

Goldman Sachs Presentation to Sanford C. Bernstein Strategic Decisions Conference

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President and Chief Operating Officer

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Cautionary Note on Forward-Looking Statements

Today's presentation may include forward-looking statements. These statements represent the Firm's belief regarding future events that, by their nature, are uncertain and outside of the Firm's control. The Firm's actual results and financial condition may differ, possibly materially, from what is indicated in those forward-looking statements.

For a discussion of some of the risks and factors that could affect the Firm's future results and financial condition, please see the description of "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2013. You should also read the forward-looking disclaimers in our quarterly Form 10-Q for the period ended March 31, 2014, particularly as it relates to estimated capital ratios, risk-weighted assets, total assets and global core excess liquidity, and information on the calculation of non-GAAP financial measures that is posted on the Investor Relations portion of our website: www.gs.com.

The statements in the presentation are current only as of its date, May 28, 2014.

Current Environment

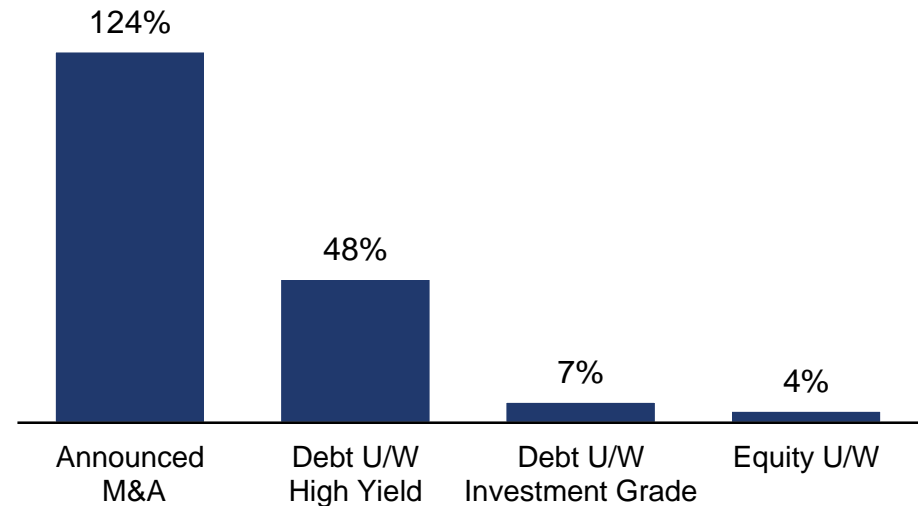
Volumes and Activity Levels Mixed...

- Some promising signs from various parts of our business including:
 - M&A announcements show pick-up in large strategic deals
 - Continued solid Underwriting activity despite market uncertainty

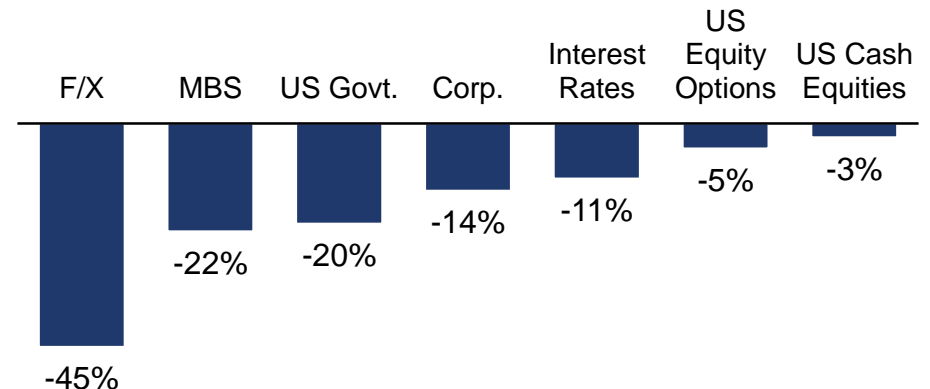
- Most market volumes lower across wide variety of products

- Slowly improving macroeconomic environment with muted client risk appetite
 - Global hedge funds down YTD, underperforming the S&P 500³

M&A and U/W Volumes Stronger in 2Q14¹



Many Market Volumes Broadly Lower YoY²



¹ Banking volumes from Dealogic. Volumes are for 2Q14 as of May 19, 2014, extrapolated for the entire quarter and compared with the full 2Q13 period

² Volumes from Federal Reserve, NYSE/Nasdaq, Arca, CME, and Bloomberg. Federal Reserve average weekly volumes for 2Q14 as of May 7, 2014 vs. full 2Q13 average. All other volumes are average daily for 2Q14 as of May 16, 2014, vs. full 2Q13 average. FX and Interest Rates indicate contract volume

³ As represented by the HFRX Global Hedge Fund Index as of May 16, 2014

Current Environment

... Driven by Record Low Volatility

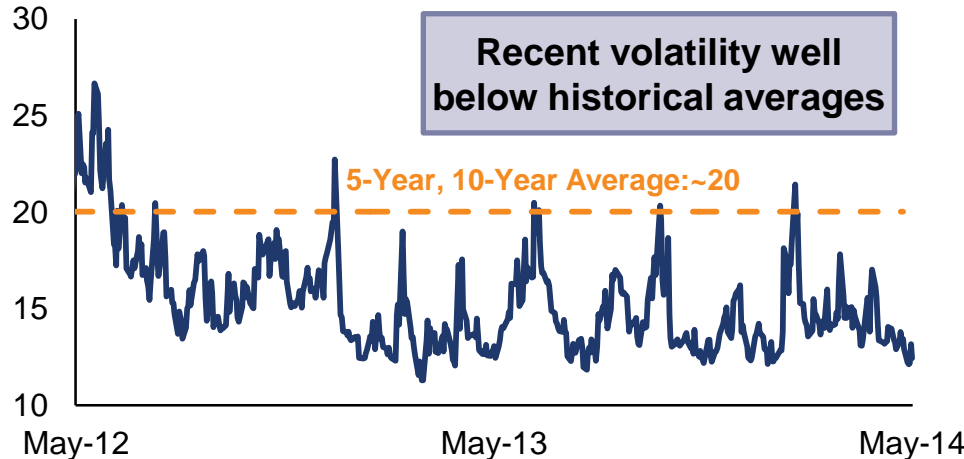
- Historically low volatility across a variety of asset classes
 - Discourages hedging and delays opportunistic investing
- Volatility impacted by low real yields, fewer central bank surprises, limited forward GDP visibility

Tightest 10 Year Treasury Yield Ranges (%)

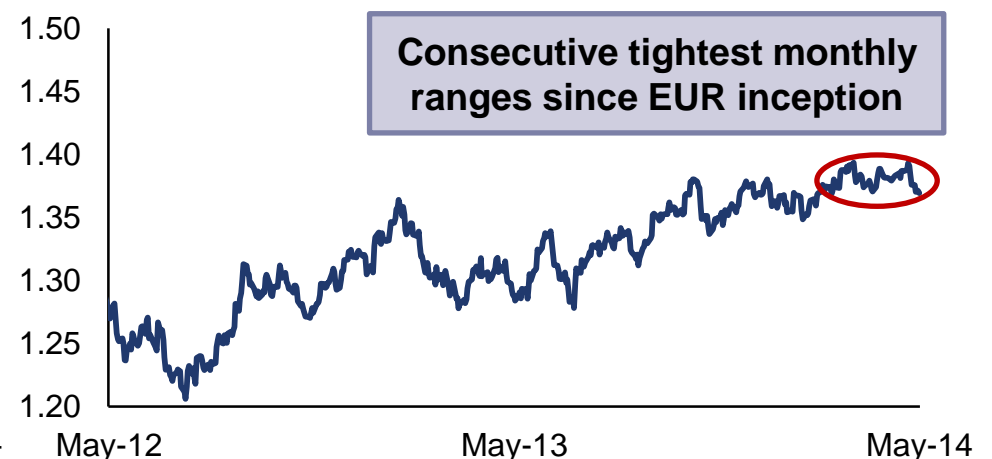
Three Months Ending	Range
May 2014	0.20%
April 1978	0.22%
August 1998	0.24%
35-Year Average	0.85%

Tightest 3 month band in the last ~35-year period

VIX Index



EUR vs. USD



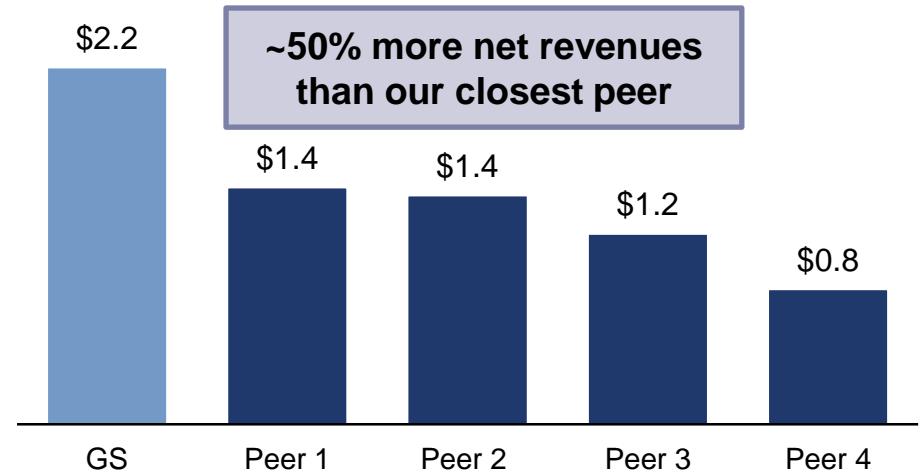
Source: Bloomberg as of 5/16/14

Investment Banking

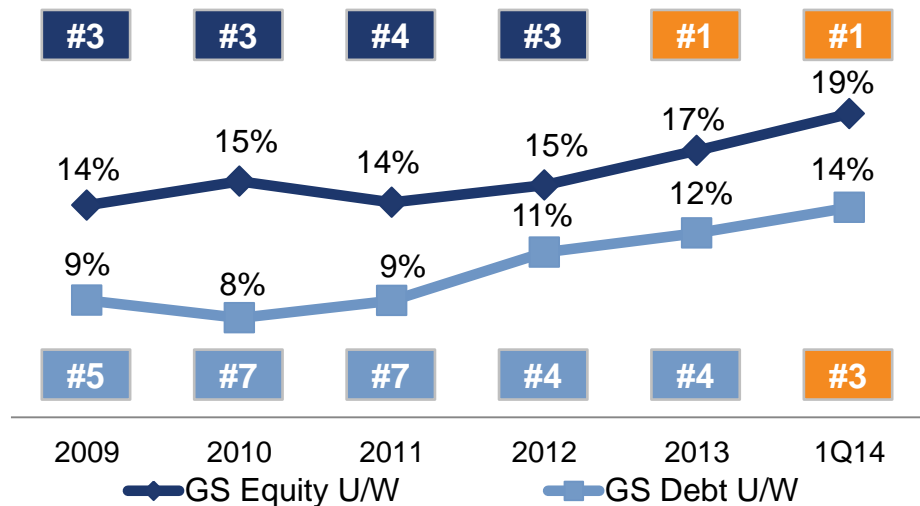
Adaptive Client Franchise drives Global Market Leadership

- Continued industry leadership with a world-class franchise
 - #1 in Announced and Completed M&A, Equity & Equity-Related Underwriting and IPOs²
- Franchise adapts to new industry trends and markets over time
- Greater “wallet share”
 - Participation in ~30% of M&A deals >\$1bn since beginning of 2011, versus closest peer at ~20%³
 - Premier ranking in Equity Underwriting net revenue share; improved Debt Underwriting net revenue share⁴

Trailing 12 Months Advisory Net Revenues (\$bn)¹



GS Equity and Debt U/W Net Revenue Share⁴



¹ 2Q13 – 1Q14 total advisory net revenues; peers include JPM, MS, BAC, C

² Source: Dealogic YTD as of May 19, 2014

³ Source: Dealogic

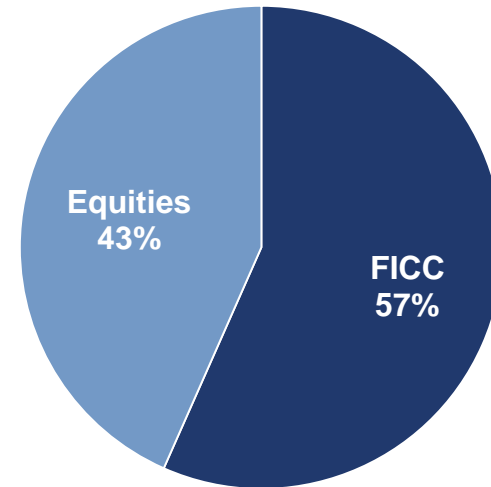
⁴ Source: Public filings. Composite net revenues include GS, JPM, MS, BAC, UBS, CS, DB, C

Institutional Client Services

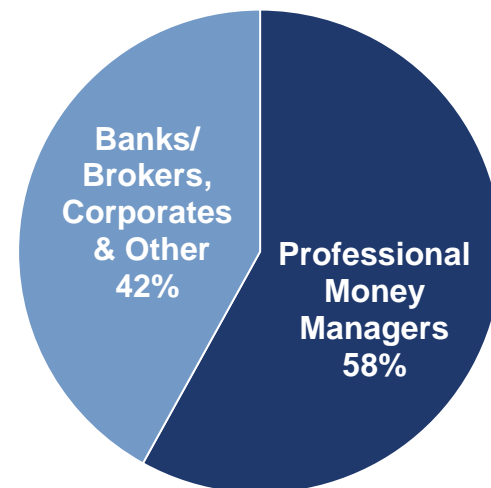
Diversified Franchise with Improving Client Penetration

- Manage FICC and Equities as an integrated business
 - One-stop shop for clients
 - Common risk management platform
 - Flexibility during different market environments
- Diversified across client type and increasing client penetration
- Focus on cost discipline and increasing efficiency

Average Net Revenues, 2010-2013



Average Client Mix, 2010-2013¹



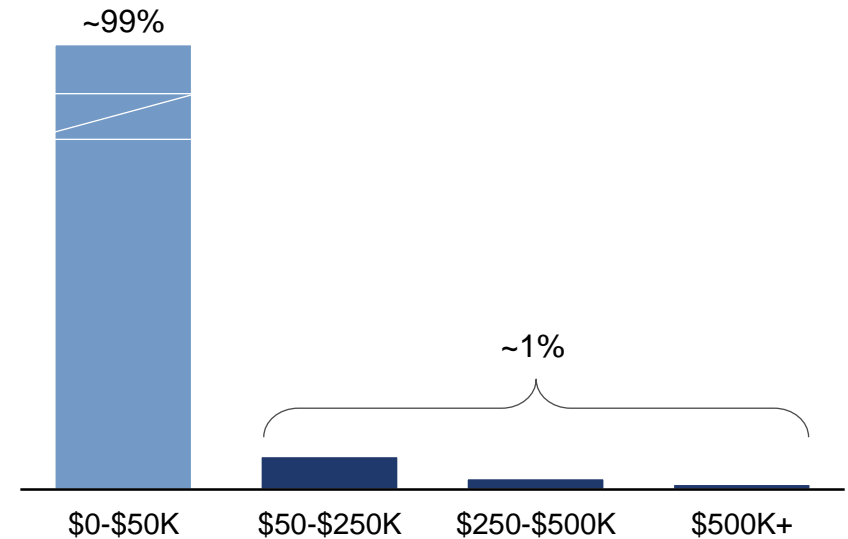
¹ Percent of ICS sales credits attributable to client type

Fixed Income, Currency and Commodities

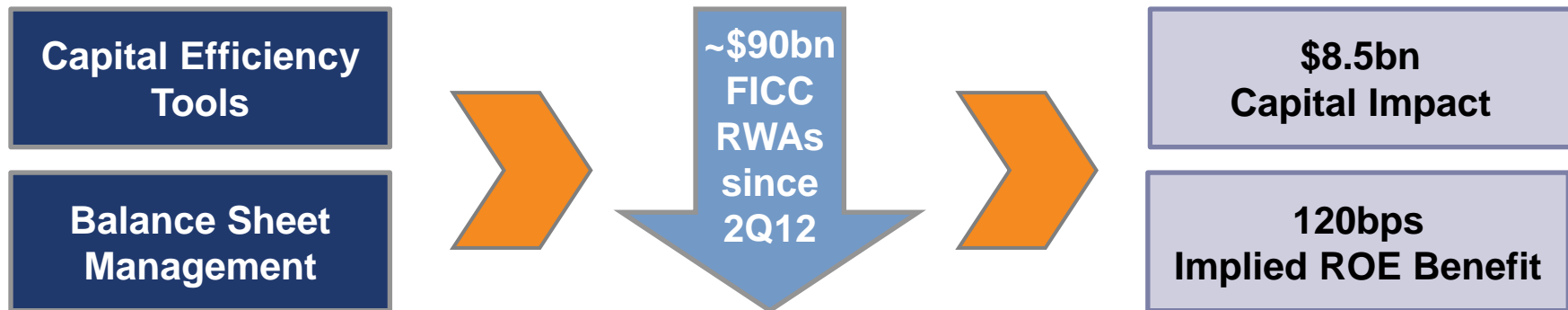
Oriented Toward Client Flow and Operating & Capital Efficiency

- Diversified client mix
 - Strength with institutional investors
 - Growing presence with corporates
- Vast majority of the business we execute for clients are trades <\$50K
- Have steadily optimized resources
 - Headcount down ~10% since 2010
 - Focus on balance sheet and capital

Volumes by Transaction Size, 2013



Pro Forma Impact of FICC RWA Mitigation on Returns¹



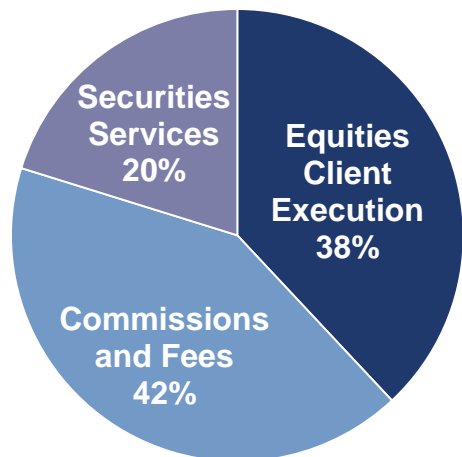
¹ Impact shows hypothetical additional capital required assuming the 1Q14 reported Firm Basel III fully phased-in CET1 ratio under the advanced approach of 9.7% remained constant and FICC RWA mitigation did not occur. Implied ROE benefit reflects hypothetical reduction in 2013 reported Firm ROE of 11.0% assuming no change to 2013 net earnings to common shareholders and an incremental \$8.5bn in average 2013 common shareholders' equity

Equities

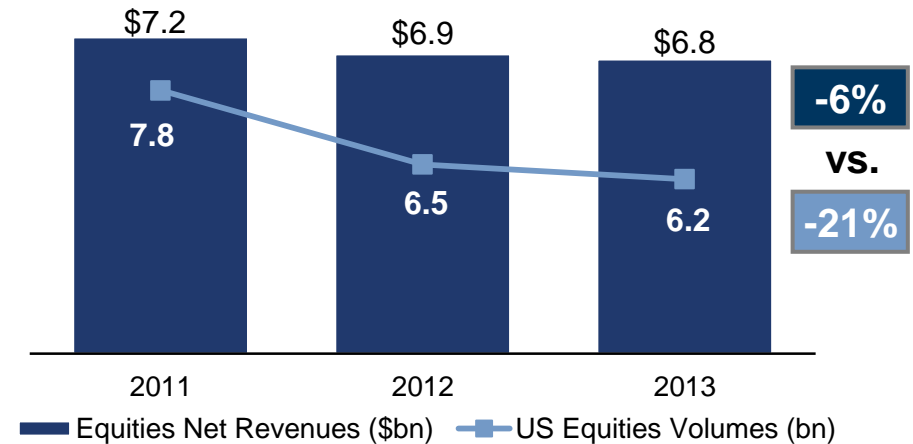
Best-In-Class Execution and Technology Drive Franchise

- Balanced business ensures we can serve clients across product areas
- Fully integrated technology platform
- Expanding high- and low-touch capabilities across products
- Focus on efficiency & protecting margins

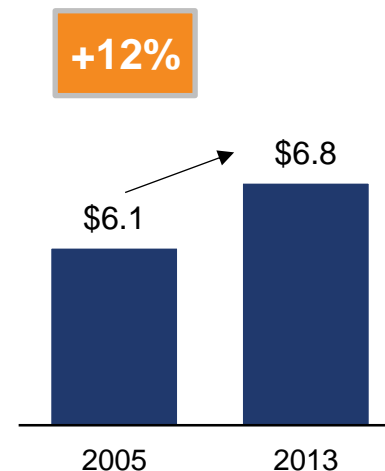
2010 – 2013 Business Mix



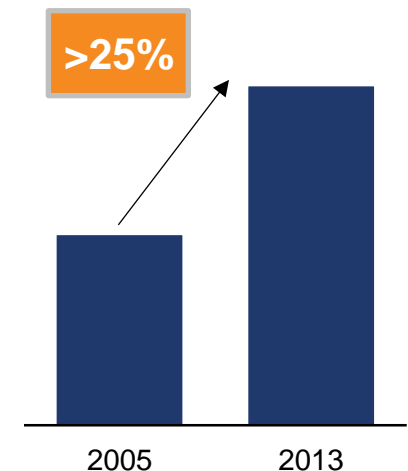
Equities Net Revs.; Avg. US Equities Vol.¹



Eq. Net Revs. (\$bn)¹



Net Revenue / Head



¹ GS equities net revenues exclude DVA and Reinsurance revenues in all periods. 2012 excludes gains from sale of hedge fund administration business. Average daily industry US cash equities volume from Arcavision

Investment Management

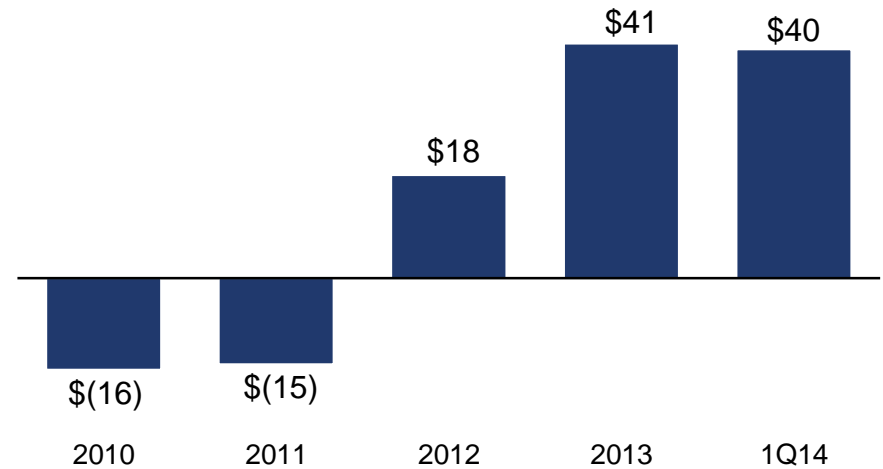
Consistent and Persistent Performance Drive Growth

- Record AUS of \$1.08 trillion
- ~2/3 of mutual fund assets ranked in top 2 quartiles on 1, 3 and 5 year basis
- Growing, differentiated PWM franchise
 - Average account balance: \$40mm, up ~30% since 2009
 - Positive long-term fee-based inflows in 19 of last 20 quarters

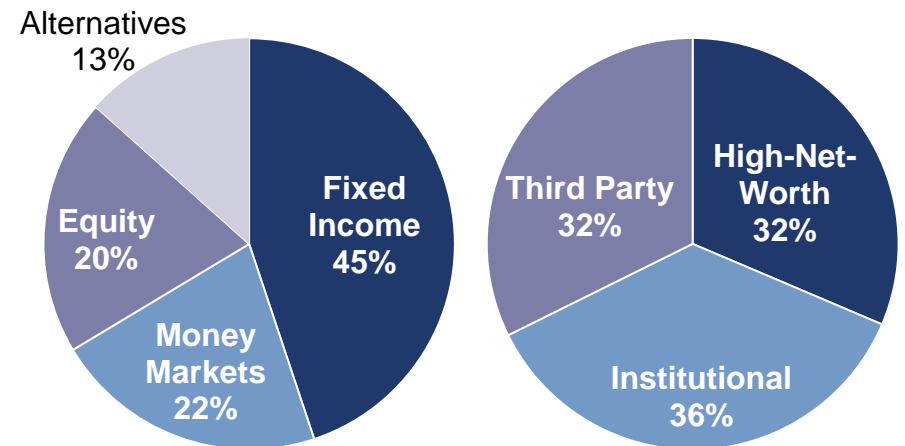
Strategic Acquisitions Build on Franchise¹



Total Long-term AUS Net Inflows (\$bn)¹



1Q14 Assets Under Supervision: \$1,083bn



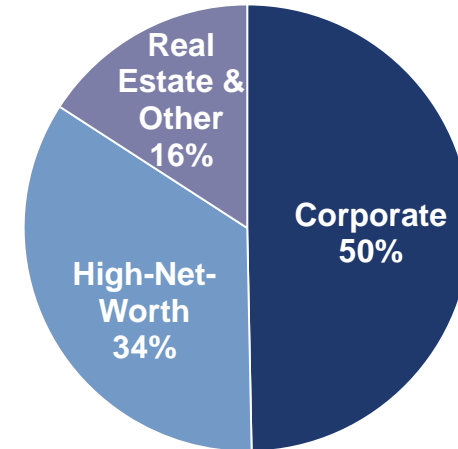
¹ Total Long-term AUS net inflows in each period includes the following net inflows related to acquisitions and liquidations - 2011: \$6bn, 2012: \$29bn, 2013: \$10bn, 1Q14: \$8bn. Strategic acquisitions highlighted above include the entirety of Westpeak and Dwight Asset Management, DB's stable value business and RBS' money market funds. Westpeak acquisition has not yet closed

Investing & Lending

Harvesting to Comply with Volcker and Growing Direct Lending & Investments

- Provider of growth capital
- Volcker compliance drives capital benefit
- Diversified and growing lending portfolio
- Drives BVPS growth

Loan Portfolio 1Q14: \$33bn¹



Investments in Funds (\$bn)



¹ Includes \$15.4bn of direct loans accounted for at fair value and \$17.9bn of loans held for investment accounted for at amortized cost, net of estimated uncollectible amounts

Maximizing Returns Throughout the Cycle

Key Operating Strategies

Challenged Environment

- **Operating efficiency**
 - Resizing footprint
 - Adjusting compensation
- **Capital return**
 - Returning excess
 - Buybacks are the best relative use of capital
- **Resource Allocation**
 - Allocating balance sheet to highest return opportunities

Ongoing

- Client Focus
- Developing Our People
- Best-in-Class Execution
- Risk Management
- Prudent Capital Allocation

Improving Environment

- **Operating leverage**
 - Costs lag revenue growth
 - Footprint expansion
- **Capital investment**
 - Broaden client base
 - Expand balance sheet
- **Focus on expanding competitive positioning**

Revenue Opportunities

Global
GDP Growth

European
Restructuring

Retirement of
Baby Boomers

Globalization &
Emg Mkt Expansion

Macro Trends

Business Opportunities

Investment Banking

- Cross-border activity
- Growth markets

Investment Management

- Shift to professionally managed money
- Defined contribution market

Institutional Client Services

- Return to supply/demand driven market
- Competitor retrenchment

Investing & Lending

- Demand for growth capital
- Expansion of PWM franchise, lending book

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