Goldman Sachs Presentation to
Credit Suisse Financial Services Conference

Lloyd C. Blankfein
Chairman and Chief Executive Officer

February 10, 2015
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 disclaimer in our quarterly Form 10-Q for the period ended September 30, 2014, particularly as it relates to estimated capital and leverage ratios, 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, February 10, 2015.
2015 State of the Franchise
Where we’ve been, and where we’re headed

Strong Financial Foundation
- The starting point of everything we do
  - Helps ensure stability and positions for opportunity
  - Positions firm to add value when it matters most

Operating Strategy
- Maintain franchise and target new opportunities
- Efficiently manage the levers we can: Capital & Expenses
- Defend returns in a challenging environment

Capitalize on the Forward
- Well positioned for future growth opportunities
  - Significant embedded operating leverage
Significantly Improved Financial Profile

<table>
<thead>
<tr>
<th></th>
<th>4Q07</th>
<th>4Q14</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet</strong></td>
<td>$1,120bn</td>
<td>$856bn</td>
<td>-24%</td>
</tr>
<tr>
<td><strong>Common Equity</strong></td>
<td>$40bn</td>
<td>$74bn</td>
<td>+85%</td>
</tr>
<tr>
<td><strong>Gross Leverage</strong></td>
<td>26.2x</td>
<td>10.3x</td>
<td>-61%</td>
</tr>
<tr>
<td><strong>Liquidity</strong></td>
<td>$61bn¹</td>
<td>$183bn</td>
<td>+3.0x</td>
</tr>
<tr>
<td><strong>Level 3 Assets</strong></td>
<td>$69bn</td>
<td>$42bn</td>
<td>-39%</td>
</tr>
</tbody>
</table>

Underpinning these improvements are new regulations that lock-in liquidity and capital at historically high levels and reduce risk:

- Basel III Capital Requirements
- Supplementary Leverage Ratio
- CCAR Stress Test
- Total Loss Absorbing Capacity
- Liquidity Coverage Ratio
- Net Stable Funding Ratio

¹Prior to 4Q09, GCE reflects loan value and subsequent periods reflect fair value
Institutional Focus Drives Revenue Opportunities

GS 2014 Net Revenue Breakdown

- Institutional: 90+%  
- Retail: <10%

Estimated US Peer Average 2014 Net Revenue Breakdown

- Retail: ~50%  
- Institutional: ~50%

Balance Sheet: $856bn  
Employees: 34,000

Balance Sheet: $1,832bn  
Employees: 190,000

GS is institutionally focused on capital markets with significant concentration of our businesses across a small number of key entities

1. Comprised of investment banking and market-making in equities, fixed income, currencies and commodity products
2. Reflects revenues from Private Wealth Management, inclusive of lending to high net worth clients
3. US peers comprised of BAC, C, JPM, and MS
4. Total Staff
Diversified Client-Driven Franchise

Investment Management
- ~14,000 clients across PWM, Institutions and Third Party Distributors
- Average PWM account size of >$40mm
- Strong investment performance for clients with 75% of mutual fund assets ranked in the 1st or 2nd quartiles over 5 years
- Global, broad and deep offering managing assets in all major asset classes and serving clients in over 120 countries

Investment Banking
- More than 8,000 clients globally in nearly 100 countries and a broad range of industries
- #1 ranked merger advisor and equity underwriting franchise
- Advice, capital raising, hedging and risk management solutions

Investing & Lending
- Diversified investments:
  - Private Equity
  - Mezzanine Debt
  - Senior Loans
  - Real Estate
  - Infrastructure
- Generating strong risk-adjusted returns from Investing & Lending portfolios over the long-term

Institutional Client Services
- ~7,000 active clients, up 12% since 2010
- Leading franchise in both FICC and Equities
- Comprehensive suite of capabilities
  - Liquidity provisioning
  - Execution
  - Trade analytics

2014 Net Revenues
- 25% FICC
- 19% Equities
- 19%
- 20%
- 17%

Safety & Soundness
Operating Strategy
Capitalize on Opportunities
Case Study: Institutional Client Services

Contribution to ICS Revenues (2010 – 2014)

- A decade ago, we consolidated our management of FICC and Equities to run our businesses in aggregate
  - Consistent with our clients who use multiple products, our approach provides efficiency, better content and idea generation
  - Allows us to respond to changes in client activity
- Balanced offering provides stability to revenues, earnings and returns

Over the past 5 years, no business has contributed more than 21% or less than 4% of ICS revenues on an annual basis
Our variable cost structure provides a competitive advantage and a valuable lever to protect the firm.
Superior Earnings Performance and Stability

Balanced revenue mix coupled with flexible compensation expense and conservative risk management has driven more stable earnings compared to peers.

- Diversified businesses
  - Across products and geography
- Variable cost structure
  - Discretionary compensation
- Strong risk management track record
  - Robust and comprehensive stress testing


- GS: ~50%
- US Peers: ~130%

1US peers comprised of BAC, C, JPM and MS; earnings volatility measured by the standard deviation of reported annual net income to common relative to average annual net income to common; calculation includes December 2008 for GS and MS.
Despite operating in a more challenging revenue environment, GS has continued to deliver best-in-class returns while significantly growing our capital.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Net Revenues ($bn)</th>
<th>ROE Range: 10.7% – 11.2%</th>
<th>EPS Growth: +21%</th>
<th>BVPS Growth: +13%</th>
<th>Dividend Growth: +27%</th>
<th>Cumulative Buybacks: $16bn</th>
<th>Common Capital Ratio(^1): +~200bps</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$34.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>$34.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>$34.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\)2014YE Basel III Common Equity Tier 1 Ratio computed on a fully phased-in basis under the advanced approach compared with 2012YE computed under Basel International Standards.
While prudently managing expenses and capital we have successfully replaced revenue streams.

### Net Revenue Growth 2012 – 2014 ($mm)

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>$34,163</td>
<td>$213</td>
<td>$586</td>
<td>$1,084</td>
<td></td>
<td>$31,872</td>
<td>$34,528</td>
</tr>
</tbody>
</table>

$2.3bn of 2012 net revenues from businesses and investments we have since exited\(^1\)

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\(^1\)Net revenues from businesses and investments we have exited reflect both operating net revenues and gains on sales

\(^2\)Includes $494mm gain on sale
Improved Operating and Capital Efficiency

During the low part of the cycle, the focus is on expense and capital management

Expense Management

GS Compensation Ratio and Net Revenues

- 2000-2007 Average: 47.3%
- 2009-2014 Average: 38.2%
- 49.4% to 36.8%
- -910bps

Capital Management

- Total Payout Ratio: 2009-2014 $2.7x
- Total Capital Return as % of 2009 Common Equity $4.5x

US Peer Average: 26% 11%
GS: 69% 50%

GS basic share count has declined ~17% since 4Q09 and is just 6% above our record low in 3Q07

1. GS Peers comprised of C, JPM and MS
2. Reflects total repurchases of common stock and total dividends to common shareholders
3. US Peers comprised of BAC, C, JPM and MS
4. Basic common shares outstanding includes common stock and RSUs for which no future service is required as a condition to the delivery of the underlying common stock
Investment Banking

Safety & Soundness  Operating Strategy  Capitalize on Opportunities

Announced M&A

<table>
<thead>
<tr>
<th>Year</th>
<th>Rank</th>
<th>Dominant Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>#1</td>
<td>Technology, Media &amp; Telecom</td>
</tr>
<tr>
<td>2008</td>
<td>#1</td>
<td>Financials</td>
</tr>
<tr>
<td>2014</td>
<td>#1</td>
<td>Natural Resources</td>
</tr>
</tbody>
</table>

Key Revenue Opportunities

- Global economic growth
  - Expected global real GDP growth of ~20% over the next 5 years

- Increased cross-border activity
  - ~40% of 2014 GS M&A deal volume came from strategic cross-border deals

- Growth in global equity and debt markets
  - Global market cap grew ~40% over the last 5 years
  - Global debt market grew ~20% in last 5 years

Global M&A as a Percentage of Average Annual Global Market Capitalization

2014 M&A was ~100bps below the 15 year average, reflecting a potential $630bn of incremental volume

1Expected global GDP growth from 2014YE to 2019YE, per Goldman Sachs Global Investment Research
2Estimated global debt market growth per Bank of International Settlements
3Investment banking league table rankings and industry volumes per Thomson Reuters; global market capitalization per Factset
Institutional Client Services

**Average ICS Revenue Contribution 2010 – 2014**

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Services</td>
<td>9%</td>
</tr>
<tr>
<td>Equities Client Execution</td>
<td>16%</td>
</tr>
<tr>
<td>Commissions and Fees</td>
<td>19%</td>
</tr>
<tr>
<td>Macro FICC Businesses</td>
<td>33%</td>
</tr>
<tr>
<td>Micro FICC Businesses</td>
<td>23%</td>
</tr>
</tbody>
</table>

**Key Revenue Opportunities**

- Market share expansion via competitor exit and high barriers to entry
- Technological innovation
- Increased cross-border activity
- Growth of capital markets
- Heightened value for liquidity provisioning

- Leading franchise in both FICC and Equities
- Improved operating and capital efficiency
- Pre-tax margin growth of >300bps versus 2013

1Macro FICC businesses comprised of Commodities, Currencies and Interest Rate Products; Micro FICC businesses comprised of Credit Products and Mortgages
Diversified long-term investments in private equity, private credit, real estate and infrastructure

Strong investment performance across strategies over a long time period

Private Equity and Private Credit Portfolio Overview

- Diversified portfolio of companies
- Thousands of investors and $190bn raised since 1986\(^1\)
  - More than $15bn of capital raised in 2014\(^1,2\)
- Funds committed more than $10bn of debt investments to a number of the firm’s clients during the 2008-2009 distressed environment
- Opportunities for other businesses: IB advisory, financing options, strategic relationships, investment products

2015 and Beyond

- Focus on investment selection, value creation and investment performance
- Opportunistic growth in new geographies and investment strategies
- Continue to invest on balance sheet in a capital efficient manner (for example, lending)

Debt & Equity Investing are deeply integrated and synergistic with the firm

\(^1\)Includes GS; management and incentive fees earned on client funds are reported within Investment Management segment
\(^2\)Represents total capital raised from funds and co-investments with closings in 2014
Investing & Lending

Total Funded Loan Book ($bn)\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Fair Value Loans</th>
<th>Loans at Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$23</td>
<td>$7</td>
</tr>
<tr>
<td>2013</td>
<td>$31</td>
<td>$15</td>
</tr>
<tr>
<td>2014</td>
<td>$29</td>
<td>$18</td>
</tr>
</tbody>
</table>

\(+2.0x\)

Total Funded Loans: $47bn

- Balance mixed between Corporate, PWM and Real Estate loans
- PWM loans overcollateralized
- Loans diversified by size, sector and geography

Total Funded Loan Book by Category\(^2\)

- Corporate 51%
- PWM 21%
- Real Estate 12%
- FIG 11%
- TMT 24%
- Natural Resources 13%
- Industrials 16%
- Consumer Retail / Healthcare 24%
- Other 3%\(^3\)

Corporate Funded Loans at Cost\(^2\)

1. Reflected as the sum of direct loans primarily extended to corporate and private wealth management clients that are accounted for at fair value and loans at cost that are accounted for at amortized cost, net of estimated uncollectible amounts.
2. As of 4Q14
3. Primarily reflects loans secured by consumer loans and other assets.
While GS is one of the largest global asset managers, there is significant room for growth in every investment management product type:

- GS 2014 AUS as % of industry leader
  - Fixed Income: 34%
  - Equity: 26%
  - Alternatives: 66%

Client focused approach designed to address diverse needs through global reach, product innovation, customized solutions and risk management

Performance-driven client asset net inflows

Unique Private Wealth Management franchise
- Average account size: >$40mm
- Connectivity to investment banking provides unique investment opportunities

Continued investment in long-term strategic initiatives
- Advisory
- Defined Contribution / 401k
- Insurance
- Private Banking

Accretive acquisition opportunities
Recruiting, training and retaining the best employees is a key differentiating strength and competitive advantage

- More than 267,000 applicants applied for 8,300 filled positions in 2014 (3% hire rate)
- Nearly 9 out of 10 candidates offered a job with Goldman Sachs accept the position
- One of only 5 companies to be recognized in FORTUNE’s “100 Best companies to Work For” every year since inception
- Continued rigorous biennial partner selection process
- 99% of employees participated in a learning program each year
- 97% of employees participated in one or more diversity trainings

1 The Great Place to Work Institute began the list in 1984
2015 State of the Franchise
Success managing factors within our control

We have defended our franchise and returns through a challenging environment while positioning the firm to capture future upside through significant operating leverage

- **Expanded Client Franchise**
  - #1 in Announced & Completed M&A and Equity & Equity-Related Offerings\(^1\)
  - Leading FICC and Equities franchises
  - One of the largest asset managers globally

- **Strengthened Financial Profile**
  - Balance Sheet size reduced by 24% from 2007YE, while Liquidity Pool tripled and Common Equity increased 85%
  - Leverage reduced from over 26.2x from 2007YE to 10.3x at 2014YE

- **Efficiently Managed Cost Structure**
  - Average compensation ratio reduced by more than 900bps in 2009-2014\(^2\)
  - Eliminated $1.9bn of run-rate expenses since 2011

- **Best-in-class Returns; Positioned to Succeed**
  - Consistent ROE outperformance through the cycle
  - Since 2009, GS’ ROE has been on average ~750bps higher than US peers\(^3\)
  - Significant operating leverage leaves the firm well positioned

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\(^1\) Investment banking league table rankings per Thomson Reuters

\(^2\) Versus average compensation ratio from 2000-2007

\(^3\) US peers comprised of BAC, C, JPM and MS
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