenues	1,652	1,491	1,408	11	17
Total net revenues	\$ 11,741	\$ 10,781	\$ 9,955	9	18

Geographic Net Revenues (unaudited) ³

\$ in millions

	THREE MONTHS ENDED		
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
Americas	\$ 7,175	\$ 6,873	\$ 6,310
EMEA	2,837	2,470	2,268
Asia	1,729	1,438	1,377
Total net revenues	\$ 11,741	\$ 10,781	\$ 9,955
Americas	61%	64%	63%
EMEA	24%	23%	23%
Asia	15%	13%	14%
Total	100%	100%	100%

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. and Subsidiaries

Consolidated Statements of Earnings (unaudited)

In millions, except per share amounts

	YEAR ENDED		% CHANGE FROM DECEMBER 31, 2019
	DECEMBER 31, 2020	DECEMBER 31, 2019	
REVENUES			
Investment banking	\$ 9,141	\$ 6,798	34 %
Investment management	6,923	6,189	12
Commissions and fees	3,548	2,988	19
Market making	15,546	10,157	53
Other principal transactions	4,651	6,052	(23)
Total non-interest revenues	39,809	32,184	24
Interest income	13,689	21,738	(37)
Interest expense	8,938	17,376	(49)
Net interest income	4,751	4,362	9
Total net revenues	44,560	36,546	22
Provision for credit losses	3,098	1,065	191
OPERATING EXPENSES			
Compensation and benefits	13,309	12,353	8
Transaction based ⁷	4,141	3,513	18
Market development	401	739	(46)
Communications and technology	1,347	1,167	15
Depreciation and amortization	1,902	1,704	12
Occupancy	960	1,029	(7)
Professional fees	1,306	1,316	(1)
Other expenses ⁷	5,617	3,077	83
Total operating expenses	28,983	24,898	16
Pre-tax earnings	12,479	10,583	18
Provision for taxes	3,020	2,117	43
Net earnings	9,459	8,466	12
Preferred stock dividends	544	569	(4)
Net earnings applicable to common shareholders	\$ 8,915	\$ 7,897	13
EARNINGS PER COMMON SHARE			
Basic ³	\$ 24.94	\$ 21.18	18 %
Diluted	\$ 24.74	\$ 21.03	18
AVERAGE COMMON SHARES			
Basic	356.4	371.6	(4)
Diluted	360.3	375.5	(4)

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. and Subsidiaries

Consolidated Statements of Earnings (unaudited)

In millions, except per share amounts and headcount

	THREE MONTHS ENDED			% CHANGE FROM	
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019	SEPTEMBER 30, 2020	DECEMBER 31, 2019
REVENUES					
Investment banking	\$ 2,732	\$ 1,934	\$ 1,832	41 %	49 %
Investment management	1,831	1,689	1,671	8	10
Commissions and fees	849	804	687	6	24
Market making	2,750	3,327	2,479	(17)	11
Other principal transactions	2,169	1,943	2,221	12	(2)
Total non-interest revenues	10,331	9,697	8,890	7	16
Interest income	2,973	2,932	4,922	1	(40)
Interest expense	1,563	1,848	3,857	(15)	(59)
Net interest income	1,410	1,084	1,065	30	32
Total net revenues	11,741	10,781	9,955	9	18
Provision for credit losses	293	278	336	5	(13)
OPERATING EXPENSES					
Compensation and benefits	2,479	3,117	3,046	(20)	(19)
Transaction based ⁷	1,086	1,011	899	7	21
Market development	89	70	200	27	(56)
Communications and technology	341	340	308	–	11
Depreciation and amortization	498	468	464	6	7
Occupancy	254	235	318	8	(20)
Professional fees	350	298	366	17	(4)
Other expenses ⁷	810	665	1,697	22	(52)
Total operating expenses	5,907	6,204	7,298	(5)	(19)
Pre-tax earnings	5,541	4,299	2,321	29	139
Provision for taxes	1,035	932	404	11	156
Net earnings	4,506	3,367	1,917	34	135
Preferred stock dividends	144	134	193	7	(25)
Net earnings applicable to common shareholders	\$ 4,362	\$ 3,233	\$ 1,724	35	153
EARNINGS PER COMMON SHARE					
Basic ³	\$ 12.23	\$ 9.07	\$ 4.74	35 %	158 %
Diluted	\$ 12.08	\$ 8.98	\$ 4.69	35	158
AVERAGE COMMON SHARES					
Basic	356.0	355.9	362.4	–	(2)
Diluted	361.0	359.9	367.3	–	(2)
SELECTED DATA AT PERIOD-END					
Common shareholders' equity	\$ 84,729	\$ 81,447	\$ 79,062	4	7
Basic shares ³	358.8	356.0	361.8	1	(1)
Book value per common share	\$ 236.15	\$ 228.78	\$ 218.52	3	8
Headcount	40,500	40,900	38,300	(1)	6

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets (unaudited)⁴

\$ in billions

	AS OF		
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
ASSETS			
Cash and cash equivalents	\$ 156	\$ 153	\$ 133
Collateralized agreements	250	229	222
Customer and other receivables	121	111	75
Trading assets	394	408	355
Investments	89	81	64
Loans	116	112	109
Other assets	37	38	35
Total assets	\$ 1,163	\$ 1,132	\$ 993
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits	\$ 260	\$ 261	\$ 190
Collateralized financings	174	144	152
Customer and other payables	191	187	175
Trading liabilities	154	162	109
Unsecured short-term borrowings	53	48	48
Unsecured long-term borrowings	213	214	207
Other liabilities	22	23	22
Total liabilities	1,067	1,039	903
Shareholders' equity	96	93	90
Total liabilities and shareholders' equity	\$ 1,163	\$ 1,132	\$ 993

Capital Ratios and Supplementary Leverage Ratio (unaudited)^{3,4}

\$ in billions

	AS OF		
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
Common equity tier 1 capital	\$ 81.6	\$ 77.5	\$ 74.9
STANDARDIZED CAPITAL RULES			
Risk-weighted assets	\$ 554	\$ 535	\$ 564
Common equity tier 1 capital ratio	14.7%	14.5%	13.3%
ADVANCED CAPITAL RULES			
Risk-weighted assets	\$ 610	\$ 600	\$ 545
Common equity tier 1 capital ratio	13.4%	12.9%	13.7%
SUPPLEMENTARY LEVERAGE RATIO			
Supplementary leverage ratio	7.0%	6.8%	6.2%

Average Daily VaR (unaudited)^{3,4}

\$ in millions

	THREE MONTHS ENDED		
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
RISK CATEGORIES			
Interest rates	\$ 57	\$ 72	\$ 49
Equity prices	50	55	24
Currency rates	14	22	11
Commodity prices	20	26	12
Diversification effect	(57)	(84)	(38)
Total	\$ 84	\$ 91	\$ 58

YEAR ENDED	
DECEMBER 31, 2020	DECEMBER 31, 2019
\$ 71	\$ 46
55	27
23	11
20	12
(75)	(40)
\$ 94	\$ 56

Goldman Sachs Reports
Full Year and Fourth Quarter 2020 Earnings Results

The Goldman Sachs Group, Inc. and Subsidiaries

Assets Under Supervision (unaudited)^{3,4}

\$ in billions

SEGMENT	AS OF		
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
Asset Management	\$ 1,530	\$ 1,461	\$ 1,298
Consumer & Wealth Management	615	575	561
Total AUS	\$ 2,145	\$ 2,036	\$ 1,859
ASSET CLASS			
Alternative investments	\$ 191	\$ 182	\$ 185
Equity	475	421	423
Fixed income	896	856	789
Total long-term AUS	1,562	1,459	1,397
Liquidity products	583	577	462
Total AUS	\$ 2,145	\$ 2,036	\$ 1,859

ASSET MANAGEMENT	THREE MONTHS ENDED		
	DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
Beginning balance	\$ 1,461	\$ 1,499	\$ 1,232
Net inflows / (outflows):			
Alternative investments	2	(3)	(1)
Equity	(12)	(5)	1
Fixed income	20	22	(4)
Total long-term AUS net inflows / (outflows)	10	14	(4)
Liquidity products	6	(86)	50
Total AUS net inflows / (outflows)	16	(72)	46
Net market appreciation / (depreciation)	53	34	20
Ending balance	\$ 1,530	\$ 1,461	\$ 1,298
CONSUMER & WEALTH MANAGEMENT			
Beginning balance	\$ 575	\$ 558	\$ 530
Net inflows / (outflows):			
Alternative investments	1	2	2
Equity	8	–	–
Fixed income	(2)	2	4
Total long-term AUS net inflows / (outflows)	7	4	6
Liquidity products	–	(4)	8
Total AUS net inflows / (outflows)	7	–	14
Net market appreciation / (depreciation)	33	17	17
Ending balance	\$ 615	\$ 575	\$ 561
FIRMWIDE			
Beginning balance	\$ 2,036	\$ 2,057	\$ 1,762
Net inflows / (outflows):			
Alternative investments	3	(1)	1
Equity	(4)	(5)	1
Fixed income	18	24	–
Total long-term AUS net inflows / (outflows)	17	18	2
Liquidity products	6	(90)	58
Total AUS net inflows / (outflows)	23	(72)	60
Net market appreciation / (depreciation)	86	51	37
Ending balance	\$ 2,145	\$ 2,036	\$ 1,859

YEAR ENDED	
DECEMBER 31, 2020	DECEMBER 31, 2019
\$ 1,298	\$ 1,087
(4)	2
(12)	34
55	35
39	71
107	52
146	123 ⁵
86	88
\$ 1,530	\$ 1,298
\$ 561	\$ 455
3	9
8	11
(8)	17
3	37
14	13
17	50 ⁵
37	56
\$ 615	\$ 561
\$ 1,859	\$ 1,542
(1)	11
(4)	45
47	52
42	108
121	65
163	173 ⁵
123	144
\$ 2,145	\$ 1,859

Footnotes

- ROE is calculated by dividing net earnings (or annualized net earnings for annualized ROE) applicable to common shareholders by average monthly common shareholders' equity. ROTE is calculated by dividing net earnings (or annualized net earnings for annualized ROTE) applicable to common shareholders by average monthly tangible common shareholders' equity (tangible common shareholders' equity is calculated as total shareholders' equity less preferred stock, goodwill and identifiable intangible assets). Management believes that ROTE is meaningful because it measures the performance of businesses consistently, whether they were acquired or developed internally, and that tangible common shareholders' equity is meaningful because it is a measure that the firm and investors use to assess capital adequacy. ROTE and tangible common shareholders' equity are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies.

The table below presents a reconciliation of average common shareholders' equity to average tangible common shareholders' equity:

<i>Unaudited, \$ in millions</i>	AVERAGE FOR THE	
	THREE MONTHS ENDED DECEMBER 31, 2020	YEAR ENDED DECEMBER 31, 2020
Total shareholders' equity	\$ 93,835	\$ 91,779
Preferred stock	(11,203)	(11,203)
Common shareholders' equity	82,632	80,576
Goodwill	(4,332)	(4,238)
Identifiable intangible assets	(626)	(617)
Tangible common shareholders' equity	\$ 77,674	\$ 75,721

- Dealogic – January 1, 2020 through December 31, 2020.
- For information about the following items, see the referenced sections in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020: (i) investment banking transaction backlog – see "Results of Operations – Investment Banking" (ii) assets under supervision – see "Results of Operations – Assets Under Supervision" (iii) efficiency ratio – see "Results of Operations – Operating Expenses" (iv) share repurchase program – see "Equity Capital Management and Regulatory Capital – Equity Capital Management" (v) global core liquid assets – see "Risk Management – Liquidity Risk Management" (vi) basic shares – see "Balance Sheet and Funding Sources – Balance Sheet Analysis and Metrics" and (vii) VaR – see "Risk Management – Market Risk Management."
- For information about the following items, see the referenced sections in Part I, Item 1 "Financial Statements (Unaudited)" in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020: (i) risk-based capital ratios and the supplementary leverage ratio – see Note 20 "Regulation and Capital Adequacy" (ii) geographic net revenues – see Note 25 "Business Segments" and (iii) unvested share-based awards that have non-forfeitable rights to dividends or dividend equivalents in calculating basic EPS – see Note 21 "Earnings Per Common Share."
- Represents a preliminary estimate for the fourth quarter of 2020 and may be revised in the firm's Annual Report on Form 10-K for the year ended December 31, 2020.
- Net inflows in assets under supervision for 2019 included \$71 billion of total inflows (substantially all in equity and fixed income assets) in connection with the acquisitions of both Standard & Poor's Investment Advisory Services (SPIAS) and GS Personal Financial Management in the third quarter of 2019 (\$58 billion), and Rocatón Investment Advisors (Rocatón) in the second quarter of 2019 (\$13 billion). SPIAS and Rocatón were included in the Asset Management segment and GS Personal Financial Management was included in the Consumer & Wealth Management segment.
- In the first quarter of 2020, the firm adopted ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses on Financial Instruments." For further information about ASU No. 2016-13, see Note 3 "Significant Accounting Policies" in Part I, Item 1 "Financial Statements (Unaudited)" in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020.
- Brokerage, clearing, exchange and distribution fees has been renamed transaction based expenses and additionally includes expenses resulting from completed transactions, which are directly related to client revenues. Such expenses were previously reported in other expenses. Previously reported amounts have been conformed to the current presentation.

Full Year and Fourth Quarter 2020
Earnings Results Presentation

January 19, 2021

Financial Overview

Financial Results

	\$ in millions, except per share amounts					
	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019	
Investment Banking	\$ 2,613	33%	27%	\$ 9,423	24%	
Global Markets	4,265	-6%	23%	21,157	43%	
Asset Management	3,211	16%	7%	7,984	-11%	
Consumer & Wealth Management	1,652	11%	17%	5,996	15%	
Net revenues	\$ 11,741	9%	18%	\$ 44,560	22%	
Provision for credit losses	293	5%	-13%	3,098	191%	
Operating expenses	5,907	-5%	-19%	28,983	16%	
Pre-tax earnings	5,541	29%	139%	12,479	18%	
Net earnings	4,506	34%	135%	9,459	12%	
Net earnings to common	\$ 4,362	35%	153%	\$ 8,915	13%	
Diluted EPS	\$ 12.08	35%	158%	\$ 24.74	18%	
ROE ¹	21.1%	4.9pp	12.4pp	11.1%	1.1pp	
ROTE ¹	22.5%	5.2pp	13.3pp	11.8%	1.2pp	
Efficiency Ratio ²	50.3%	-7.2pp	-23.0pp	65.0%	-3.1pp	

Financial Overview Highlights

- 4Q20 results included EPS of \$12.08 and ROE of 21.1%
 - 4Q20 net revenues were higher YoY, reflecting higher net revenues across all segments, with particular strength in Global Markets and Investment Banking
 - 4Q20 provision for credit losses included reserve reductions on wholesale loans reflecting stabilization in the broader economic environment following the impact of the COVID-19 pandemic earlier in the year, partially offset by higher provisions from growth in credit card loans, as compared with 4Q19
 - 4Q20 operating expenses were lower YoY, primarily due to significantly lower net provisions for litigation and regulatory proceedings and lower compensation and benefits expenses
- 2020 results included EPS of \$24.74 and ROE of 11.1%
 - 2020 net revenues were significantly higher YoY, primarily reflecting strength in Global Markets and Investment Banking
 - 2020 provision for credit losses reflected significantly higher provisions related to wholesale loans (reflecting the impact of the COVID-19 pandemic on the portfolio) and higher provisions related to credit card loans, as compared with 2019
 - 2020 operating expenses were higher YoY, primarily reflecting significantly higher net provisions for litigation and regulatory proceedings, as well as higher compensation and benefits expenses (reflecting improved financial performance)
 - 2020 litigation expenses increased the efficiency ratio and decreased EPS, ROE and ROTE

Litigation Impact	2020	2019
Diluted EPS	\$ -9.51	\$ -3.16
ROE	-3.9pp	-1.5pp
ROTE	-4.1pp	-1.6pp
Efficiency Ratio	+7.6pp	+3.4pp

Investment Banking

Financial Results

<i>\$ in millions</i>	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019
Financial advisory	\$ 1,091	115%	28%	\$ 3,065	-4%
Equity underwriting	1,115	30%	195%	3,406	130%
Debt underwriting	526	-8%	-12%	2,670	26%
Underwriting	1,641	15%	68%	6,076	69%
Corporate lending	(119)	N.M.	N.M.	282	-65%
Net revenues	2,613	33%	27%	9,423	24%
Provision for credit losses	12	-93%	-84%	1,624	N.M.
Operating expenses	1,194	12%	-28%	6,134	31%
Pre-tax earnings	\$ 1,407	92%	N.M.	\$ 1,665	-35%
Net earnings	\$ 1,078	130%	N.M.	\$ 1,262	-39%
Net earnings to common	\$ 1,060	135%	N.M.	\$ 1,193	-40%
Average common equity	\$ 11,472	2%	2%	\$ 11,313	1%
Return on average common equity	37.0%	21.0pp	27.8pp	10.5%	-7.4pp

Investment Banking Highlights

- 4Q20 net revenues were significantly higher YoY
 - Financial advisory net revenues reflected an increase in completed mergers and acquisitions transactions
 - Underwriting net revenues reflected significantly higher net revenues in Equity underwriting (reflecting higher industry-wide activity), partially offset by lower net revenues in Debt underwriting (particularly in asset-backed underwriting)
 - Corporate lending results primarily reflected lower results for relationship lending activities, including the impact of changes in credit spreads on hedges
- 2020 net revenues were significantly higher YoY
 - Financial advisory net revenues reflected a decrease in industry-wide completed mergers and acquisitions transactions, primarily in the middle of the year
 - Underwriting net revenues reflected significantly higher net revenues in both Equity and Debt underwriting (reflecting an increase in industry-wide volumes)
 - Corporate lending net revenues primarily reflected net mark-downs on corporate loans in 2020 compared to net gains in 2019
- 2020 provision for credit losses reflected higher impairments related to relationship lending and middle-market lending and reserve increases as a result of the impact of the COVID-19 pandemic on the broader economic environment, as compared with 2019
- 2020 operating expenses primarily reflected significantly higher net provisions for litigation and regulatory proceedings, as compared with 2019
 - Litigation expense reduced 2020 ROE by 11.5pp
- Overall backlog² increased significantly both YoY and QoQ, primarily driven by increases in advisory and equity underwriting

Financial Results

	\$ in millions					
	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019	
FICC	\$ 1,878	-25%	6%	\$ 11,584	57%	
Equities	2,387	16%	40%	9,573	30%	
Net revenues	4,265	-6%	23%	21,157	43%	
Provision for credit losses	38	N.M.	90%	274	N.M.	
Operating expenses	2,238	-12%	-26%	12,806	18%	
Pre-tax earnings	\$ 1,989	-2%	N.M.	\$ 8,077	107%	
Net earnings	\$ 1,776	-7%	N.M.	\$ 6,122	97%	
Net earnings to common	\$ 1,681	-7%	N.M.	\$ 5,766	111%	
Average common equity	\$ 41,287	3%	8%	\$ 40,760	2%	
Return on average common equity	16.3%	-1.9pp	13.9pp	14.1%	7.3pp	

Global Markets Highlights

- 4Q20 net revenues were significantly higher YoY
 - FICC net revenues reflected higher intermediation net revenues, while financing net revenues were essentially unchanged
 - Equities net revenues reflected significantly higher intermediation net revenues, partially offset by lower financing net revenues
- 2020 net revenues were significantly higher YoY
 - FICC net revenues reflected significantly higher intermediation net revenues and higher financing net revenues
 - Equities net revenues reflected significantly higher intermediation net revenues, partially offset by lower financing net revenues
- 2020 provision for credit losses reflected loan growth and reserve increases as a result of the impact of the COVID-19 pandemic on the broader economic environment, as compared with 2019
- 2020 operating expenses primarily reflected significantly higher net provisions for litigation and regulatory proceedings, higher compensation and benefits expenses, and higher transaction based expenses³, as compared with 2019
 - Litigation expense reduced 2020 ROE by 4.0pp

Global Markets – FICC & Equities

FICC Net Revenues

	<i>\$ in millions</i>	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019
FICC intermediation	\$	1,498	-31%	8%	\$ 9,991	66%
FICC financing		380	14%	-2%	1,593	16%
FICC	\$	1,878	-25%	6%	\$ 11,584	57%

FICC Highlights

- 4Q20 net revenues were higher YoY
 - FICC intermediation net revenues reflected significantly higher net revenues in credit products and commodities and higher net revenues in currencies, partially offset by significantly lower net revenues in interest rate products and lower net revenues in mortgages
 - FICC financing net revenues were essentially unchanged
- 4Q20 operating environment was characterized by less favorable market-making conditions compared to 3Q20, while interest rates remained low and credit spreads tightened during the quarter
- 2020 net revenues were significantly higher YoY
 - FICC intermediation net revenues reflected significantly higher net revenues across all major businesses
 - FICC financing net revenues reflected higher net revenues from repurchase agreements
- 2020 operating environment was characterized by significantly higher client activity, increased volatility and lower interest rates compared to 2019

Equities Net Revenues

	<i>\$ in millions</i>	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019
Equities intermediation	\$	1,796	23%	83%	\$ 6,989	60%
Equities financing		591	1%	-19%	2,584	-14%
Equities	\$	2,387	16%	40%	\$ 9,573	30%

Equities Highlights

- 4Q20 net revenues were significantly higher YoY
 - Equities intermediation net revenues reflected significantly higher net revenues in both derivatives and cash products
 - Equities financing net revenues reflected the negative impact of higher net funding costs (including the impact of lower yields on the firm's global core liquid assets)
- 4Q20 operating environment was characterized by continued strong client activity and favorable market-making conditions, as volatility remained elevated and global equity prices were generally higher compared to 3Q20
- 2020 net revenues were significantly higher YoY
 - Equities intermediation net revenues reflected significantly higher net revenues in both derivatives and cash products
 - Equities financing net revenues primarily reflected the negative impact of higher net funding costs (including the impact of lower yields on the firm's global core liquid assets)
- 2020 operating environment was characterized by significantly higher client activity, as volatility increased and global equity prices were generally higher compared to 2019

Asset Management

Financial Results

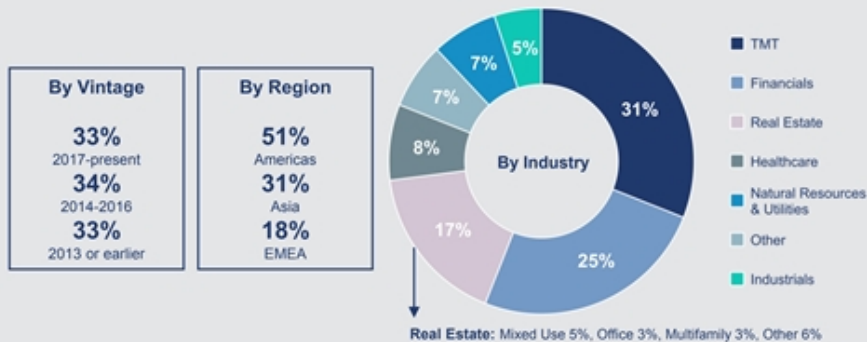
	Financial Results					
	\$ in millions	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019
Management and other fees	\$	733	1%	10%	\$ 2,785	7%
Incentive fees		71	154%	58%	287	121%
Equity investments		1,770	24%	-5%	4,095	-14%
Lending and debt investments		637	8%	49%	817	-44%
Net revenues		3,211	16%	7%	7,984	-11%
Provision for credit losses		22	-69%	-82%	442	61%
Operating expenses		1,254	-8%	-3%	5,142	7%
Pre-tax earnings	\$	1,935	44%	22%	\$ 2,400	-38%
Net earnings	\$	1,487	73%	15%	\$ 1,819	-41%
Net earnings to common	\$	1,467	75%	16%	\$ 1,740	-42%
Average common equity	\$	20,944	5%	-9%	\$ 20,491	-5%
Return on average common equity		28.0%	11.2pp	6.0pp	8.5%	-5.5pp

Asset Management Highlights

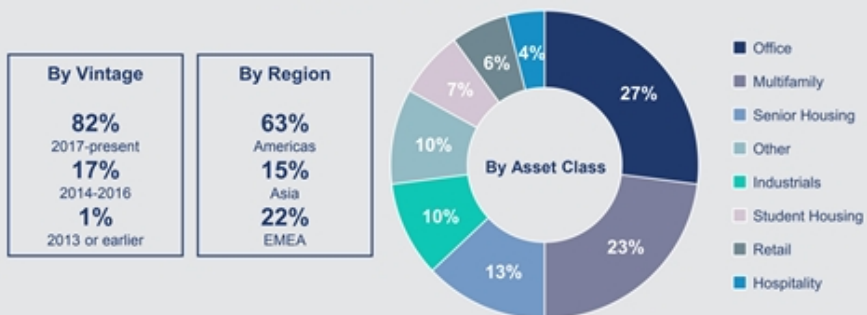
- 4Q20 net revenues were higher YoY
 - Management and other fees (from institutional and third-party distribution asset management clients) reflected the impact of higher average AUS, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies
 - Equity investments net revenues included:
 - Private: 4Q20 ~\$1,025 million, significantly lower than 4Q19 ~\$1,615 million
 - Public: 4Q20 ~\$745 million, significantly higher than 4Q19 ~\$250 million
 - Lending and debt investments net revenues reflected significantly higher net gains (reflecting tighter corporate credit spreads during the quarter)
- 2020 net revenues were lower YoY
 - Management and other fees (from institutional and third-party distribution asset management clients) reflected the impact of higher average AUS, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies
 - Incentive fees were higher, primarily driven by performance
 - Equity investments net revenues included:
 - Private: 2020 ~\$2,415 million, significantly lower than 2019 ~\$4,290 million
 - Public: 2020 ~\$1,680 million, significantly higher than 2019 ~\$475 million
 - Lending and debt investments net revenues primarily reflected net losses from debt investments in 2020 compared with net gains in 2019

Asset Management – Asset Mix

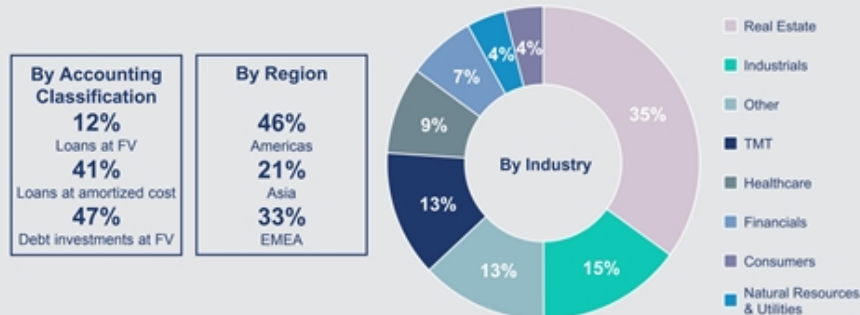
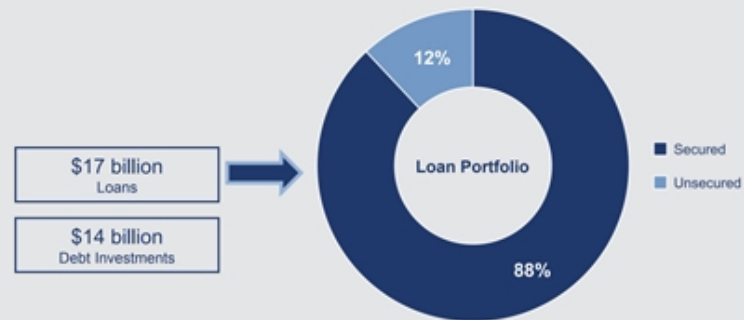
Equity Investments of \$20 billion⁴ \$17 Billion Private, \$3 Billion Public



Consolidated Investment Entities⁵ of \$19 billion⁴ Funded with liabilities of ~\$11 billion⁵



Lending and Debt Investments of \$31 billion⁴



Consumer & Wealth Management

Financial Results					
<i>\$ in millions</i>	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019
Management and other fees	\$ 1,035	8%	7%	\$ 3,889	12%
Incentive fees	28	N.M.	47%	114	41%
Private banking and lending	242	20%	25%	780	-%
Wealth management	1,305	12%	11%	4,783	10%
Consumer banking	347	6%	52%	1,213	40%
Net revenues	1,652	11%	17%	5,996	15%
Provision for credit losses	221	N.M.	83%	758	79%
Operating expenses	1,221	-1%	-7%	4,901	8%
Pre-tax earnings	\$ 210	4%	N.M.	\$ 337	43%
Net earnings	\$ 165	21%	N.M.	\$ 256	36%
Net earnings to common	\$ 154	22%	N.M.	\$ 216	36%
Average common equity	\$ 8,929	5%	24%	\$ 8,012	27%
Return on average common equity	6.9%	1.0pp	8.2pp	2.7%	0.2pp

Consumer & Wealth Management Highlights

- 4Q20 net revenues were higher YoY
 - Wealth management net revenues were higher
 - Management and other fees primarily reflected the impact of higher average AUS and higher transaction volumes, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies
 - Private banking and lending net revenues primarily reflected higher net interest income on mortgages
 - Consumer banking net revenues were significantly higher, reflecting higher deposit and credit card loan balances
- 2020 net revenues were higher YoY
 - Wealth management net revenues were higher
 - Management and other fees primarily reflected the impact of higher average AUS, higher transaction volumes and the impact of the full-year consolidation of GS Personal Financial Management⁶, partially offset by a lower average effective management fee due to shifts in the mix of client assets and strategies
 - Consumer banking net revenues were significantly higher, reflecting higher credit card loan and deposit balances
- 2020 provision for credit losses reflected growth in credit card loans and the impact of the COVID-19 pandemic on the broader economic environment, as compared with 2019
- Total client assets⁷ exceeded \$1 trillion⁴ at the end of 2020

Firmwide Assets Under Supervision

Firmwide Assets Under Supervision^{2,4}

	By Segment					
	\$ in billions	4Q20	3Q20	4Q19	vs. 3Q20	vs. 4Q19
Asset Management	\$	1,530	\$ 1,461	\$ 1,298	5%	18%
Consumer & Wealth Management		615	575	561	7%	10%
Firmwide AUS	\$	2,145	\$ 2,036	\$ 1,859	5%	15%

	By Asset Class					
	\$ in billions	4Q20	3Q20	4Q19	vs. 3Q20	vs. 4Q19
Alternative investments	\$	191	\$ 182	\$ 185	5%	3%
Equity		475	421	423	13%	12%
Fixed income		896	856	789	5%	14%
Long-term AUS		1,562	1,459	1,397	7%	12%
Liquidity products		583	577	462	1%	26%
Firmwide AUS	\$	2,145	\$ 2,036	\$ 1,859	5%	15%

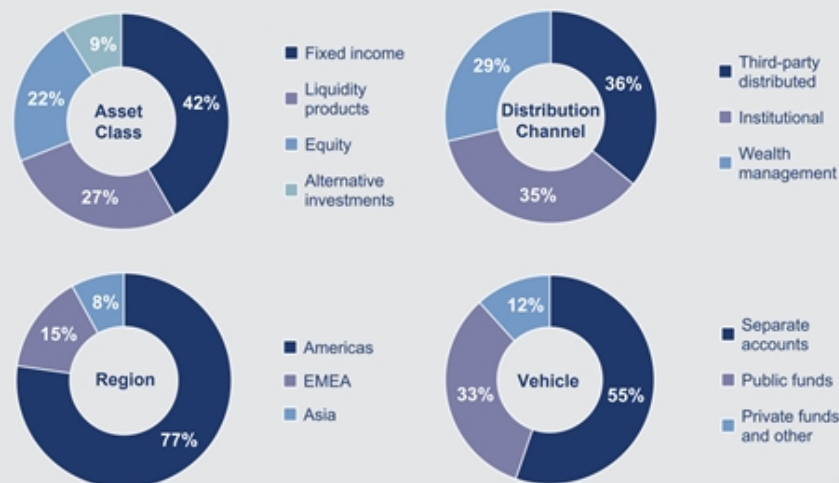
Organic Long-Term Net Flows^{2,4} (\$ in billions) (Excludes Acquisitions)



Assets Under Supervision Highlights^{2,4}

- Firmwide AUS increased \$286 billion in 2020 to a record \$2.15 trillion, including Asset Management AUS increasing \$232 billion and Consumer & Wealth Management AUS increasing \$54 billion
 - Long-term net inflows of \$42 billion, driven by fixed income assets
 - Liquidity products net inflows of \$121 billion
 - Net market appreciation of \$123 billion, primarily in fixed income and equity assets

4Q20 AUS Mix^{2,4}



Net Interest Income and Loans

Net Interest Income by Segment (\$ in millions)



Net Interest Income Highlights

- 2020 net interest income increased \$389 million YoY
- 4Q20 net interest income increased \$345 million YoY
- Both YoY increases in net interest income were driven by an increase in interest-earning assets

Loans⁴

\$ in billions	4Q20	3Q20	4Q19
Corporate	\$ 49	\$ 52	\$ 46
Wealth management	33	30	28
Commercial real estate	20	18	17
Residential real estate	6	5	7
Installment	4	4	5
Credit cards	4	3	2
Other	4	4	5
Allowance for loan losses	(4)	(4)	(1)
Total Loans	\$ 116	\$ 112	\$ 109

Metrics

- 3.7%**
ALLL to Total Gross Loans, at Amortized Cost
- 2.7%**
ALLL to Gross Wholesale Loans, at Amortized Cost
- 15.9%**
ALLL to Gross Consumer Loans, at Amortized Cost

Lending Highlights

- Total loans increased \$7 billion, up 6% during 2020, primarily reflecting growth in wealth management, corporate and commercial real estate (primarily in warehouse lending) loans
- Total allowance was \$4.43 billion (including \$3.87 billion for funded loans), up \$2.63 billion YoY
 - \$3.14 billion for wholesale loans, \$1.29 billion for consumer loans
- Provision for credit losses of \$3.10 billion in 2020, up from \$1.07 billion in 2019
- 2020 net charge-offs of \$907 million for a net charge-off rate of 0.9%, up 30bps YoY
 - Wholesale net charge-off rate of 0.6%, up 40bps YoY
 - Consumer net charge-off rate of 4.2%, down 200bps YoY

Expenses

Financial Results

	\$ in millions				
	4Q20	vs. 3Q20	vs. 4Q19	2020	vs. 2019
Compensation and benefits	\$ 2,479	-20%	-19%	\$ 13,309	8%
Transaction based ³	1,086	7%	21%	4,141	18%
Market development	89	27%	-56%	401	-46%
Communications and technology	341	-%	11%	1,347	15%
Depreciation and amortization	498	6%	7%	1,902	12%
Occupancy	254	8%	-20%	960	-7%
Professional fees	350	17%	-4%	1,306	-1%
Other expenses ³	810	22%	-52%	5,617	83%
Total operating expenses	\$ 5,907	-5%	-19%	\$ 28,983	16%
Provision for taxes	\$ 1,035	11%	156%	\$ 3,020	43%
Effective Tax Rate				24.2%	4.2pp

Expense Highlights

- 2020 total operating expenses increased YoY
 - Significantly higher net provisions for litigation and regulatory proceedings
 - Higher compensation and benefits expenses (reflecting improved financial performance)
 - Higher transaction based expenses (reflecting an increase in activity levels)
 - Higher technology expenses
 - Higher expenses related to consolidated investments, including impairments (increase was primarily in depreciation and amortization and occupancy expenses).
 - Higher charitable contributions (included in other expenses)
 - Partially offset by significantly lower travel and entertainment expenses (included in market development expenses) and lower occupancy-related expenses
- 2020 effective income tax rate was 24.2%, up from 20.0% for 2019, primarily due to an increase in provisions for non-deductible litigation in 2020 compared to 2019

Efficiency Ratio²



Capital and Balance Sheet

Capital^{2,4}

<i>\$ in billions</i>	4Q20	3Q20	4Q19
Common Equity Tier 1 (CET1) capital	\$ 81.6	\$ 77.5	\$ 74.9
Standardized RWAs	\$ 554	\$ 535	\$ 564
Standardized CET1 capital ratio	14.7%	14.5%	13.3%
Advanced RWAs	\$ 610	\$ 600	\$ 545
Advanced CET1 capital ratio	13.4%	12.9%	13.7%
Supplementary leverage ratio	7.0%	6.8%	6.2%

Selected Balance Sheet Data⁴

<i>\$ in billions</i>	4Q20	3Q20	4Q19
Total assets	\$ 1,163	\$ 1,132	\$ 993
Deposits	\$ 260	\$ 261	\$ 190
Unsecured long-term borrowings	\$ 213	\$ 214	\$ 207
Shareholders' equity	\$ 96	\$ 93	\$ 90
Average GCLA ²	\$ 298	\$ 302	\$ 237

Capital and Balance Sheet Highlights

- Standardized CET1 capital ratio increased YoY
 - Increase in CET1 capital reflected net earnings in excess of dividends
 - Decrease in Standardized RWAs reflected lower credit RWAs
- Advanced CET1 capital ratio decreased YoY
 - Increase in Advanced RWAs reflected higher market volatility and operational RWAs
- Returned \$3.72 billion of capital to common shareholders during the year
 - Paid \$1.80 billion of capital in common stock dividends
 - Repurchased 8.2 million shares for a total cost of \$1.93 billion² in 1Q20
 - The firm did not repurchase any shares during 2Q20-4Q20², but plans to resume share repurchases in 1Q21
- Maintained highly liquid balance sheet and robust liquidity metrics
 - Deposits increased \$70 billion YoY, reflecting strong growth in consumer and transaction banking deposits
- BVPS increased 3.2% QoQ and 8.1% YoY, driven by net earnings

Book Value

<i>In millions, except per share amounts</i>	4Q20	3Q20	4Q19
Basic shares ²	358.8	356.0	361.8
Book value per common share	\$ 236.15	\$ 228.78	\$ 218.52
Tangible book value per common share ¹	\$ 222.32	\$ 214.84	\$ 205.15

Cautionary Note Regarding Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts or statements of current conditions, but instead represent only the firm’s beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of the firm’s control. It is possible that the firm’s actual results, financial condition and liquidity may differ, possibly materially, from the anticipated results, financial condition and liquidity in these forward-looking statements. For information about some of the risks and important factors that could affect the firm’s future results, financial condition and liquidity and the forward-looking statements below, see “Risk Factors” in Part II, Item 1A of the firm’s Quarterly Report on Form 10-Q for the period ended September 30, 2020 and in Part I, Item 1A of the firm’s Annual Report on Form 10-K for the year ended December 31, 2019, as well as the cautionary notes on forward-looking statements in the firm’s Quarterly Report on Form 10-Q for the period ended September 30, 2020 and the Strategic Update, dated January 19, 2021.

Information regarding the firm’s assets under supervision, capital ratios, risk-weighted assets, supplementary leverage ratio, balance sheet data and global core liquid assets (GCLA) consists of preliminary estimates. These estimates are forward-looking statements and are subject to change, possibly materially, as the firm completes its financial statements.

Statements regarding (i) estimated GDP growth, (ii) the impact of the COVID-19 pandemic on the firm’s business, results, financial position and liquidity, (iii) the timing, profitability, benefits and other prospective aspects of business initiatives and the achievability of medium- and long-term targets and goals, (iv) the future state of the firm’s liquidity and regulatory capital ratios, (v) the firm’s prospective capital distributions (including dividends and repurchases), (vi) the firm’s future effective income tax rate, and (vii) the firm’s investment banking transaction backlog are forward-looking statements. Statements regarding estimated GDP growth are subject to the risk that actual GDP growth may differ, possibly materially, due to, among other things, changes in general economic conditions. Statements about the effects of the COVID-19 pandemic on the firm’s business, results, financial position and liquidity are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. Statements about the timing, profitability, benefits and other prospective aspects of business initiatives and the achievability of medium and long-term targets and goals are based on the firm’s current expectations regarding the firm’s ability to implement these initiatives and achieve these targets and goals and may change, possibly materially, from what is currently expected. Statements about the future state of the firm’s liquidity and regulatory capital ratios, as well as its prospective capital distributions, are subject to the risk that the firm’s actual liquidity, regulatory capital ratios and capital distributions may differ, possibly materially, from what is currently expected. Statements about the firm’s future effective income tax rate are subject to the risk that the firm’s future effective income tax rate may differ from the anticipated rate indicated, possibly materially, due to, among other things, changes in the firm’s earnings mix or profitability, the entities in which the firm generates profits and the assumptions made in forecasting the firm’s expected tax rate, and potential future guidance from the U.S. IRS. Statements about the firm’s investment banking transaction backlog are subject to the risk that transactions may be modified or may not be completed at all and related net revenues may not be realized or may be materially less than expected. Important factors that could have such a result include, for underwriting transactions, a decline or weakness in general economic conditions, an outbreak of hostilities, volatility in the securities markets or an adverse development with respect to the issuer of the securities and, for financial advisory transactions, a decline in the securities markets, an inability to obtain adequate financing, an adverse development with respect to a party to the transaction or a failure to obtain a required regulatory approval.

Footnotes

1. Return on average common shareholders' equity (ROE) is calculated by dividing net earnings (or annualized net earnings for annualized ROE) applicable to common shareholders by average monthly common shareholders' equity. Return on average tangible common shareholders' equity (ROTE) is calculated by dividing net earnings (or annualized net earnings for annualized ROTE) applicable to common shareholders by average monthly tangible common shareholders' equity. Tangible common shareholders' equity is calculated as total shareholders' equity less preferred stock, goodwill and identifiable intangible assets. Tangible book value per common share (TBVPS) is calculated by dividing tangible common shareholders' equity by basic shares. Management believes that tangible common shareholders' equity and TBVPS are meaningful because they are measures that the firm and investors use to assess capital adequacy and that ROTE is meaningful because it measures the performance of businesses consistently, whether they were acquired or developed internally. Tangible common shareholders' equity, ROTE and TBVPS are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies.

The table below presents a reconciliation of average and ending common shareholders' equity to average and ending tangible common shareholders' equity:

Unaudited, \$ in millions	AVERAGE FOR THE				AS OF		
	THREE MONTHS ENDED		YEAR ENDED		DECEMBER 31, 2020	SEPTEMBER 30, 2020	DECEMBER 31, 2019
	DECEMBER 31, 2020	DECEMBER 31, 2020	DECEMBER 31, 2020	DECEMBER 31, 2020			
Total shareholders' equity	\$ 93,835	\$ 91,779	\$ 95,932	\$ 92,650	\$ 90,265		
Preferred stock	(11,203)	(11,203)	(11,203)	(11,203)	(11,203)	(11,203)	
Common shareholders' equity	82,632	80,576	84,729	81,447	79,062		
Goodwill	(4,332)	(4,238)	(4,332)	(4,333)	(4,196)		
Identifiable intangible assets	(626)	(617)	(630)	(632)	(641)		
Tangible common shareholders' equity	\$ 77,674	\$ 75,721	\$ 79,767	\$ 76,482	\$ 74,225		

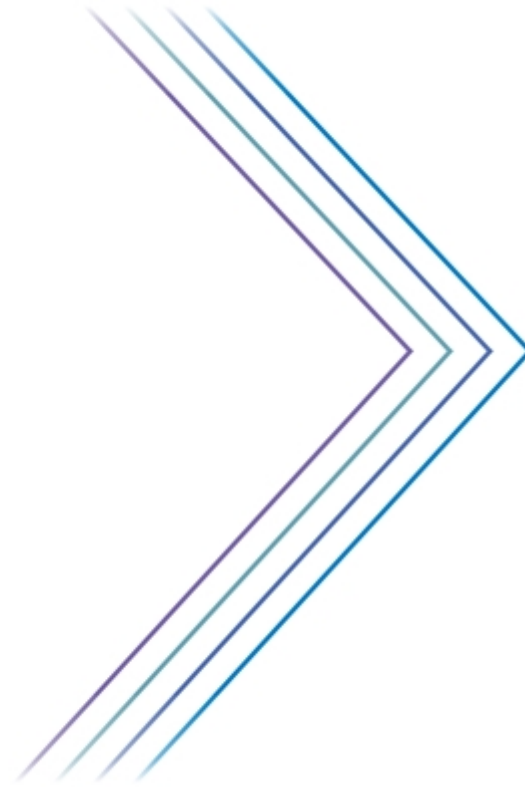
2. For information about the following items, see the referenced sections in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020: (i) investment banking transaction backlog – see "Results of Operations – Investment Banking" (ii) assets under supervision – see "Results of Operations – Assets Under Supervision" (iii) efficiency ratio – see "Results of Operations – Operating Expenses" (iv) basic shares – see "Balance Sheet and Funding Sources – Balance Sheet Analysis and Metrics" (v) share repurchase program – see "Equity Capital Management and Regulatory Capital – Equity Capital Management" and (vi) global core liquid assets – see "Risk Management – Liquidity Risk Management."

For information about risk-based capital ratios and the supplementary leverage ratio, see Note 20 "Regulation and Capital Adequacy" in Part I, Item 1 "Financial Statements (Unaudited)" in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020.

3. Brokerage, clearing, exchange and distribution fees has been renamed transaction based expenses and additionally includes expenses resulting from completed transactions, which are directly related to client revenues. Such expenses were previously reported in other expenses. Previously reported amounts have been conformed to the current presentation.
4. Represents a preliminary estimate for the fourth quarter of 2020 and may be revised in the firm's Annual Report on Form 10-K for the year ended December 31, 2020.
5. Includes consolidated investment entities, substantially all of which are engaged in real estate investment activities. These assets are generally accounted for at historical cost less depreciation. Substantially all liabilities are nonrecourse, thereby reducing the firm's equity at risk. Amounts by vintage, region, and industry are net of financings.
6. GS Personal Financial Management was acquired by the firm in the third quarter of 2019.
7. Total client assets includes AUS, brokerage assets, and consumer deposits.

Strategic Update

January 19, 2021



2020 Financial Highlights

Net Revenues		EPS		ROE ¹		ROTE ¹	
2020	\$44.6bn	2020	\$24.74	2020	11.1%	2020	11.8%
4Q	\$11.7bn	4Q	\$12.08	4Q	21.1%	4Q	22.5%

Highlights

Highest FY net revenues since 2009

Record Assets Under Supervision

#1 in Announced and Completed M&A²
#1 in Equity and equity-related offerings²

Highest Global Markets net revenues since 2010

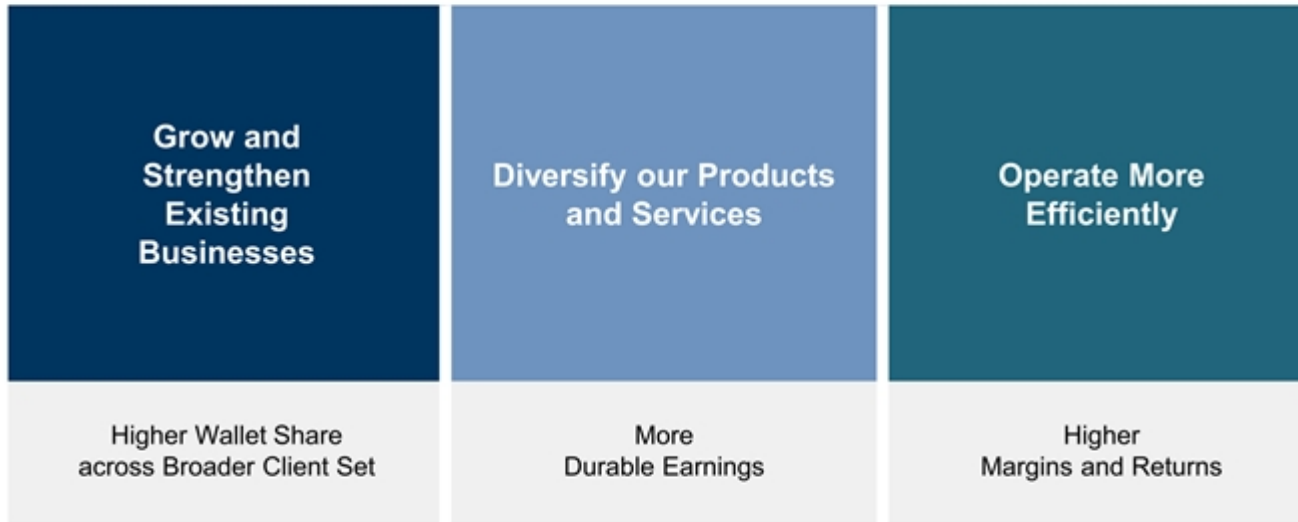
Record 4Q net revenues and strong momentum going into 2021

Steady Progress Towards Our Medium-Term Goals

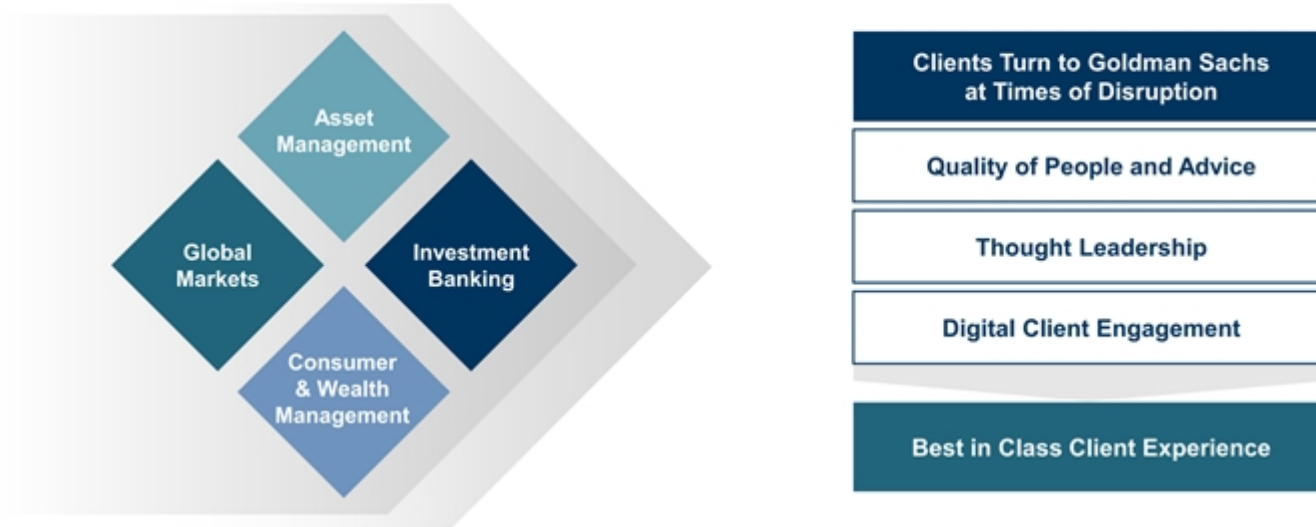
	Medium-Term Targets ¹	2020 Progress
Profitability	<p>>13% ROE</p> <p>>14% ROTE</p>	<ul style="list-style-type: none"> ■ 11.1% ROE (+390bps <i>ex-litigation</i>) ■ 11.8% ROTE² (+410bps <i>ex-litigation</i>)
Funding Optimization	<p>\$100bn in deposit growth</p> <p>\$1.0bn in revenues</p>	<ul style="list-style-type: none"> ■ \$70bn raised across channels ■ Limited progress due to rate environment
Efficiency & Expenses	<p>~60% efficiency ratio</p> <p>\$1.3bn expense plan</p>	<ul style="list-style-type: none"> ■ 65.0% efficiency ratio (-760bps <i>ex-litigation</i>) ■ Achieved approximately half of \$1.3bn expense plan
Capital	<p>13-13.5% CET1 ratio</p>	<ul style="list-style-type: none"> ■ Well positioned with CET1 ratio of 14.7% ■ Sold or announced \$4bn of private equity sales to reduce capital intensity

We remain committed to our medium- and long-term targets

Reaffirmed Strategic Direction



Delivering One Goldman Sachs to Our Clients



Reinforcing our purpose to advance sustainable economic growth and financial opportunity

Investment Banking

Investor Day Goals

Grow Share in Core Business	<p><i>Maintain and improve share:</i></p> <p>IB Fees: #1</p> <p>M&A: #1</p> <p>Equity: #1</p> <p>Debt: Top 4 Wallet Share</p>
Expand Client Footprint	<p>Expand Share with Clients</p> <p>\$500mm-2bn</p>
Transaction Banking	<p><i>Longer-term⁴:</i></p> <p>\$50bn Deposits</p> <hr style="border-top: 1px dashed #006666;"/> <p>\$1bn Revenues</p>

2020 Progress

<i>Revenues</i>		
\$3.1bn	Advisory	<p>#1 Announced & Completed M&A¹</p> <p>#1 Equity & Equity-Related¹</p> <p>#4 Debt U/W Wallet Share²</p>
\$3.4bn	Equity U/W	
\$2.7bn	Debt U/W	
\$800+mm Revenue Generation from Footprint Expansion ³	<ul style="list-style-type: none"> ✔ Added ~300 clients in 2020 ✔ Expanded coverage by ~2,700 corporates since 2017 	
~\$135mm in Revenues	2Q20 Platform Launch	<p>~225 clients</p> <hr style="border-top: 1px dashed #006666;"/> <p>3 partnerships</p>
		\$29bn deposits

Global Markets

Investor Day Goals

Deepen and Broaden Client Base	Take Top 3 Position with Top 100 Clients
Leverage Risk Expertise, Financing and Technology to Serve Clients	Increase Client Financing ----- Deploy Technology Platforms ----- Superior Risk Intermediation
Optimize Resource Consumption	<i>Medium-term:</i> \$700mm Expense Opportunity ----- \$2bn Capital Optimization

2020 Progress

- ✓ Ranked #2 in both FICC and Equities globally¹
- ✓ Top 3 position with 64 of the top 100 clients²
- ✓ 120bps of wallet share gain vs 2019¹

Record Financing Revenues in FICC

Record Prime YE Balances in Equities

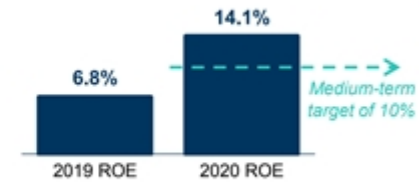
marquee

+36%

Total Monthly Active Users³

~\$400mm
Expense efficiencies achieved

~\$1.25bn
Capital reallocated to accretive opportunities



Asset Management

Investor Day Goals

Continued Growth with Asset Allocators	<p><i>Longer-term:</i></p> <p>\$250bn Net Traditional Inflows <i>(Fixed Income and Equity)</i></p> <hr style="border-top: 1px dashed #00a68a;"/>
Grow 3rd Party Alternatives	<p>\$100bn Net Alternative Inflows <i>(\$150bn Gross Fundraising)</i></p>
Optimize Capital	<p><i>Longer-term:</i></p> <p>\$4bn Capital Reduction</p>

2020 Progress

<ul style="list-style-type: none"> ✓ \$2.1tn Firmwide AUS ✓ \$286bn Firmwide AUS Growth ✓ Long-term fee based inflows of \$42bn <hr style="border-top: 1px dashed #00a68a;"/>	<div style="border: 1px solid #00a68a; padding: 10px; text-align: center;"> <p>~\$40bn</p> <p>Gross commitments across:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-right: 1px solid #00a68a; padding: 5px;">Corporate Equity</td> <td style="padding: 5px;">Private Credit</td> </tr> <tr> <td style="border-right: 1px solid #00a68a; padding: 5px;">Real Estate</td> <td style="padding: 5px;">Multi-Asset</td> </tr> </table> </div>	Corporate Equity	Private Credit	Real Estate	Multi-Asset	<p>Additional 2021 Priorities:</p> <ul style="list-style-type: none"> Growth Equity Infrastructure ESG
Corporate Equity	Private Credit					
Real Estate	Multi-Asset					
<p>\$4bn</p> <p>Sold or announced sales of on-balance sheet positions</p>		<p>Expect \$2bn of related capital reduction</p>				

Consumer & Wealth Management

Investor Day Goals

Grow Premier UHNW Business Globally	<p>Increase client-facing professionals</p> <p>-----</p> <p>Earn additional wallet share from clients</p>
Expand our HNW Platform	<p>Leverage corporate relationships and expand HNW franchise reach</p>
Build Leading Digital Consumer Bank	<p>Scale existing products, launch new products, embed capabilities in partner ecosystems</p>

2020 Progress

- ✓ Hired >100 client-facing professionals¹ in 2020; solid expansion despite slowed plans due to COVID
- ✓ Hosted 250+ events², driving engagement with >190K clients and other participants
- ✓ \$17bn of AUS inflows with total client assets³ exceeding \$1tn



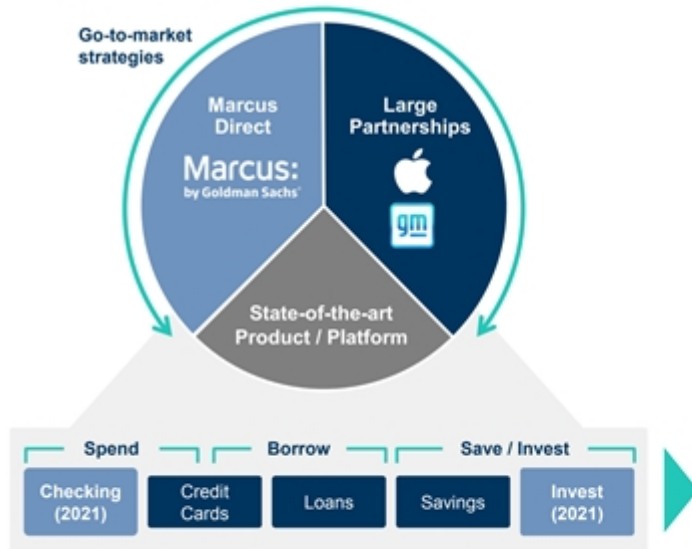
- ✓ >4K Client referrals⁴ (\$7bn+ AUS opportunity)
- ✓ +33 Corporates added
- ✓ Serve ~55% of Fortune 100

Marcus[®] by Goldman Sachs[®]

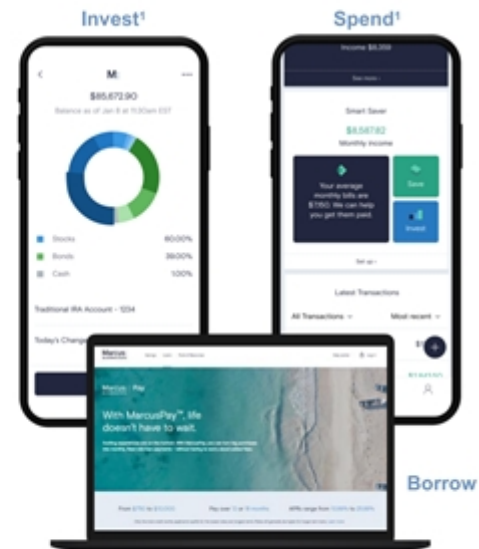


Consumer | Build Leading Digital Consumer Bank

Integrated & Self-Reinforcing Strategy



New Products & Partnerships



Funding Optimization

- 1 Further diversify funding mix via deposits
- 2 Enhance asset-liability management
- 3 Optimize liquidity pool

\$1.0+ billion
in revenue uplift over medium term



\$70bn
deposit growth
across channels
in 2020

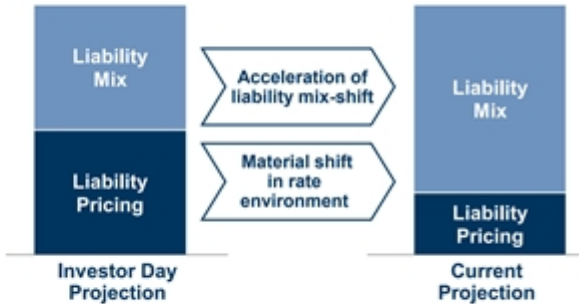
% of Firm Assets in Bank Entities²

~15%
as of 4Q17



~25%
as of 4Q20

Remain on target for **30bps** funding improvement



Focused On Expense Efficiencies

On track to generate \$1.3bn in run-rate expense savings over the medium term

Streamlined Organization	Investment in Automation and Infrastructure	Real Estate Strategy	Centralized Expense Management
<ul style="list-style-type: none">■ Disciplined approach to organizational design■ Enhanced focus on spans and layers	<ul style="list-style-type: none">■ Extracting benefit from front-to-back reengineering programs■ Increased straight-through-processing■ Reduced cost per trade	<ul style="list-style-type: none">■ Footprint consolidation in London and Bengaluru■ Expanded presence in strategic locations	<ul style="list-style-type: none">■ Uplifting integrated planning capabilities■ Extracting benefit from procure-to-pay solution

Achieved approximately half of our medium-term plan in 2020

Dynamic Capital Management

Capital Management Philosophy

Prudent capital management in context of evolving regulatory landscape

Prioritize deploying capital to support client activity and grow our businesses

Return excess capital in the form of dividends and buybacks

CET1 Ratio Target
13.0-13.5%¹

Stress
Capital Buffer
5.0-5.5%

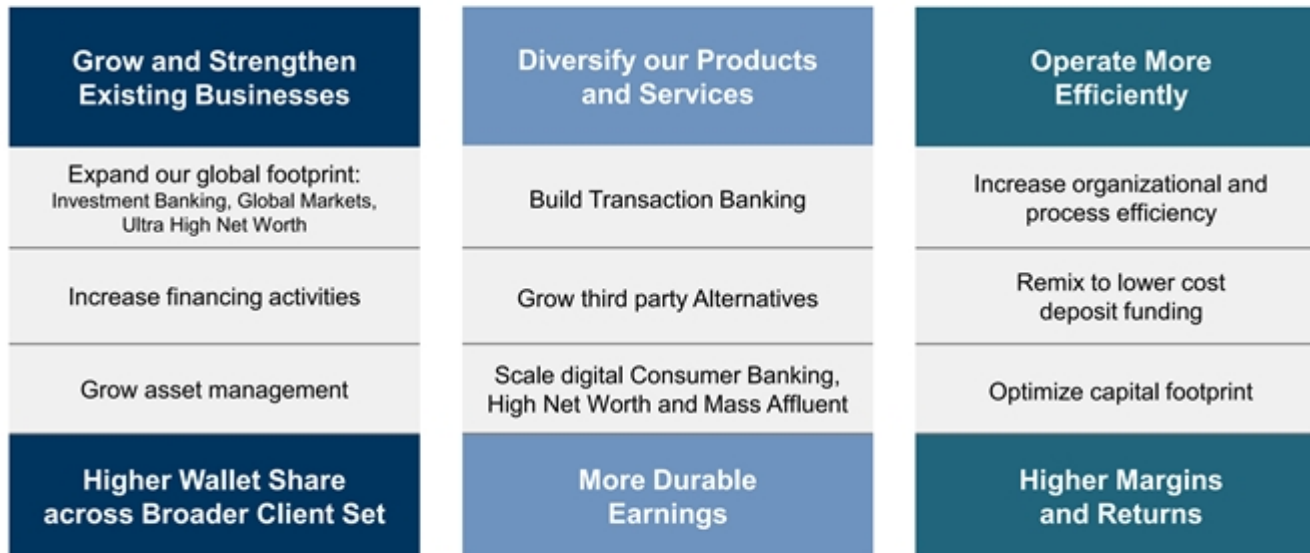
G-SIB
3.0%

Minimum
4.5%

Key Forward Drivers

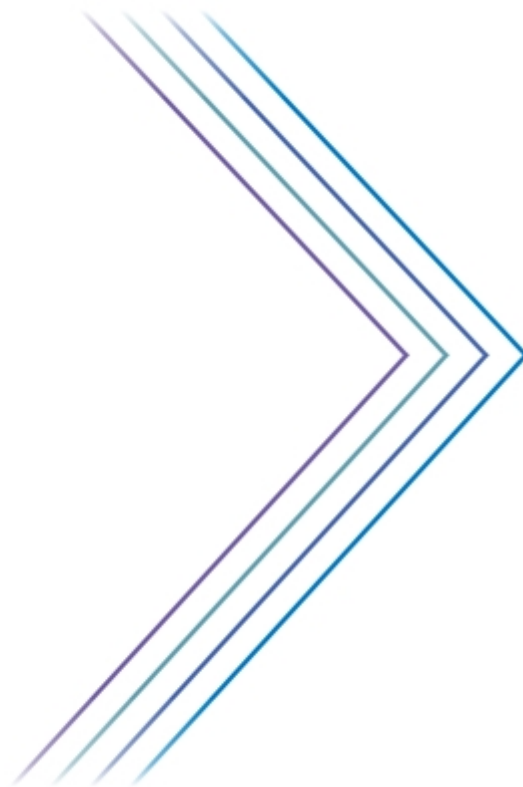
- **Stress Capital Buffer**
Achievement of capital efficiencies from planned sales of on-balance sheet investments; ongoing engagement with FRB on stress loss modeling
- **G-SIB**
Expected surcharge of 3.0% effective Jan 1 2023 as we continue to deploy balance sheet to support client financing activity
- **Management Buffer**
Estimated buffer of 50-100bps to anticipate client opportunities and potential volatility

Clear Strategic Direction



Strategic Update

January 19, 2021



End Notes

These notes refer to the financial metrics and/or defined term presented on:

Slide 1:

1. Return on average common shareholders' equity (ROE) is calculated by dividing net earnings applicable to common shareholders by average monthly common shareholders' equity. Return on average tangible common shareholders' equity (ROTE) is calculated by dividing net earnings applicable to common shareholders by average monthly tangible common shareholders' equity. Tangible common shareholders' equity is calculated as total shareholders' equity less preferred stock, goodwill and identifiable intangible assets. Management believes that ROTE is meaningful because it measures the performance of businesses consistently, whether they were acquired or developed internally and that tangible common shareholders' equity is meaningful because it is a measure that the firm and investors use to assess capital adequacy. ROTE and tangible common shareholders' equity are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies.

The table below presents a reconciliation of average common shareholders' equity to average tangible common shareholders' equity:

<i>Unaudited, \$ in millions</i>	AVERAGE FOR THE	
	YEAR ENDED	
	DECEMBER 31, 2020	
Total shareholders' equity	\$	91,779
Preferred stock		(11,203)
Common shareholders' equity		80,576
Goodwill and identifiable intangible assets		(4,855)
Tangible common shareholders' equity	\$	75,721

2. Source: Dealogic – January 1, 2020 through December 31, 2020

Slide 2:

1. Medium-term refers to 3 year time horizon from December 31, 2019
2. ROTE is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies. See end note 1 for slide 1 for further information about ROTE, including the reconciliation of average common shareholders' equity to average tangible common shareholders' equity.

End Notes

These notes refer to the financial metrics and/or defined term presented on:

Slide 5:

1. Source: Dealogic – January 1, 2020 through December 31, 2020
2. Debt U/W wallet share as measured by reported revenues, per peer filings as of September 30, 2020. Peers include JPM, BAC, C, MS, CS, DBS and BARC
3. Americas and EMEA advisory, underwriting and derivatives net revenues from footprint expansion clients accrued in 2020
4. Longer-term refers to 5 year time horizon from December 31, 2019

Slide 6:

1. Source: McKinsey institutional client analytics for 3Q20 YTD. Analysis excludes captive wallets
2. Sources: Client Ranking / Scorecard / Feedback and / or McKinsey revenue ranking (data as of 1H20 or 3Q20 as applicable)
3. Unique users within the prior 30 days, as of December 15, 2020 vs. December 15, 2019. The use of these dates represents recent usage before the seasonal slowdown at year end

Slide 8:

1. Includes Advisors, Content Specialists and Client Service Specialists
2. Includes global cross-divisional events and webinars to which PWM clients had access
3. Total client assets includes AUS, brokerage assets, and consumer deposits
4. Represents bi-lateral referrals between Private Wealth Management and Personal Financial Management (PFM) and eligible Corporate employees referred to PFM

Slide 9:

Note: Marcus by Goldman Sachs® is a brand of Goldman Sachs Bank USA and Goldman Sachs & Co. LLC. All loans and deposit products are provided by Goldman Sachs Bank USA. Member FDIC. Brokerage and investment advisory services offered by Marcus by Goldman Sachs are provided by Goldman Sachs & Co. LLC. Member SIPC.

1. Certain functionality displayed is not currently available but may not be available in the future. Visuals are for illustrative purposes only

Slide 10:

1. As of December 31, 2020
2. Excludes assets related to other GS affiliates

Slide 12:

1. Targets may change as regulatory landscape and firm business mix evolve

Cautionary Note on Forward-Looking Statements

Statements about the firm's target metrics, including its target ROE, ROTE, efficiency ratio and CET1 capital ratios, and how they can be achieved (including resumption of share repurchases), and statements about future operating expense (including future litigation expense), efficiency ratio reductions and expense savings initiatives, the impact of the COVID-19 pandemic on its business, results, financial position and liquidity, amount and composition of future Assets under Supervision, planned debt issuances, growth of deposits and other funding, asset liability management and funding strategies and associated interest expense savings, future geographic location of its employees, and the timing and profitability of its business initiatives, including its launch of new businesses or new activities, its ability to increase its market share in incumbent businesses and its ability to achieve more durable revenues and higher returns from these initiatives, are forward-looking statements, and it is possible that the firm's actual results may differ, possibly materially, from the targeted results indicated in these statements.

Forward looking statements, including those about the firm's target ROE, ROTE, efficiency ratio, and expense savings, and how they can be achieved, are based on the firm's current expectations regarding its business prospects and are subject to the risk that the firm may be unable to achieve its targets due to, among other things, changes in the firm's business mix, lower profitability of new business initiatives, increases in technology and other costs to launch and bring new business initiatives to scale, and increases in liquidity requirements. Statements about the firm's target ROE, ROTE and CET1 capital ratios, and how they can be achieved, are based on the firm's current expectations regarding the capital requirements applicable to the firm and are subject to the risk that the firm's actual capital requirements may be higher than currently anticipated because of, among other factors, changes in the regulatory capital requirements applicable to the firm resulting from changes in regulations or the interpretation or application of existing regulations or changes in the nature and composition of the firm's activities or its expectations around the sale of assets. Statements about the projected growth of the firm's deposits and other funding, asset liability management and funding strategies and associated interest expense savings are subject to the risk that actual growth and savings may differ, possibly materially from that currently anticipated due to, among other things, changes in interest rates and competition from similar products. Statements about the timing, profitability, benefits and other prospective aspects of business and expense savings initiatives, the achievability of medium and long-term targets, the level and composition of more durable revenues and increases in market share are based on the firm's current expectations regarding its ability to implement these initiatives and achieve these targets and goals and may change, possibly materially, from what is currently expected. Statements about the effects of the COVID-19 pandemic on the firm's business, results, financial position and liquidity are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. Due to the inherent uncertainty in these forward-looking statements, investors should not place undue reliance on the firm's ability to achieve these results.

For information about some of the risks and important factors that could affect the firm's future results, financial condition and liquidity and the forward-looking statements above, see "Risk Factors" in Part II, Item 1A of the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020 and in Part I, Item 1A of the firm's Annual Report on Form 10-K for the year ended December 31, 2019. You should also read the cautionary notes on forward-looking statements in the firm's Quarterly Report on Form 10-Q for the period ended September 30, 2020 and Earnings Results Presentation for the Full Year and Fourth Quarter 2020.

The statements in the presentation are current only as of January 19, 2021 and the firm does not undertake to update forward-looking statements to reflect the impact of subsequent events or circumstances.