



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 current annual report on Form 10-K for our fiscal year ended December 2011.

You should also read the information on the calculation of non-GAAP financial measures and the impact of Basel 3 that is posted on the Investor Relations portion of our website, www.gs.com, and included in our SEC filings.

The statements in the presentation are current only as of its date, May 31, 2012.

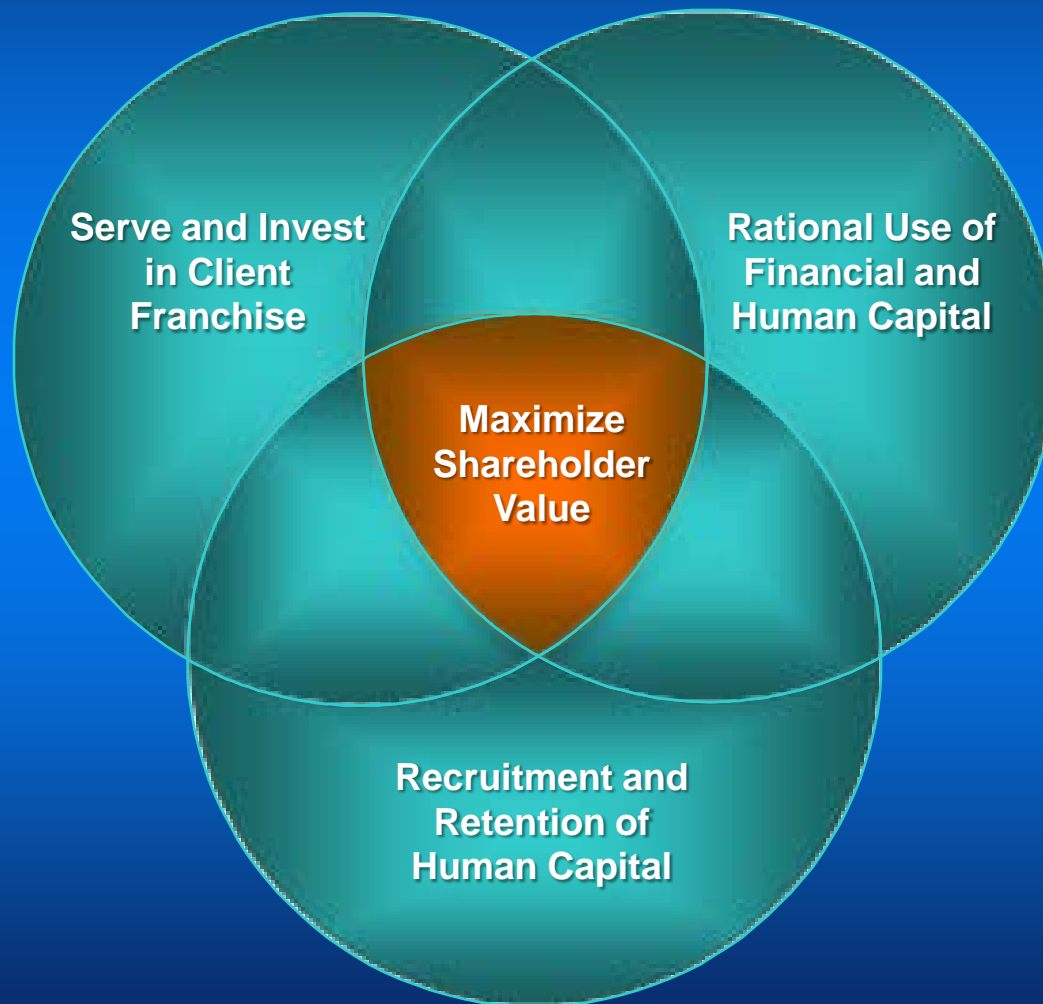


Goldman Sachs Presentation to Bernstein Strategic Decisions Conference

**Gary Cohn
President and Chief Operating Officer
May 31, 2012**

Strategic Objectives

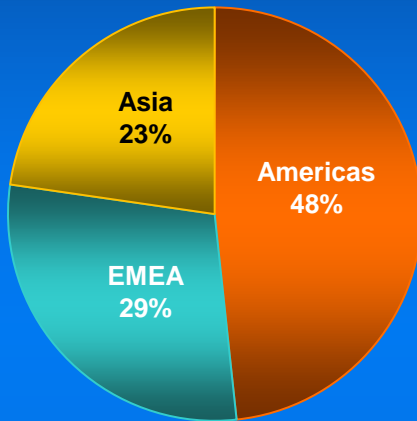
Maximizing Shareholder Value



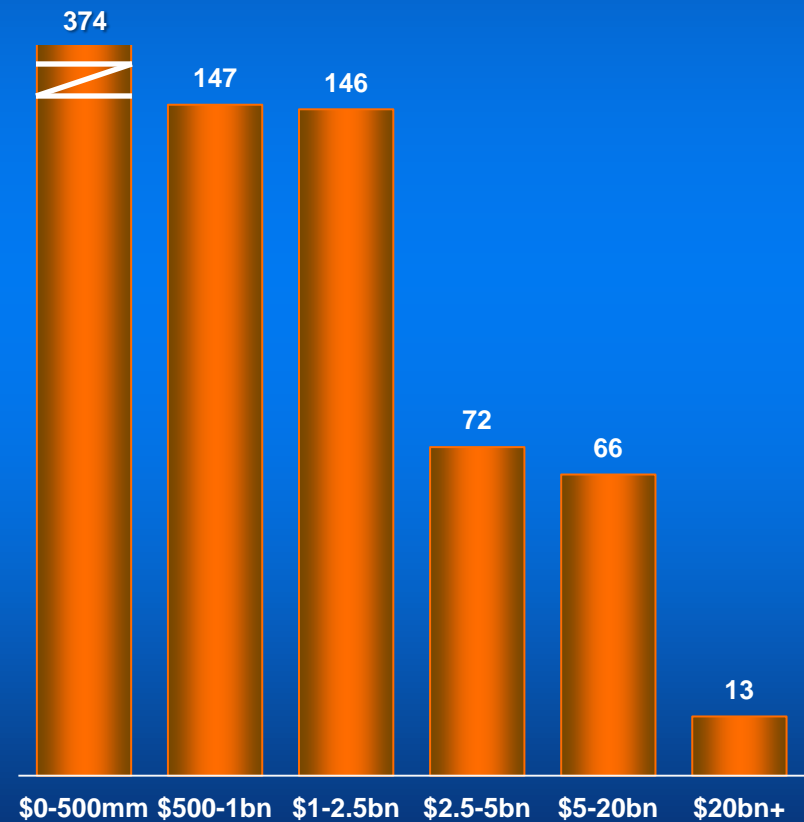
Investment Banking

Financial Advisory Client Overview 2009 – 2011

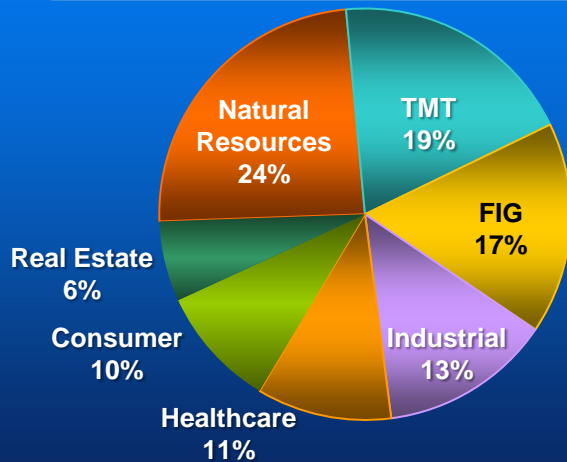
Transactions by Region¹



M&A Total Completed Deals



Transactions by Industry¹

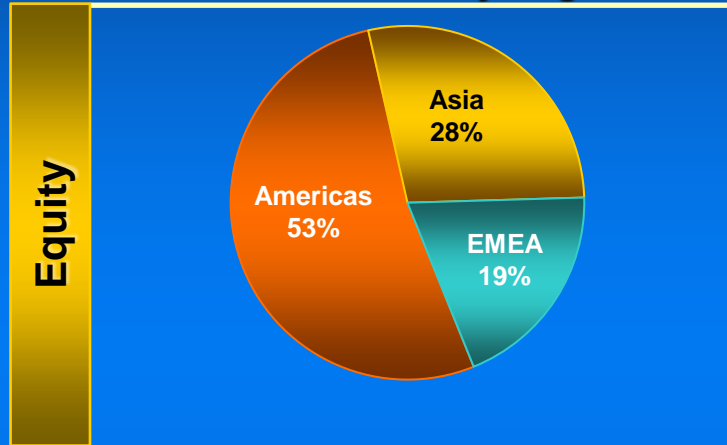


¹ Transactions defined as number of announced deals in which GS participated

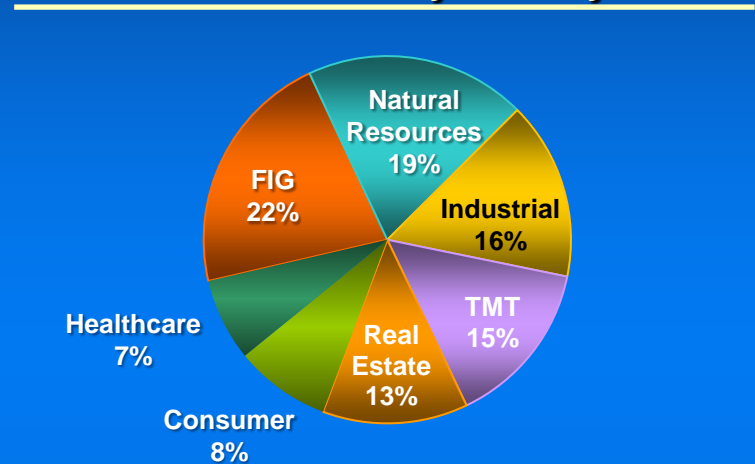
Investment Banking

Underwriting Client Overview 2009 – 2011¹

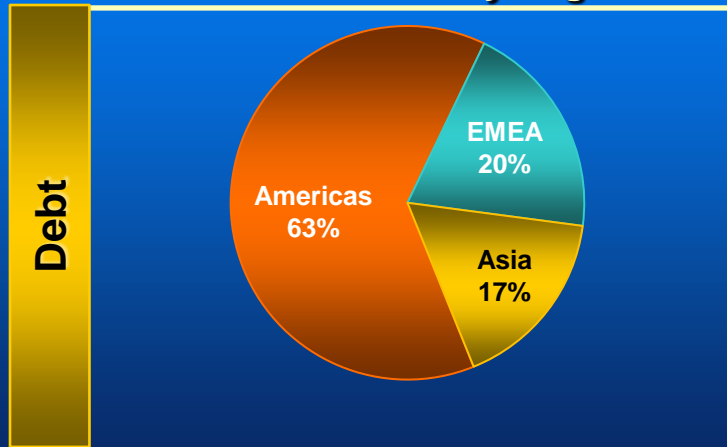
Transactions by Region



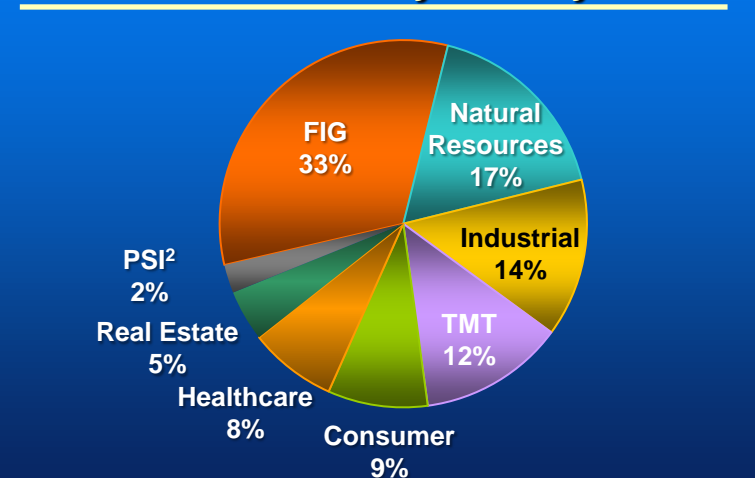
Transactions by Industry



Transactions by Region



Transactions by Industry



¹ Transactions defined as number of transactions completed by GS

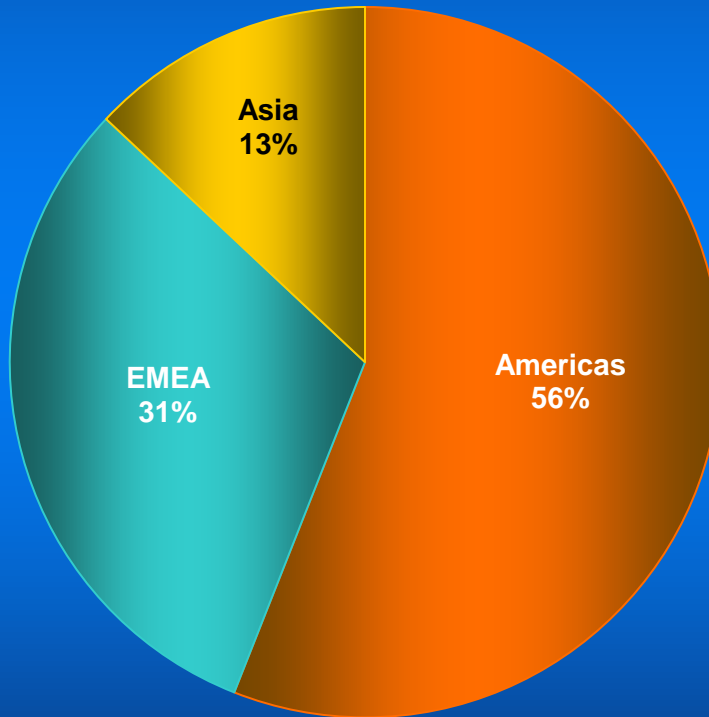
² Public Sector Infrastructure; includes Government and Agencies



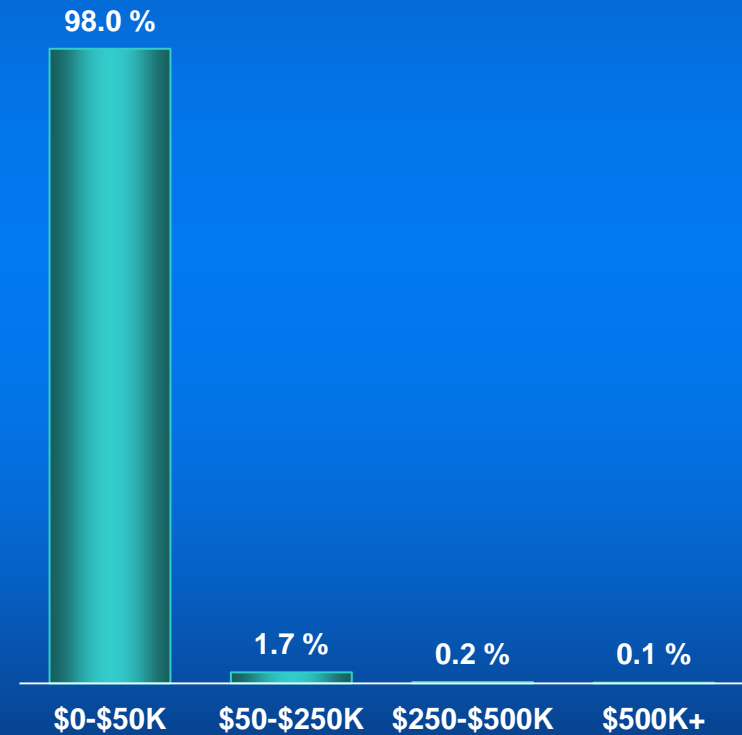
FICC Client Execution

Understanding our Client Franchise

Revenues by Region for 2011



Transaction Size for 2011



Impact of Regulation on Clients

Reduced Systematic Risk

- Clearing to reduce counterparty exposure
- New requirements for uncleared trades
- Timely confirmation, reconciliation and dispute resolution processes

Access to Liquidity

- Higher capital charges may increase liquidity costs
- Fragmentation of liquidity
- Increased disclosure may result in lower liquidity

Cost of Trading

- Bid / offer impact mixed
- Increased margin requirements
- Higher capital requirements for derivatives
- High technological and infrastructure costs
- Documentation
- Potential consolidation

Uncertainty

- Rules not finalized
- Extra-territoriality

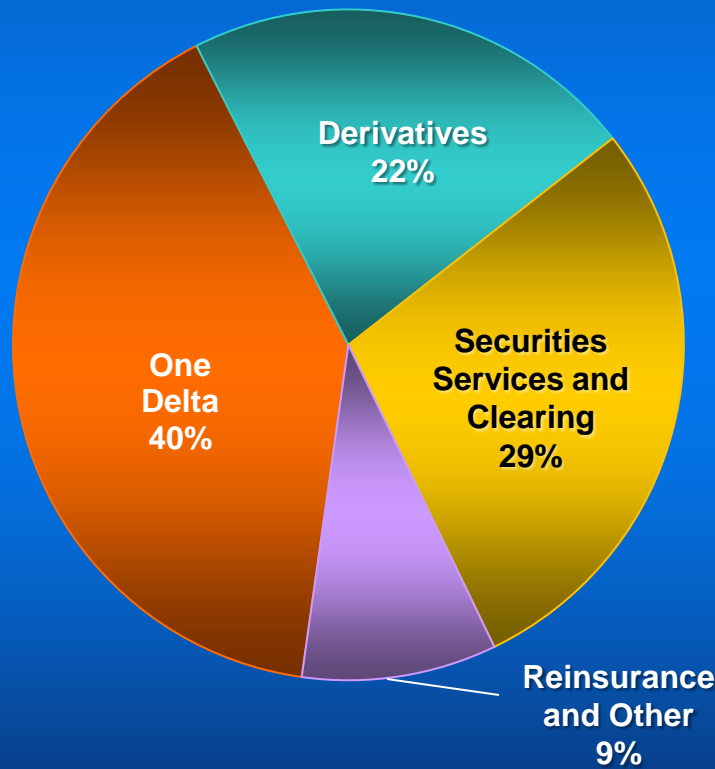


Equities

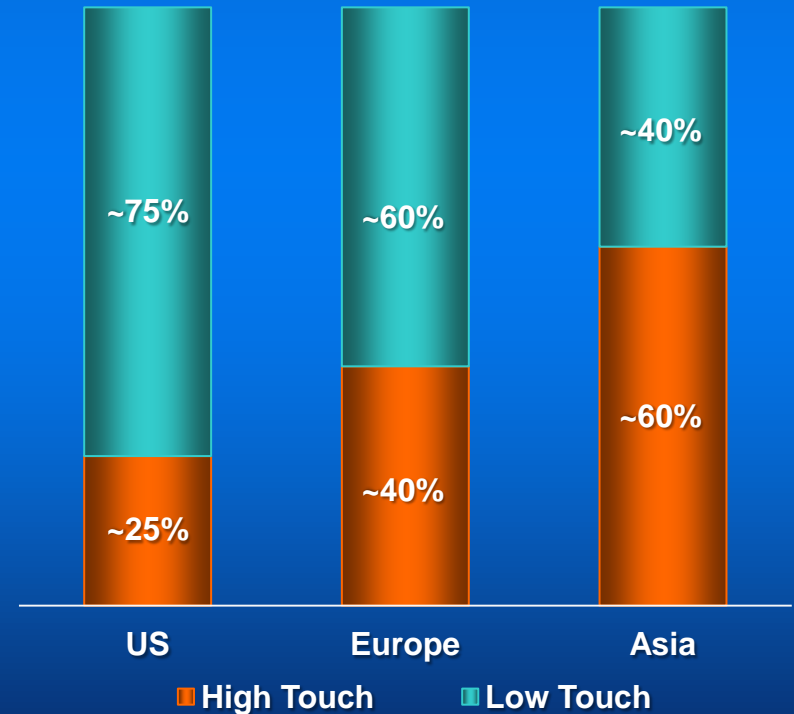
Understanding our Client Franchise

Equities Product Diversification

Average Annual Revenues 2007 - 2011



2011 Volume Contribution¹



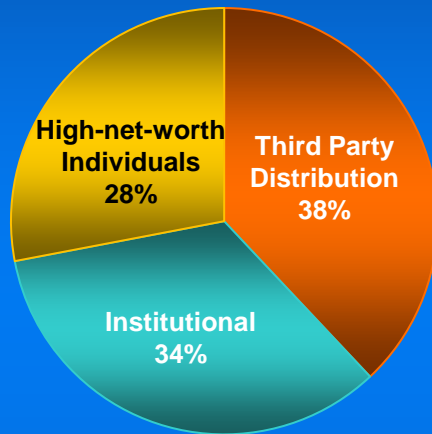
¹ These numbers are estimates. "High-touch" and "low-touch" are not accounting or standard industry terms and we do not track our revenues based on these terms, as they are not precise enough to permit exact quantification. This is because, while there are types of transactions that are easily classifiable as "high-touch" or "low-touch," many transactions fall on a spectrum between the two. However, certain activities can be classified as primarily "high-touch" and these activities represent the clear majority of our commissions and fees



Investment Management Client Overview 2011

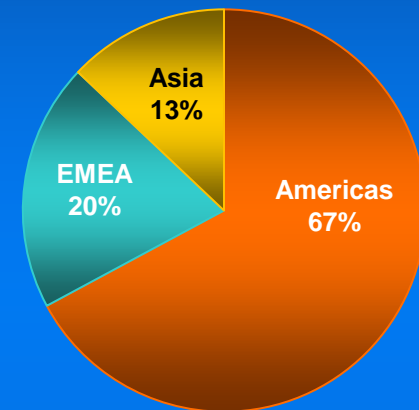
GS Client AUM

Channel

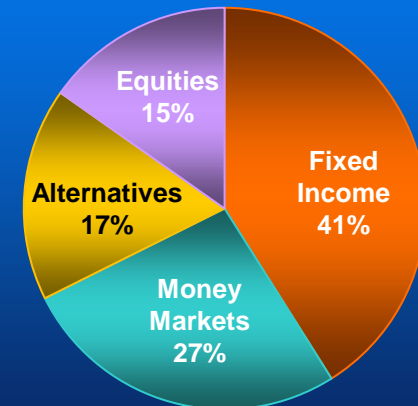


- Institutional: ~800 clients
- High-net-worth individuals and retail: ~21,000 clients¹
- Third Party Distribution:
 - ~1,500 distributors
 - ~4 million retail investors

Region



Asset Class



¹ Client count includes Ayco with over 10,000 clients as of YE2011

Investing & Lending

Long-term Investments

Merchant Banking

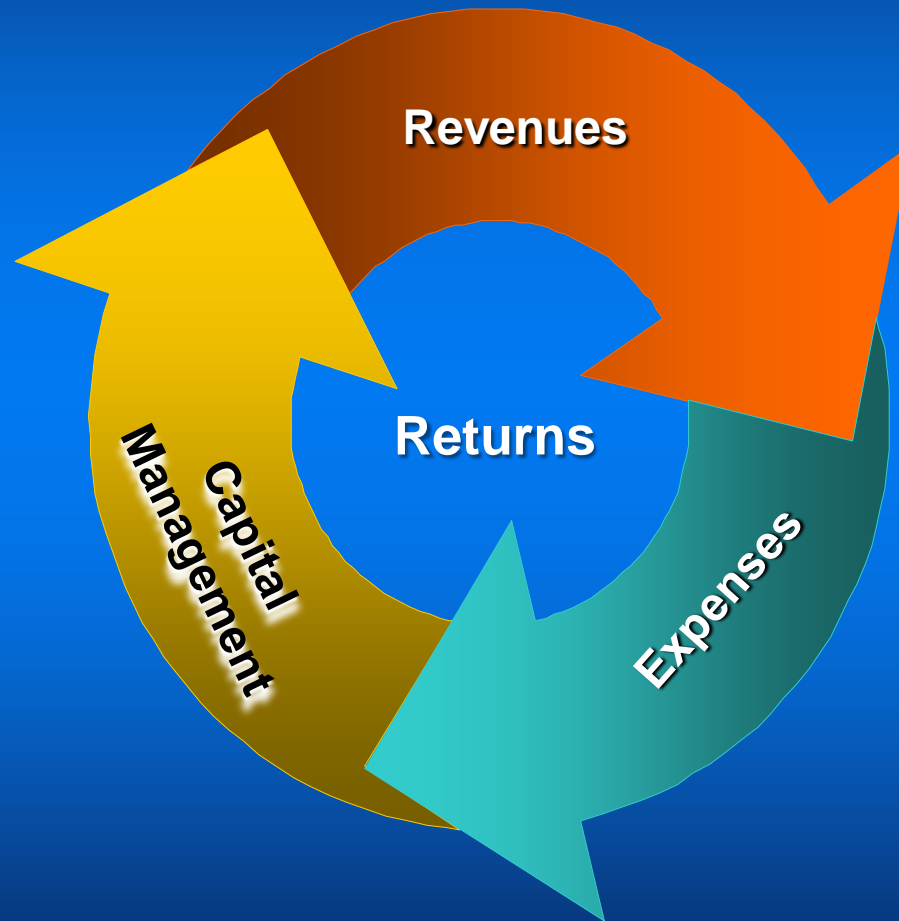
- Among the largest managers of private capital globally
- Over 400 portfolio companies spanning industries and geographies
- Diverse global investor base including pensions, sovereign wealth and high net worth individuals
- Strong returns
 - Distributed \$15.4bn in the last 16 months
 - A record year in 2011, distributing over \$11bn to investors

Financing & Lending¹

- Provide financing and lending to a diverse array of clients
- Relationship loans to over 800 companies
- Over 1,500 loans to private clients via our Private Bank
- An investing and lending platform representing approximately 900 direct investments
 - Utilizes firm capital to provide financing solutions to small and medium sized companies and financial institutions

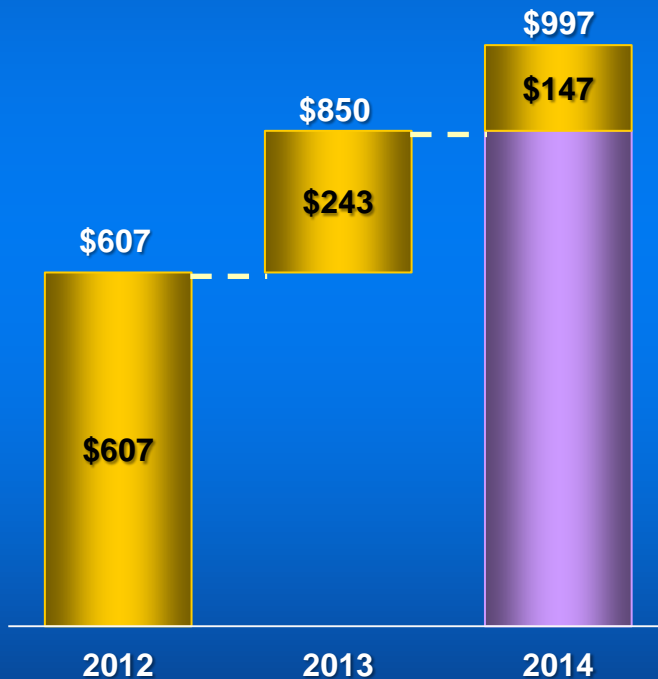
¹ As of March 31st, 2012

Levers to Improve Returns

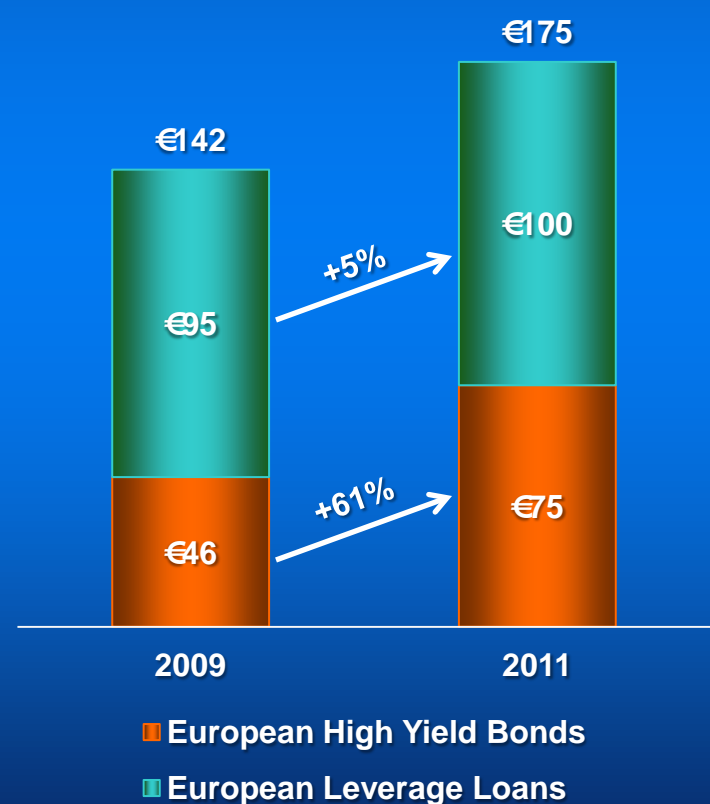


European Market Opportunities

European Bank Deleveraging (\$bn)¹



Mix Shift in European Issuance (€bn)²

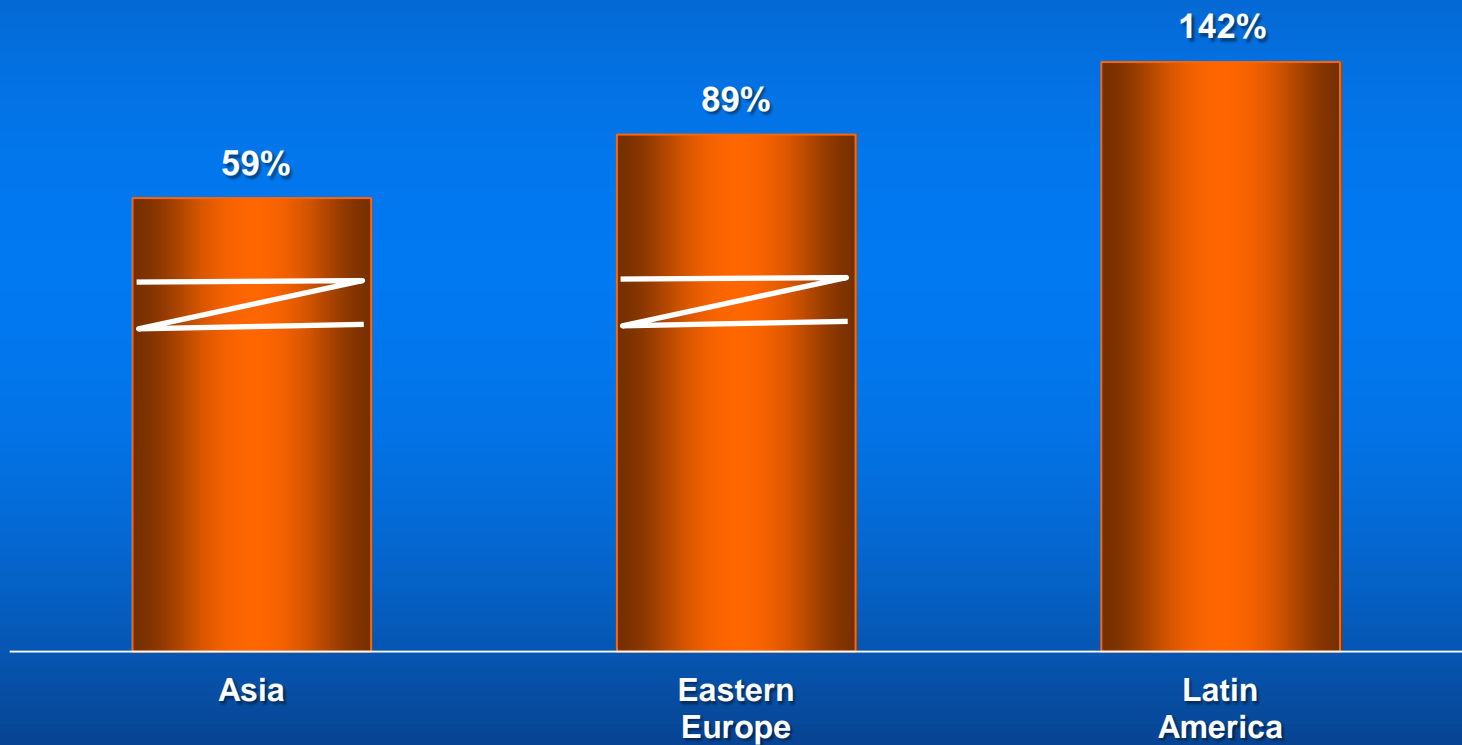


¹ Figures based on company filings and GS estimates. Data reflects largest financial institutions in Germany/Austria (12), FraBeLux (10), UK/Ireland (7), and other continental Europe (4)

² Dealogic

Growth Markets Expansion

Counterparty Growth 2006-2011¹

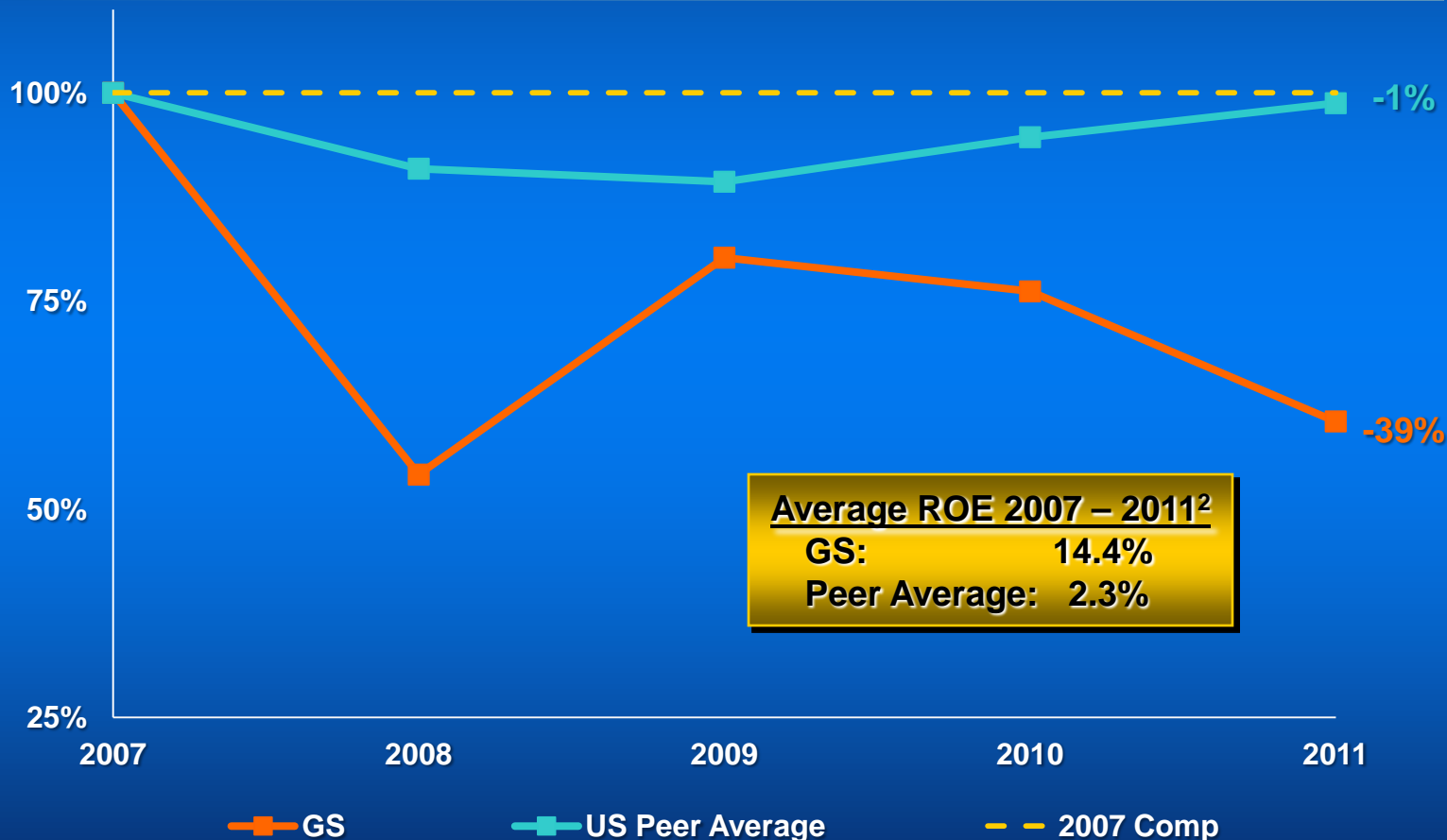


¹ Asia includes Brunei Darussalam, China, India, Indonesia, South Korea, Macau, Malaysia, Philippines and Thailand; Eastern Europe includes Azerbaijan, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kazakhstan, Latvia, Poland, Romania, Russia, Slovakia, Slovenia and Turkey; Latin America includes Antigua and Barbuda, Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Panama, Peru, and Trinidad and Tobago

Managing Expenses

Paying for Performance

GS vs. US Peer Average: Indexed Compensation Expense¹



¹ Calculated as the change in compensation and benefits expense for 2008 through 2011 vs. 2007 as the base year. Peer compensation expenses measured in aggregate and includes BAC, C, JPM, MS, MER (2007-2008) and BSC (2007-2008)

² Peer group includes BAC, C, JPM and MS. ROE is as disclosed in company filings or, if ROE is not disclosed, it is computed by dividing net earnings available to common shareholders by average common shareholders' equity as disclosed in company filings

Managing Expenses

High Value Locations

Salt Lake City

■ Headcount: 1,250

Businesses Supported:

- Equities
- Private Wealth Management

Dallas

■ Headcount: 600

Businesses Supported:

- Asset Management
- Lending

Bangalore

■ Headcount: 4,100

Businesses Supported:

- Fixed Income and Equities
- GSAM

Singapore

■ Headcount: 450

Businesses Supported:

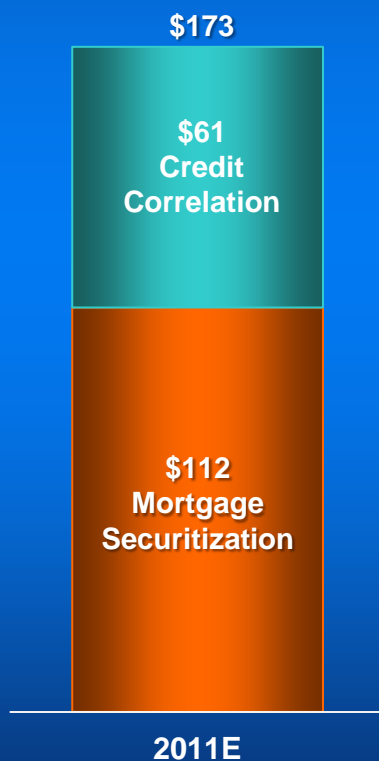
- Commodities
- GSAM



Capital Efficiency

Credit Correlation and Mortgage Securitization

Basel 3 Pro-Forma Risk Weighted Assets (\$bn)¹



- Average Residual Maturity: 3 years²
- Estimated RWA Passive Mitigation by Year:
 - 2012: \$21bn
 - 2013: \$25bn
 - 2014: \$19bn
 - 2015: \$23bn
- 2007-2011 Revenue Contribution: <1%

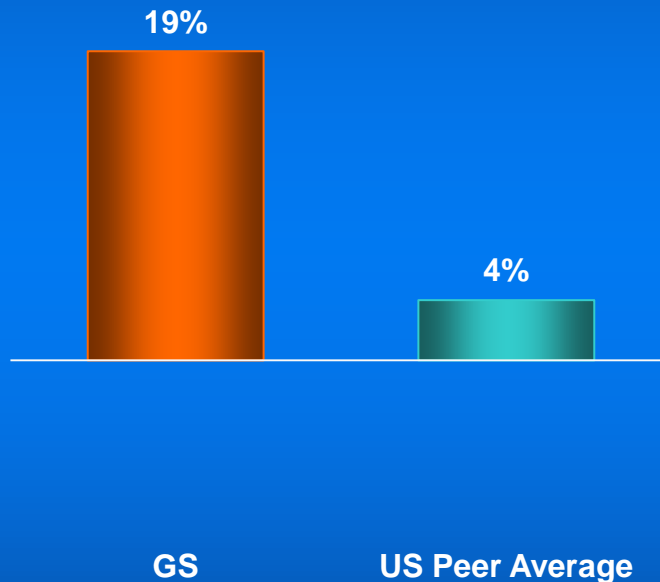
¹ RWA estimates include haircuts on these positions but do not include the model-based requirements

² Residual maturity estimates are based on gross notional using duration for mortgages and contractual maturity for credit correlation positions

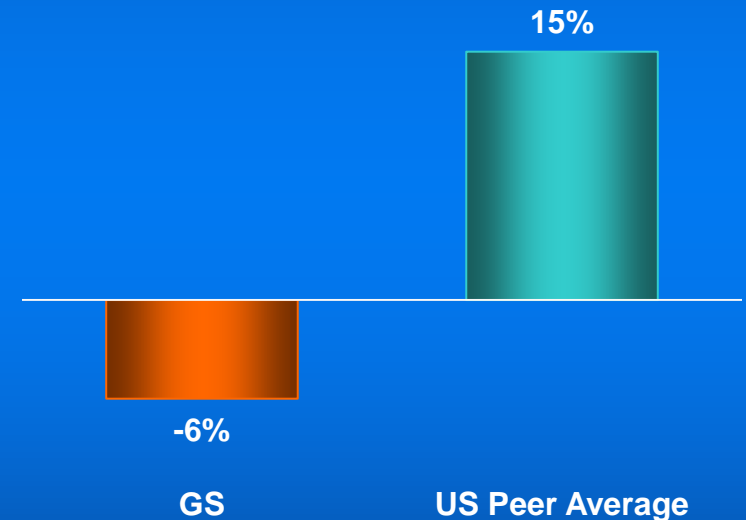


Capital Returns

2010-2011 Capital Returns
as a % of 2009 Common Equity¹



2011 Change in Common Shares
Outstanding Since 2009²



**Increased future capital return could serve as a positive catalyst
for financial stock prices**

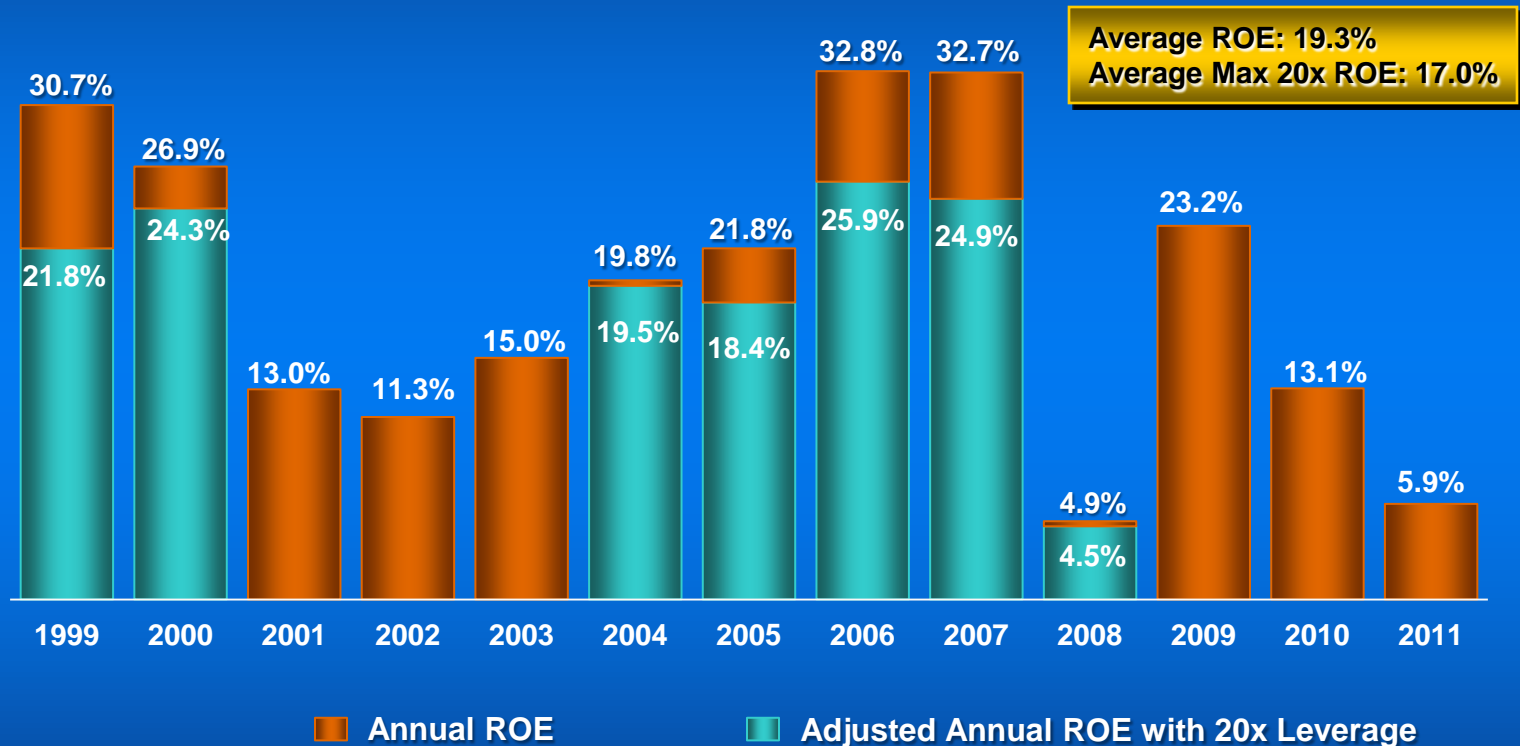
¹ US Peer Average includes BAC, C, JPM and MS; represents common share repurchases and common dividends declared during 2010 and 2011 as a % of 2009 year end common equity

² US Peer Average includes BAC, C, JPM and MS; represents the average of the change in common shares outstanding as disclosed in company filings



New Leverage Environment

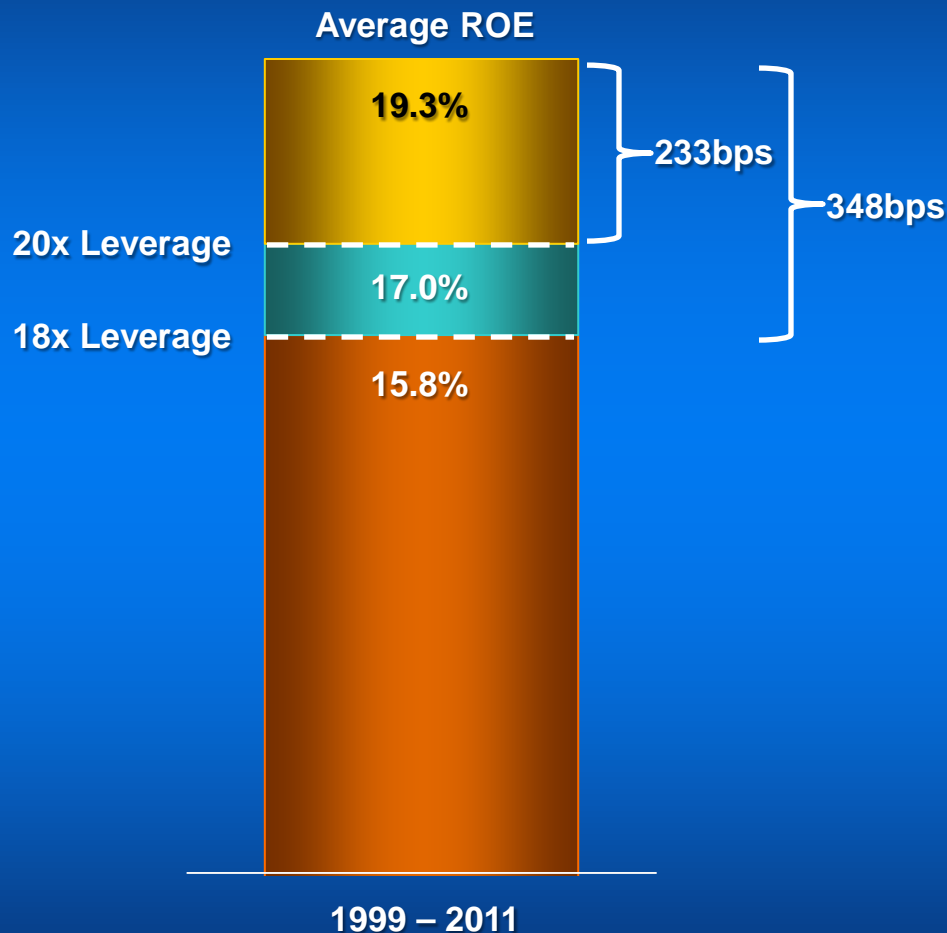
Hypothetical Impact of 20x Leverage Cap on GS' Annual ROE¹



Max 20x leverage results in average annual ROE that is only 233bps lower

¹ Pro Forma annual ROE is calculated for those years where our average leverage ratio was above 20x by increasing our shareholders' equity by the amount necessary to reduce our average leverage ratio to 20x. The calculation of the pro forma annual ROE reflects the net earnings as represented in the ROE amounts for the period divided by the pro forma average common shareholders' equity for the period. 1999 ROE was adjusted for expenses related to nonrecurring employee initial public offering awards, the ongoing amortization of employee initial public offering awards and a charitable contribution to The Goldman Sachs Foundation. 2000 ROE was adjusted for nonrecurring employee acquisition awards related to our combination with SLK; 2009 ROE was adjusted for a one-time preferred dividend related to the repayment of TARP; 2010 ROE was adjusted for UK Bank Payroll tax, SEC settlement and NYSE DMM rights impairment; 2011 ROE was adjusted for a one-time preferred dividend related to redemption of firm's Series G preferred stock

Opportunities to Offset Lower Leverage



Potential Offsets

- Macroeconomic factors drive:
 - Trading volumes
 - M&A volumes
 - Capital raising volumes
- Improved trading ROA:
 - Higher turnover
 - Wider bid-offer spreads
 - Market share consolidation
- European investment banking retrenchment
- Growth markets penetration
- Managing expenses
 - Compensation
 - GS' average annual ROE between 2000-07 increases by approximately 300bps when applying a comp ratio similar to 2009-11 to those years¹
 - High value locations
- Capital optimization
 - RWA mitigation
 - Buyback

¹ Pro forma annual ROE for 2000 through 2007 was calculated by reducing the compensation and benefits expense ratio for each of those periods by the difference between the average actual ratio between 2000 through 2007 and the average actual ratio between 2009 through 2011. All other components related to the pro forma net earnings to common shareholders for 2000 through 2007 were held constant. Average common shareholders' equity for 2000 through 2007 has been increased by the difference between pro forma net earnings to common shareholders described above and reported net earnings to common shareholders. 1999 ROE was adjusted for expenses related to nonrecurring employee initial public offering awards, the ongoing amortization of employee initial public offering awards and a charitable contribution to The Goldman Sachs Foundation. 2000 ROE was adjusted for nonrecurring employee acquisition awards related to our combination with SLK. 2009 ROE was adjusted for a one-time preferred dividend related to the repayment of TARP; 2010 ROE was adjusted for UK Bank Payroll tax, SEC settlement and NYSE DMM rights impairment; 2011 ROE was adjusted for a one-time preferred dividend related to redemption of firm's Series G preferred stock



Goldman Sachs Presentation to Bernstein Strategic Decisions Conference

**Gary Cohn
President and Chief Operating Officer
May 31, 2012**