

The returns represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted above. Please visit our Web site at www.goldmansachsfunds.com to obtain the most recent month-end returns.

The Standardized Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter-end. These returns will reflect the maximum sales charge, unless a class of shares does not involve a sales charge or the intended audience for the material would not be subject to a sales charge. For all equity funds, the Standardized Total Returns reflect a maximum initial sales charge of 5.5% for Class A shares. For the Ultra-Short Duration Government and Enhanced Income Fund, the Standardized Total Returns reflect a maximum initial sales charge of 1.5% for Class A shares. For the Short Duration Government Fund and the Short Duration Tax-Free Fund, the Standardized Total Returns reflect a maximum initial sales charge of 2% for Class A shares. For the Government Income Fund, the Municipal Income Fund, the Core Fixed Income Fund, the Global Income Fund, the High Yield Fund, the California Intermediate AMT-Free Municipal Fund, the New York Intermediate AMT-Free Municipal Fund, the Tennessee Municipal Fund, the High Yield Municipal Fund, the U.S. Mortgages Fund, the Investment Grade Credit Fund, and the Emerging Markets Debt Fund, the Standardized Total Returns reflect a maximum initial sales charge of 4.5% for Class A shares. Because Institutional and Service Shares do not involve a sales charge, such a charge is not applied to their Standardized Total Returns.

The Municipal Income, High Yield, Global Income, California Intermediate AMT-Free Municipal, New York Intermediate AMT-Free Municipal, Tennessee Municipal and Emerging Markets Debt Funds will charge a 2% redemption fee on the redemption of shares (including by exchange) held for 30 calendar days or less. The performance figures do not reflect the deduction of the redemption fee. If reflected, the redemption fee would reduce the performance quoted.

The International Real Estate Securities, Structured International Equity, International Equity, European Equity, Japanese Equity, International Small Cap, Emerging Markets Equity, Asia Equity, BRIC and Structured International Equity Flex Funds will charge a 2% redemption fee on the redemption of shares (including by exchange) held for 30 calendar days or less. The performance figures do not reflect the deduction of the redemption fee. If reflected, the redemption fee would reduce the performance quoted.

Effective December 30, 2005, the Asia Growth Fund was renamed the Asia Equity Fund and the International Growth Opportunities Fund was renamed the International Small Cap Fund. Also effective December 30, 2005, the CORE International Equity, CORE Small Cap Equity, CORE Large Cap Growth, CORE Large Cap Value and CORE U.S. Equity Funds were renamed, respectively, the Structured International Equity, Structured Small Cap Equity, Structured Large Cap Growth, Structured Large Cap Value Funds and Structured U.S. Equity Funds. Effective January 6, 2006, the CORE Tax-Managed Equity Fund was renamed the Structured Tax-Managed Equity Fund. Effective April 28, 2006, the name of the Goldman Sachs Aggressive Growth Strategy Portfolio will be changed to the Goldman Sachs Equity Growth Strategy Portfolio.

Goldman, Sachs & Co., distributor of the Funds, is not a bank, and Fund shares distributed by Goldman, Sachs & Co. are neither deposits nor obligations of, nor endorsed, nor guaranteed by any bank or other insured depository institution, nor are they insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in the Funds involves risks, including possible loss of the principal amount invested.

Prospectuses for the Funds containing more complete information may be obtained from your authorized dealer or from Goldman, Sachs & Co. by calling 1-800-621-2550. Please consider a fund's objectives, risks, and charges and expenses, and read the prospectuses carefully before investing. The prospectuses contain this and other information about the Funds.

	Inception Date	NASDAQ	NAV ³	Year to Date ⁴	Average Annual Returns (NAV)(%) ¹					Standardized Total Returns (%) as of September 30, 2006 ²				Dividend Distribution per Share ⁵	Standardized 30-Day Yield ⁶	Expense Ratio (%) ⁷	
					1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	1 Yr	5 Yrs	10 Yrs	Since Inception				
Goldman Sachs Domestic Growth Equity Funds																	
<i>Since Inception Returns for Less Than One Year Are Cumulative</i>																	
Goldman Sachs Capital Growth Fund⁸	Inst	8.15.97	GSPIX	23.12	9.47	9.69	8.73	2.95	-	5.62	5.87	3.48	-	4.97	-	-	0.99
	A	4.20.90	GSCGX	22.43	9.10	9.27	8.31	2.54	7.40	10.66	(0.36)	1.90	6.94	9.96	-	-	1.39
	Service	4.20.90	GSPSX	22.16	9.00	9.16	8.21	2.44	7.30	10.60	5.31	2.96	7.45	10.28	-	-	1.49
<i>Russell 1000 Growth Index⁹</i>					<i>8.71</i>	<i>8.36</i>	<i>7.96</i>	<i>2.58</i>	<i>5.20</i>	<i>-</i>	<i>6.04</i>	<i>4.42</i>	<i>5.45</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Goldman Sachs Strategic Growth Fund¹⁰	Inst	5.24.99	GSTIX	9.97	8.61	8.12	6.82	1.38	-	0.04	5.70	2.33	-	(0.73)	-	-	1.04
	A	5.24.99	GGRAX	9.72	8.12	7.76	6.40	0.96	-	(0.37)	(0.54)	0.77	-	(1.88)	-	-	1.44
	Service	5.24.99	GSTSX	9.75	8.09	7.62	6.41	0.98	-	(0.33)	5.25	1.96	-	(1.09)	-	-	1.54
<i>Russell 1000 Growth Index⁹</i>					<i>8.71</i>	<i>8.36</i>	<i>7.96</i>	<i>2.58</i>	<i>-</i>	<i>-</i>	<i>6.04</i>	<i>4.42</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Goldman Sachs Concentrated Growth Fund¹¹	Inst	9.3.02	GCRIX	14.34	10.14	9.55	7.69	-	-	10.00	7.55	-	-	8.75	-	-	1.08
	A	9.3.02	GCGAX	14.14	9.70	9.11	7.27	-	-	9.57	1.25	-	-	6.84	-	-	1.48
	Service	9.3.02	GCGSX	14.12	9.63	9.04	7.19	-	-	9.53	7.08	-	-	8.28	-	-	1.58
<i>Russell 1000 Growth Index⁹</i>					<i>8.71</i>	<i>8.36</i>	<i>7.96</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6.04</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Goldman Sachs Growth Opportunities Fund¹²	Inst	5.24.99	GGOIX	23.97	8.22	8.10	10.41	6.35	-	13.77	1.39	7.94	-	12.80	-	-	1.09
	A	5.24.99	GGOAX	23.24	7.84	7.67	9.98	5.93	-	13.32	(4.57)	6.30	-	11.49	-	-	1.49
	Service	5.24.99	GGOXS	23.03	7.72	7.59	9.86	5.82	-	13.19	0.87	7.39	-	12.22	-	-	1.59
<i>Russell Midcap Growth Index¹³</i>					<i>11.66</i>	<i>12.88</i>	<i>13.46</i>	<i>9.22</i>	<i>-</i>	<i>-</i>	<i>7.03</i>	<i>12.00</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Goldman Sachs Small/Mid Cap Growth Fund¹⁴	Inst	6.30.05	GSMYX	11.75	12.55	12.22	-	-	-	12.83	4.56	-	-	6.42	-	-	1.10
	A	6.30.05	GSMAX	11.72	12.15	11.82	-	-	-	12.63	(1.54)	-	-	1.59	-	-	1.50
	Service	6.30.05	GSMOX	11.67	12.00	11.76	-	-	-	12.28	4.07	-	-	5.85	-	-	1.60
<i>Russell 2500 Growth¹⁵</i>					<i>12.53</i>	<i>13.17</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6.53</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>

Institutional Fund Facts At a Glance (Continued)

	Inception Date	NASDAQ	NAV ³	Year to Date ⁴	Average Annual Returns (NAV) (%) ¹					Standardized Total Returns (%) as of September 30, 2006 ²				Dividend Distribution per Share ⁵	Standardized 30-Day Yield ⁶	Expense Ratio (%) ⁷	
					1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	1 Yr	5 Yrs	10 Yrs	Since Inception				
Goldman Sachs Domestic Value Equity Funds					<i>Since Inception Returns for Less Than One Year Are Cumulative</i>												
Goldman Sachs Large Cap Value Fund¹⁸	Inst	12.15.99	GSLIX	15.09	17.89	18.99	16.59	11.17	-	8.20	13.50	11.03	-	7.57	-	-	0.85
	A	12.15.99	GSLAX	14.92	17.48	18.61	16.14	10.73	-	7.80	6.78	9.32	-	6.27	-	-	1.25
	Service	12.15.99	GSV SX	14.86	17.38	18.44	16.00	10.66	-	7.74	12.79	10.51	-	7.11	-	-	1.35
<i>Russell 1000 Value Index¹⁷</i>					<i>19.56</i>	<i>20.30</i>	<i>16.53</i>	<i>10.88</i>	-	-	<i>14.62</i>	<i>10.73</i>	-	-	-	-	-
Goldman Sachs Growth and Income Fund¹⁸	Inst	6.3.96	GSIIX	31.03	21.09	21.93	16.62	10.89	6.39	7.40	15.54	11.36	6.89	6.96	-	-	0.79
	A	2.5.93	GSGRX	30.65	20.67	21.45	16.16	10.45	5.94	9.17	8.79	9.67	5.84	8.41	-	-	1.19
	Service	2.5.93	GSGSX	30.64	20.55	21.33	16.05	10.34	5.85	9.10	15.00	10.82	6.35	8.79	-	-	1.29
<i>Russell 1000 Value Index¹⁷</i>					<i>19.56</i>	<i>20.30</i>	<i>16.53</i>	<i>10.88</i>	<i>10.60</i>	-	<i>14.62</i>	<i>10.73</i>	<i>11.19</i>	-	-	-	-
Goldman Sachs Mid Cap Value Fund¹⁹	Inst	8.1.95	GSMCX	40.93	16.18	17.80	19.45	16.16	14.63	15.02	7.75	15.98	14.81	14.41	-	-	0.79
	A	8.15.97	GCMAX	40.52	15.77	17.34	18.97	15.69	-	11.61	1.42	14.22	-	10.15	-	-	1.19
	Service	7.18.97	GSM SX	40.20	15.65	17.20	18.90	15.62	-	11.75	7.23	15.45	-	10.98	-	-	1.29
<i>Russell Midcap Value Index²⁰</i>					<i>19.00</i>	<i>20.16</i>	<i>20.02</i>	<i>16.58</i>	<i>13.48</i>	-	<i>12.27</i>	<i>16.62</i>	<i>13.66</i>	-	-	-	-
Goldman Sachs Small Cap Value Fund²¹	Inst	8.15.97	GSSIX	49.49	17.61	17.48	14.29	15.63	-	11.50	12.88	16.21	-	10.88	-	-	1.08
	A	10.22.92	GSSMX	47.84	17.20	17.03	13.84	15.18	12.33	12.78	6.27	14.45	10.38	11.93	-	-	1.48
	Service	10.22.92	GSSSX	47.19	17.07	16.90	13.72	15.05	12.22	12.70	12.32	15.63	10.89	12.31	-	-	1.58
<i>Russell 2000 Value Index²²</i>					<i>22.41</i>	<i>21.47</i>	<i>17.51</i>	<i>16.54</i>	<i>13.53</i>	-	<i>14.01</i>	<i>16.95</i>	<i>13.37</i>	-	-	-	-
Goldman Sachs Structured Equity Funds					<i>Since Inception Returns for Less Than One Year Are Cumulative</i>												
Goldman Sachs Structured U.S. Equity Fund²³	Inst	6.15.95	GSELX	34.76	12.13	13.53	13.12	7.49	8.35	10.73	10.89	8.35	8.97	10.46	-	-	0.55
	A	5.24.91	GSSQX	33.98	11.67	13.02	12.66	7.05	7.87	10.14	4.36	6.71	7.87	9.55	-	-	0.95
	Service	5.24.91	GSE SX	33.67	11.60	12.94	12.55	6.95	7.81	10.11	10.32	7.80	8.42	9.91	-	-	1.05
<i>S&P 500 Index²⁴</i>					<i>14.19</i>	<i>14.23</i>	<i>11.81</i>	<i>6.08</i>	<i>8.05</i>	-	<i>10.79</i>	<i>6.97</i>	<i>8.58</i>	-	-	-	-
Goldman Sachs Structured Large Cap Value Fund²⁵	Inst	12.31.98	GCVIX	14.94	16.44	18.06	17.16	10.64	-	7.32	13.59	10.46	-	6.79	-	-	0.55
	A	12.31.98	GCVAX	14.94	16.04	17.55	16.69	10.22	-	6.92	6.90	8.79	-	5.62	-	-	0.95
	Service	12.31.98	GCL SX	15.00	15.96	17.49	16.60	10.12	-	6.82	13.06	9.93	-	6.29	-	-	1.05
<i>Russell 1000 Value Index¹⁷</i>					<i>19.56</i>	<i>20.30</i>	<i>16.53</i>	<i>10.88</i>	-	-	<i>14.62</i>	<i>10.73</i>	-	-	-	-	-
Goldman Sachs Structured Large Cap Growth Fund²⁶	Inst	11.11.91	GCGIX	14.47	7.42	8.05	9.11	3.90	5.70	10.11	7.04	5.75	6.38	9.96	-	-	0.55
	A	11.11.91	GLCGX	14.05	7.01	7.53	8.67	3.46	5.31	9.84	0.70	4.14	5.40	9.27	-	-	0.95
	Service	11.11.91	GSC LX	13.94	6.90	7.48	8.64	3.40	5.21	9.78	6.83	5.28	5.91	9.63	-	-	1.05
<i>Russell 1000 Growth Index⁹</i>					<i>8.71</i>	<i>8.36</i>	<i>7.96</i>	<i>2.58</i>	<i>5.20</i>	-	<i>6.04</i>	<i>4.42</i>	<i>5.45</i>	-	-	-	-
Goldman Sachs Structured Small Cap Equity Fund²⁷	Inst	8.15.97	GCSIX	15.54	11.56	9.96	12.52	12.77	-	8.77	3.95	14.04	-	8.08	-	-	0.85
	A	8.15.97	GCSAX	15.01	11.19	9.54	12.07	12.32	-	8.34	(2.20)	12.32	-	7.00	-	-	1.25
	Service	8.15.97	GCS SX	14.82	11.01	9.35	11.95	12.21	-	8.24	3.38	13.50	-	7.56	-	-	1.35
<i>Russell 2000 Index²⁸</i>					<i>17.97</i>	<i>17.43</i>	<i>14.18</i>	<i>12.65</i>	-	-	<i>9.92</i>	<i>13.77</i>	-	-	-	-	-
Goldman Sachs Structured International Equity Fund²⁸	Inst	8.15.97	GCIIX	15.52	22.88	28.37	22.60	15.32	-	6.63	20.86	15.30	-	6.09	-	-	0.85
	A	8.15.97	GCIAX	15.18	22.52	27.91	22.08	14.74	-	6.01	13.83	13.40	-	4.82	-	-	1.25
	Service	8.15.97	GCI SX	15.21	22.46	27.84	22.05	14.77	-	6.12	20.28	14.74	-	5.58	-	-	1.35
<i>MSCI EAFE Index (unhedged)³⁰</i>					<i>22.99</i>	<i>28.72</i>	<i>22.18</i>	<i>14.84</i>	-	-	<i>19.65</i>	<i>14.70</i>	-	-	-	-	-
Goldman Sachs Structured Tax-Managed Equity Fund²⁹	Inst	4.3.00	GCTIX	11.86	12.31	13.57	15.22	8.92	-	2.84	9.29	9.71	-	2.08	-	-	0.69
	A	4.3.00	GCTAX	11.63	11.93	13.00	14.77	8.46	-	2.42	2.87	8.01	-	0.79	-	-	1.09
	Service	4.3.00	GCT SX	11.59	11.76	12.96	14.65	8.36	-	2.33	8.70	9.15	-	1.57	-	-	1.19
<i>Russell 3000 Index³²</i>					<i>14.35</i>	<i>14.45</i>	<i>12.40</i>	<i>7.21</i>	-	-	<i>10.22</i>	<i>8.07</i>	-	-	-	-	-
Goldman Sachs Structured US Equity Flex Fund³³	Inst	9.29.06	GFEIX	10.25	-	-	-	-	-	-	-	-	-	0.00	-	-	1.42
	A	9.29.06	GFEAX	10.24	-	-	-	-	-	-	-	-	-	(5.48)	-	-	1.82
<i>S&P 500 Index³⁴</i>					-	-	-	-	-	-	-	-	-	-	-	-	-
Goldman Sachs Structured International Equity Flex Fund³⁵	Inst	7.31.06	GIFLX	10.87	-	-	-	-	-	-	-	-	-	3.60	-	-	1.20
	A	7.31.06	GAFLX	10.85	-	-	-	-	-	-	-	-	-	(1.24)	-	-	1.60
<i>MSCI EAFE (net)³⁰</i>					-	-	-	-	-	-	-	-	-	-	-	-	-

Institutional Fund Facts At a Glance (Continued)

	Inception Date	NASDAQ	NAV ³	Year to Date ⁴	Average Annual Returns (NAV) (%) ¹					Standardized Total Returns (%) as of September 30, 2006 ²				Dividend Distribution per Share ⁵	Standardized 30-Day Yield ⁶	Expense Ratio (%) ⁷	
					1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	1 Yr	5 Yrs	10 Yrs	Since Inception				
Goldman Sachs Specialty Funds					<i>Since Inception Returns for Less Than One Year Are Cumulative</i>												
Goldman Sachs U.S. Equity Dividend and Premium Fund ^{8A}	Inst	8.31.05	GSPKX	11.22	13.20	12.50	-	-	-	12.34	9.94	-	-	9.76	-	-	0.84
<i>S&P 500 Index</i> ²⁴					14.19	14.23	-	-	-	-	10.79	-	-	-	-	-	-
<i>Lehman Brothers Aggregate Bond Index</i> ³⁷					4.94	5.94	-	-	-	-	3.67	-	-	-	-	-	-
Goldman Sachs Real Estate Securities Fund ³⁸	Inst	7.27.98	GREIX	24.46	37.65	39.41	29.59	25.58	-	18.09	27.31	23.41	-	16.90	-	-	1.04
	A	7.27.98	GREAX	24.36	37.16	38.85	29.10	25.08	-	17.62	19.88	21.54	-	15.63	-	-	1.44
	Service	7.27.98	GRESX	24.47	37.00	38.74	28.96	24.97	-	17.56	26.68	22.83	-	16.38	-	-	1.54
<i>Dow Jones Wilshire Real Estate Securities Index</i> ³⁹					38.91	39.47	30.09	25.31	-	-	28.23	23.22	-	-	-	-	-
Goldman Sachs International Real Estate Securities Fund ⁴⁰	A	7.31.06	GIRAX	11.39	-	-	-	-	-	-	-	-	-	(1.70)	-	-	1.53
	Inst	7.31.06	GIRIX	11.41	-	-	-	-	-	-	-	-	-	4.10	-	-	1.13
<i>FTSE EPRA/NAREIT Global ex-US Real Estate (Gross)</i> ⁴¹					-	-	-	-	-	-	-	-	-	-	-	-	-
Goldman Sachs Tollkeeper Fund ^{42SM}	Inst	10.1.99	GITIX	9.42	14.46	12.14	11.30	3.84	-	(0.62)	4.67	5.89	-	(2.05)	-	-	1.10
	A	10.1.99	GITAX	9.15	14.09	11.72	10.88	3.43	-	(1.02)	(1.55)	4.29	-	(3.23)	-	-	1.50
	Service	10.1.99	GITSX	9.10	13.89	11.52	10.79	3.37	-	(1.10)	4.17	5.44	-	(2.50)	-	-	1.60
Goldman Sachs International Equity Funds					<i>Since Inception Returns for Less Than One Year Are Cumulative</i>												
Goldman Sachs International Equity Fund ⁴³	Inst	2.7.96	GSIEX	23.46	20.00	26.28	18.75	11.52	6.67	7.53	17.28	11.06	6.23	6.88	-	-	1.14
	A	12.1.92	GSIFX	22.91	19.57	25.82	18.24	10.92	6.07	7.80	10.34	9.23	5.02	6.87	-	-	1.54
	Service	12.1.92	GSISX	23.06	19.42	25.61	18.16	10.95	6.15	7.87	16.65	10.50	5.70	7.38	-	-	1.64
<i>MSCI EAFE Index (unhedged)</i> ³⁰					22.99	28.72	22.18	14.84	7.59	-	19.65	14.70	7.17	-	-	-	-
Goldman Sachs Japanese Equity Fund ⁴⁴	Inst	5.1.98	GSJIX	12.26	(1.29)	9.59	14.74	7.89	-	4.98	10.03	8.10	-	4.76	-	-	1.15
	A	5.1.98	GSJAX	11.80	(1.67)	9.20	14.20	7.35	-	4.41	3.57	6.37	-	3.49	-	-	1.55
	Service	5.1.98	GSJSX	11.94	(1.81)	9.05	14.28	7.51	-	4.54	9.57	7.75	-	4.34	-	-	1.65
<i>Tokyo Price Index (TOPIX) (unhedged)</i> ⁴⁵					0.26	9.21	16.23	11.33	-	-	10.76	10.82	-	-	-	-	-
Goldman Sachs International Small Cap Fund ⁴⁶	Inst	5.1.98	GISIX	20.51	15.88	25.62	24.88	17.05	-	10.51	14.20	17.39	-	9.69	-	-	1.24
	A	5.1.98	GISAX	19.80	15.45	25.18	24.34	16.46	-	9.88	7.58	15.47	-	8.34	-	-	1.64
	Service	5.1.98	GISSX	19.76	15.35	25.10	24.25	16.49	-	9.95	13.67	16.80	-	9.13	-	-	1.74
<i>S&P/Citigroup EMI World ex-US Index (Gross)</i> ⁴⁷					25.01	32.83	27.70	22.90	-	-	22.44	22.72	-	-	-	-	-
<i>MSCI EAFE Small Cap Index (unhedged)</i> ⁴⁸					13.71	22.69	24.10	20.18	-	-	13.28	20.38	-	-	-	-	-
Goldman Sachs Emerging Markets Equity Fund ⁴⁹	Inst	12.15.97	GEMIX	23.19	22.37	28.85	31.67	26.28	-	11.16	16.35	27.46	-	9.96	-	-	1.59
	A	12.15.97	GEMAX	22.23	21.94	28.39	31.10	25.62	-	10.48	9.49	25.33	-	8.59	-	-	1.99
	Service	12.15.97	GEMSX	21.94	21.75	28.21	30.99	25.63	-	10.36	15.79	26.81	-	9.17	-	-	2.09
<i>MSCI Emerging Markets Free Index</i> ⁵⁰					26.86	34.38	32.07	27.78	-	-	20.82	28.84	-	-	-	-	-
Goldman Sachs Asia Equity Fund ⁵¹	Inst	2.2.96	GSAIX	18.37	18.67	25.97	21.12	17.59	1.77	1.35	14.66	19.16	1.11	0.58	-	-	1.20
	A	7.8.94	GSAGX	17.43	18.17	25.41	20.60	16.91	1.10	2.13	7.95	17.12	(0.12)	1.00	-	-	1.60
<i>MSCI All Country Asia Free ex-Japan Index (unhedged)</i> ⁵²					24.95	32.52	21.74	18.79	1.03	-	19.80	20.54	0.25	-	-	-	-
Goldman Sachs BRIC Fund ⁵³	Inst	6.30.06	GBRIX	12.04	-	-	-	-	-	-	-	-	-	4.60	-	-	1.57
	A	6.30.06	GBRAX	12.02	-	-	-	-	-	-	-	-	-	(1.23)	-	-	1.97
<i>MSCI BRIC Index - Net</i> ⁵⁴					-	-	-	-	-	-	-	-	-	-	-	-	-

Institutional Fund Facts At a Glance (Continued)

					Average Annual Returns (NAV) (%) ¹					Standardized Total Returns (%) as of September 30, 2006 ²							
					1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	1 Yr	5 Yrs	10 Yrs	Since Inception	Dividend Distribution per Share ³	Standardized 30-Day Yield ⁴	Expense Ratio (%) ⁵	
					Inception Date	NASDAQ	NAV ³	Year to Date ⁶		Since Inception Returns for Less Than One Year Are Cumulative							
Goldman Sachs Fixed Income Funds																	
Goldman Sachs Enhanced Income Fund ⁵⁶	Inst	8.2.00	GEIIX	9.72	4.45	4.75	2.76	2.63	-	3.71	4.55	2.61	-	3.68	0.0375	4.70	0.25
	A	8.2.00	GEIAX	9.73	4.09	4.36	2.36	2.25	-	3.32	2.46	1.91	-	3.04	0.0345	4.25	0.62
	Admin	8.2.00	GEADX	9.72	4.21	4.50	2.46	2.37	-	3.44	4.07	2.33	-	3.40	0.0355	4.43	0.50
<i>Six-Month U.S. Treasury Bill Index</i> ⁵⁶					4.34	4.71	2.92	2.45	-	-	4.54	2.41	-	-	-	-	-
<i>One-Year U.S. Treasury Note Index</i> ⁵⁶					4.02	4.43	2.49	2.44	-	-	4.04	2.43	-	-	-	-	-
Goldman Sachs Ultra-Short Duration Government Fund ⁵⁷	Inst	7.17.91	GSARX	9.28	4.28	4.71	3.03	2.69	4.34	4.69	4.43	2.86	4.38	4.68	0.0397	3.87	0.49
	A	5.15.95	GSAMX	9.28	4.16	4.44	2.71	2.33	3.96	4.29	2.61	2.17	3.84	4.14	0.0369	3.45	0.86
	Service	3.27.97	GSASX	9.31	3.79	4.06	2.58	2.23	-	3.79	3.89	2.39	-	3.77	0.0359	3.37	0.99
<i>Six-Month U.S. Treasury Bill Index</i> ⁵⁶					4.34	4.71	2.92	2.45	3.99	-	4.54	2.41	4.00	-	-	-	-
<i>One-Year U.S. Treasury Note Index</i> ⁵⁶					4.02	4.43	2.49	2.44	4.13	-	4.04	2.43	4.17	-	-	-	-
Goldman Sachs Short Duration Government Fund ⁵⁸	Inst	8.15.88	GSTGX	9.66	4.13	4.43	2.60	3.27	4.94	5.99	3.82	3.26	5.04	5.99	0.0341	3.85	0.54
	A	5.1.97	GSSDX	9.69	3.87	4.04	2.23	2.88	-	4.56	1.23	2.44	-	4.32	0.0312	3.40	0.91
	Service	4.10.96	GSDSX	9.65	3.77	3.92	2.13	2.78	4.41	4.63	3.31	2.75	4.52	4.63	0.0301	3.35	1.04
<i>Two-Year U.S. Treasury Note Index</i> ⁵⁹					3.78	4.17	2.22	3.00	4.51	-	3.56	2.95	4.61	-	-	-	-
Goldman Sachs Short Duration Tax-Free Fund ⁶⁰	Inst	10.1.92	GSDUX	10.19	3.33	3.71	2.06	2.78	3.65	3.86	3.13	2.68	3.75	3.86	0.0301	3.51	0.39
	A	5.1.97	GSDTX	10.20	2.98	3.33	1.70	2.38	-	3.33	0.59	1.87	-	3.10	0.0270	3.07	0.76
	Service	9.20.94	GSFSX	10.19	2.86	3.20	1.59	2.29	3.12	3.39	2.52	2.19	3.23	3.39	0.0259	3.01	0.89
<i>Lehman Brothers 1-3 Year Municipal Bond Index</i> ⁶¹					3.05	3.38	1.91	2.53	3.66	-	2.73	2.50	3.73	-	-	-	-
Goldman Sachs Government Income Fund ⁶²	Inst	8.15.97	GSOIX	14.73	4.65	5.53	4.07	4.74	-	6.01	3.70	4.58	-	5.94	0.0560	4.32	0.58
	A	2.10.93	GSGOX	14.75	4.36	5.20	3.67	4.32	5.63	6.01	(1.38)	3.20	5.36	5.61	0.0515	3.77	0.95
	Service	2.10.93	GSOSX	14.72	4.25	5.08	3.56	4.22	5.50	5.92	3.12	4.05	5.72	5.87	0.0500	3.82	1.08
<i>Lehman Brothers Government/Mortgage Index</i> ⁶³					4.84	5.84	4.18	4.70	6.04	-	3.74	4.42	6.26	-	-	-	-
Goldman Sachs California Intermediate AMT-Free Municipal Fund ⁶⁴	Inst	11.1.05	GCAIX	10.13	4.61	5.09	-	-	-	5.04	-	-	-	4.31	0.0309	3.72	0.53
	A	11.1.05	GCAAX	10.12	4.15	4.59	-	-	-	4.55	-	-	-	(0.82)	0.0278	3.20	0.90
<i>Lehman Brothers CA 1-10 Year Municipal Bond Index</i> ⁶⁵					4.07	4.56	-	-	-	-	-	-	-	-	-	-	-
Goldman Sachs New York Intermediate AMT-Free Municipal Fund ⁶⁶	Inst	11.1.05	GNVIX	10.07	3.69	4.30	-	-	-	4.28	-	-	-	3.71	0.0300	3.59	0.53
	A	11.1.05	GNVAX	10.06	3.33	3.81	-	-	-	3.80	-	-	-	(1.38)	0.0269	3.07	0.90
<i>Lehman Brothers NY 1-10 Year Municipal Bond Index</i> ⁶⁷					3.90	4.52	-	-	-	-	-	-	-	-	-	-	-
Goldman Sachs Tennessee Municipal Fund ⁶⁸	A	6.5.06	GTNAX	10.18	-	-	-	-	-	-	-	-	-	(2.33)	0.0303	3.24	0.90
	Inst	6.5.06	GTNIX	10.18	-	-	-	-	-	-	-	-	-	2.38	0.0333	3.76	0.53
<i>Lehman Brothers Aggregate Municipal Bond Index</i> ⁶⁹					-	-	-	-	-	-	-	-	-	-	-	-	-
Goldman Sachs Municipal Income Fund ⁷⁰	Inst	8.15.97	GSMTX	15.89	5.57	6.51	5.36	5.72	-	5.62	4.71	5.45	-	5.54	0.0571	4.26	0.54
	A	7.20.93	GSMIX	15.89	5.21	6.12	4.95	5.31	5.36	5.46	(0.37)	4.07	5.07	5.04	0.0523	3.71	0.91
	Service	7.20.93	GSMEX	15.98	5.08	5.97	4.83	5.20	5.30	5.41	4.18	4.91	5.49	5.36	0.0510	3.76	1.04
<i>Lehman Brothers Aggregate Municipal Bond Index</i> ⁶⁹					5.22	6.12	4.68	5.40	5.75	-	4.45	5.17	5.90	-	-	-	-
Goldman Sachs U.S. Mortgages Fund ⁷¹	Inst	11.3.03	GSUIX	9.98	5.39	6.29	4.52	-	-	4.62	4.38	-	-	4.30	0.0421	4.51	0.40
	A	11.3.03	GSUAX	9.96	4.97	5.83	4.08	-	-	4.15	(0.68)	-	-	2.23	0.0393	3.94	0.79
<i>Lehman Brothers Securitized Index</i> ⁷²					5.50	6.50	4.56	-	-	-	4.18	-	-	-	-	-	-
Goldman Sachs Core Fixed Income Fund ⁷³	Inst	1.5.94	GSFIX	9.94	4.46	5.40	4.51	5.33	6.23	6.37	3.35	5.14	6.47	6.31	0.0357	4.53	0.46
	A	5.1.97	GCFIX	9.91	4.23	5.14	4.13	4.94	-	6.10	(1.55)	3.78	-	5.51	0.0327	3.97	0.83
	Service	3.13.96	GSCSX	9.95	4.09	4.98	4.02	4.83	5.70	5.96	2.94	4.64	5.95	5.89	0.0316	4.03	0.96
<i>Lehman Brothers Aggregate Bond Index</i> ³⁷					4.94	5.94	4.25	5.04	6.20	-	3.67	4.81	6.42	-	-	-	-
Goldman Sachs Investment Grade Credit Fund ⁷⁴	Inst	11.3.03	GSGDX	10.08	5.07	6.24	4.85	-	-	4.96	3.57	-	-	4.46	0.0423	5.43	0.40
	A	11.3.03	GSGAX	10.07	4.80	5.93	4.39	-	-	4.51	(1.44)	-	-	2.34	0.0389	4.79	0.79
<i>Lehman Brothers U.S. Credit Index</i> ⁷⁵					5.17	6.20	4.49	-	-	-	3.39	-	-	-	-	-	-
Goldman Sachs Global Income Fund ⁷⁶	Inst	8.1.95	GGLIX	12.80	2.27	2.97	4.24	4.35	5.66	6.59	1.39	4.30	5.90	6.57	0.0318	2.79	0.69
	A	8.2.91	GSGIX	12.82	1.92	2.66	3.79	3.80	5.06	6.17	(3.61)	2.79	4.80	5.82	0.0280	2.31	1.06
	Service	8.2.91	GGISX	12.79	1.80	2.53	3.72	3.82	5.13	6.22	0.79	3.77	5.36	6.19	0.0266	2.29	1.19
<i>J.P. Morgan Global Government Bond Index (hedged)</i> ⁷⁷					3.69	4.56	4.83	4.59	6.32	-	3.25	4.56	6.58	-	-	-	-
Goldman Sachs High Yield Municipal Fund ⁷⁸	Inst	4.3.00	GHIYX	11.63	8.14	9.68	8.02	7.85	-	8.18	7.96	7.53	-	8.09	0.0456	4.87	0.56
	A	4.3.00	GHIYX	11.63	7.87	9.38	7.61	7.43	-	7.75	2.80	6.12	-	6.91	0.0421	4.29	0.93
<i>Lehman Brothers High Yield Municipal Bond Index</i> ⁷⁹					10.37	12.06	10.23	8.82	-	-	10.74	8.34	-	-	-	-	-
<i>Lehman Brothers Aggregate Municipal Bond Index</i> ⁶⁹					5.22	6.12	4.68	5.40	-	-	4.45	5.17	-	-	-	-	-
Goldman Sachs High Yield Fund ⁸⁰	Inst	8.1.97	GSHIX	8.11	10.42	11.63	9.91	10.90	-	7.25	8.32	12.12	-	7.05	0.0526	7.25	0.76
	A	8.1.97	GSHAX	8.10	10.07	11.24	9.51	10.49	-	6.85	3.26	10.69	-	6.11	0.0501	6.57	1.13
	Service	8.1.97	GSHSX	8.09	9.95	11.11	9.29	10.31	-	6.70	7.94	11.55	-	6.51	0.0492	6.75	1.26
<i>Lehman Brothers U.S. Corp HY Bond Index, 2% Capped</i> ⁸¹					9.54	10.55	8.54	9.86	-	-	7.23	10.54	-	-	-	-	-
Goldman Sachs Emerging Markets Debt Fund ⁸²	Inst	8.29.03	GSDIX	12.09	9.98	11.75	15.11	-	-	15.44	7.51	-	-	15.11	0.0521	5.47	0.88
	A	8.29.03	GSDAX	12.08	9.62	11.35	14.68	-	-	14.99	2.21	-	-	12.93	0.0484	4.87	1.25
<i>JP Morgan EMBI Global Diversified Index</i> ⁸³					9.18	10.97	11.35	-	-	-	7.46	-	-	-	-	-	-

Institutional Fund Facts At a Glance (Continued)

	Inception Date	NASDAQ	NAV ³	Year to Date ⁴	Average Annual Returns (NAV) (%) ¹					Standardized Total Returns (%) as of September 30, 2006 ²				Dividend Distribution per Share ⁵	Standardized 30-Day Yield ⁶	Expense Ratio (%) ⁷	
					1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	1 Yr	5 Yrs	10 Yrs	Since Inception				
Goldman Sachs Asset Allocation Portfolios					<i>Since Inception Returns for Less Than One Year Are Cumulative</i>												
Goldman Sachs Balanced Fund ³⁴	Inst	8.15.97	GSBIX	21.91	11.25	11.89	9.83	6.29	-	4.57	8.46	6.65	-	4.22	-	-	0.65
	A	10.12.94	GSBFX	21.63	10.79	11.44	9.02	5.64	5.50	7.96	2.08	4.82	5.32	7.23	-	-	1.05
	Service	10.12.94	GSBSX	21.61	10.51	11.11	8.81	5.51	5.35	7.83	7.81	5.88	5.77	7.61	-	-	1.15
<i>S&P 500 Index</i> ²⁴					14.19	14.23	11.81	6.08	8.05	-	10.79	6.97	8.58	-	-	-	-
<i>Lehman Brothers Aggregate Bond Index</i> ³⁷					4.94	5.94	4.25	5.04	6.20	-	3.67	4.81	6.42	-	-	-	-
Goldman Sachs Balanced Strategy Portfolio ³⁵	Inst	1.2.98	GIPIX	11.77	10.37	11.75	10.13	7.95	-	6.06	9.21	8.03	-	5.82	-	-	0.81
	A	1.2.98	GIPAX	11.76	9.98	11.35	9.69	7.52	-	5.63	2.85	6.38	-	4.72	-	-	1.21
	Service	1.2.98	GIPSX	11.77	9.78	11.11	9.55	7.42	-	5.53	8.67	7.48	-	5.30	-	-	1.31
Goldman Sachs Growth and Income Strategy Portfolio ³⁶	Inst	1.2.98	GOIIX	13.54	12.67	14.75	14.01	10.47	-	6.91	11.08	10.66	-	6.57	-	-	0.88
	A	1.2.98	GOIAX	13.50	12.32	14.30	13.56	10.04	-	6.48	4.54	8.96	-	5.45	-	-	1.28
	Service	1.2.98	GOISX	13.47	12.15	14.18	13.43	9.91	-	6.37	10.50	10.11	-	6.03	-	-	1.38
Goldman Sachs Growth Strategy Portfolio ³⁷	Inst	1.2.98	GGSEX	15.01	15.28	17.72	16.63	11.71	-	6.79	13.27	12.07	-	6.35	-	-	0.90
	A	1.2.98	GGSEX	14.94	14.92	17.33	16.20	11.29	-	6.38	6.61	10.38	-	5.25	-	-	1.30
	Service	1.2.98	GGSSX	14.87	14.83	17.26	16.09	11.18	-	6.26	12.69	11.53	-	5.82	-	-	1.40
Goldman Sachs Equity Growth Strategy Portfolio ³⁸	Inst	1.2.98	GAPIX	16.45	18.01	21.09	18.86	12.92	-	6.82	15.41	13.33	-	6.26	-	-	0.96
	A	1.2.98	GAPAX	16.25	17.58	20.58	18.39	12.48	-	6.43	8.73	11.62	-	5.21	-	-	1.36
	Service	1.2.98	GAPSX	16.16	17.53	20.53	18.25	12.36	-	6.33	14.90	12.77	-	5.78	-	-	1.46

¹The NAV Average Annual Total Return represents the change in value of an investment without a sales load (but including management fees and other expenses) on the purchase of fund shares over the specified period. It is calculated by dividing the NAV on the cited date by the NAV at the beginning of the period, with all distributions reinvested in additional shares.

²The Standardized Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter-end. These returns will reflect the maximum sales charge, unless a class of shares does not involve a sales charge or the intended audience for the material would not be subject to a sales charge. For all equity funds, the Standardized Total Returns reflect a maximum initial sales charge of 5.5% for Class A shares. For the Ultra-Short Duration Government and Enhanced Income Fund, the Standardized Total Returns reflect a maximum initial sales charge of 1.5% for Class A shares. For the Short Duration Government Fund and the Short Duration Tax-Free Fund, the Standardized Total Returns reflect a maximum initial sales charge of 2% for Class A shares. For the Government Income Fund, the Municipal Income Fund, the Core Fixed Income Fund, the Global Income Fund, the High Yield Fund, the California Intermediate AMT-Free Municipal Fund, the New York Intermediate AMT-Free Municipal Fund, the High Yield Municipal Fund, the U.S. Mortgages Fund, the Investment Grade Credit Fund, and the Emerging Markets Debt Fund, the Standardized Total Returns reflect a maximum initial sales charge of 4.5% for Class A shares. Because Institutional and Service Shares do not involve a sales charge, such a charge is not applied to their Standardized Total Returns.

³The Net Asset Value (NAV) is the market value of one share of the Fund.

⁴The Cumulative Total Return is determined by computing the percentage change in the value of \$1,000 invested for specified periods, assuming reinvestment of all distributions at NAV

⁵The dividend distributions are for the current one month period.

⁶The Standardized 30-Day Yield is calculated by annualizing the net investment income per share earned over a 30-day period divided by the maximum public offering price per share on the last day of the period. This yield does not necessarily reflect income earned and distributed by the Fund and, therefore, may not be correlated with the dividends or other distributions paid to shareholders.

⁷Expense ratios are the result of current waivers and expense limitations and may be changed at the option of the investment adviser, which would cause the expenses to increase without shareholder approval.

⁸The Capital Growth Fund invests primarily in large-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

⁹The Russell 1000 Growth Index is an unmanaged index that measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

¹⁰The Strategic Growth Fund invests primarily in large-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

¹¹The Concentrated Growth Fund invests primarily in U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The Fund may invest in securities of any capitalization, including mid-cap and small-cap companies, which involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. The Concentrated Growth Fund is "non-diversified" under the Investment Company Act of 1940 and may invest a large percentage of its assets in fewer issuers than "diversified" mutual funds. Because of the smaller number of stocks generally held in the Fund's portfolio, the Fund may be subject to greater risks than a more diversified fund. A change in the value of any single holding may affect the overall value of the portfolio more than it would affect a diversified fund that holds more investments.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

¹²The Growth Opportunities Fund invests in U.S. equity investments with a primary focus on mid-cap companies. The Fund is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

The securities of mid-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

¹³The Russell Midcap Growth Index is an unmanaged index that measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

¹⁴The Goldman Sachs Small/Mid Cap Growth Fund invests in equity investments with a primary focus on small and mid cap companies. The securities of small- and mid-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements.

The Fund may invest in foreign securities and emerging market securities. Foreign and emerging market securities may be more volatile than investment in U.S. securities and will be subject to the risks of currency fluctuations and political developments.

¹⁵The Russell 2500 Growth Index measures the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values. The Index measures the performance of the 2,500 smallest companies in the Russell 3000 Index, which represents approximately 16% of the total market capitalization of the Russell 3000 Index. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

¹⁶The Large Cap Value Fund invests primarily in large-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may invest in fixed income securities. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

¹⁷The Russell 1000 Value Index is an unmanaged market-capitalization-weighted index of the 1,000 largest U.S. companies with lower price-to-book ratios and lower forecasted growth values. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

¹⁸The Growth and Income Fund invests primarily in large-capitalization U.S. equity investments and also invests in fixed income securities. The Fund's equity investments will be subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

¹⁹The Mid Cap Value Fund invests primarily in mid-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The securities of mid-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may invest in fixed income securities. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

²⁰The Russell Midcap Value Index is an unmanaged index of common stock prices that measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

²¹The Small Cap Value Fund invests primarily in small-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Stocks of smaller companies are often more volatile and less liquid and present greater risks than stocks of larger companies. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may invest in fixed income securities. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

²²The Russell 2000 Value Index is an unmanaged index of common stock prices that measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

²³The Structured U.S. Equity Fund invests in a broadly diversified portfolio of U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

²⁴The S&P 500 Index is the Standard & Poor's 500 Composite Stock Prices Index of 500 stocks, an unmanaged index of common stock prices. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

²⁵The Structured Large Cap Value Fund invests in a broadly diversified portfolio of large-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

²⁶The Structured Large Cap Growth Fund invests in a broadly diversified portfolio of large-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions.

²⁷The Structured Small Cap Equity Fund invests in a broadly diversified portfolio of small-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Stocks of smaller companies are often more volatile and less liquid and present greater risks than stocks of larger companies. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

²⁸The Russell 2000 Index is an unmanaged index of common stock prices that measures the performance of the 2000 smallest companies in the Russell 3000 Index. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

²⁹The Structured International Equity Fund invests in a broadly diversified portfolio of equity investments in companies that are organized outside the United States or whose securities are principally traded outside the United States and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Foreign and emerging market securities may be more volatile than investments in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

³⁰The unmanaged MSCI EAFE Index (unhedged) is a market-capitalization-weighted composite of securities in 21 developed markets. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

³¹The Structured Tax-Managed Equity Fund invests in a broadly diversified portfolio of U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The Fund may invest in securities of any capitalization, including mid-cap and small-cap companies, which involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. The Fund uses both a variety of quantitative techniques and fundamental research when selecting investments which have the potential to maximize the Fund's after-tax return, and minimize capital gains and income distribution. Of course, no assurance can be offered that the Structured Tax-Managed Equity Fund's tax-managed strategies will reduce the amount of taxable income and capital gains distributed by the Fund to shareholders. The Fund is not suitable for IRAs or other tax-exempt or tax-deferred accounts. Goldman Sachs does not provide legal, tax or accounting advice. Any statement contained in this communication (including any attachments) concerning U.S. tax matters was not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code, and was written to support the promotion or marketing of the transaction(s) or matter(s) addressed. Clients of Goldman Sachs should obtain their own independent tax advice based on their particular circumstances.

³²The unmanaged Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

³³The Structured U.S. Equity Flex Fund invests in a broadly diversified portfolio of large-capitalization U.S. equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The Fund is subject to the risks associated with short selling of securities. Short selling involves leverage of the Fund's assets and presents various other risks. Because the Fund must first borrow a security to establish a short position, there is a risk that a security will not be available at a particular time or an acceptable price and therefore the Fund may not be able to implement its investment strategy. In addition, the Fund may be obligated to cover its short position at a higher price than the short price, resulting in a loss. Losses on short sales are potentially unlimited as a loss occurs when the value of a security sold short increases. Note that short selling involves sophisticated investment techniques that have the potential to add additional risk to a portfolio. The Fund is not appropriate for all investors. The Fund may make substantial investments in derivative instruments, including, options, financial futures, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

³⁴The S&P 500 Index is the Standard & Poor's 500 Composite Stock Prices Index of 500 stocks, an unmanaged index of common stock prices. The Lehman Brothers Aggregate Bond Index represents an unmanaged diversified portfolio of fixed income securities, including U.S. Treasuries, investment-grade corporate bonds, and mortgage-backed and asset-backed securities. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

³⁵The Structured International Equity Flex Fund invests in a broadly diversified portfolio of equity investments in companies that are organized outside the United States or whose securities are principally traded outside the United States and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Foreign and emerging market securities may be more volatile than investments in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund is subject to the risks associated with short selling of securities. Short selling involves leverage of the Fund's assets and presents various other risks. Because the Fund must first borrow a security to establish a short position, there is a risk that a security will not be available at a particular time or an acceptable price and therefore the Fund may not be able to implement its investment strategy.

In addition, the Fund may be obligated to cover its short position at a higher price than the short price, resulting in a loss. Losses on short sales are potentially unlimited as a loss occurs when the value of a security sold short increases. Note that short selling involves sophisticated investment techniques that have the potential to add additional risk to a portfolio. The Fund is not appropriate for all investors.

The Fund may make substantial investments in derivative instruments, including, options, financial futures, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

³⁶The U.S. Equity Dividend and Premium Fund invests primarily in dividend-paying equity investments in large-capitalization U.S. equity issuers and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The Fund is also subject to the risks associated with writing (selling) call options. Writing (selling) call options may reduce, but not eliminate, the risk of owning stocks. However, it also limits the opportunity to profit from an increase in the market value of stocks in exchange for up-front cash at the time of selling the call option. In a rising market, the Fund could significantly underperform the market. In addition, the Fund may also experience a loss on the expiration date of a call position if the value of the Fund's portfolio securities has fallen since the purchase date of the securities by an amount greater than the premium received for the option that was sold.

The Fund is also subject to the risk that the pre-tax performance of the Fund may be lower than the performance of a similar Fund that is not tax-managed. This is because the Investment Adviser to the Fund may choose not to make certain sales of securities that may result in taxable distributions. Of course, no assurance can be offered that the Fund's tax-managed strategies will reduce the amount of taxable income and capital gains distributed by the Fund to shareholders. Goldman Sachs does not provide legal, tax or accounting advice. Any statement contained in this communication (including any attachments) concerning U.S. tax matters was not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code, and was written to support the promotion or marketing of the transaction(s) or matter(s) addressed. Clients of Goldman Sachs should obtain their own independent tax advice based on their particular circumstances.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. The Fund will also be subject to the risk of negative foreign currency rate fluctuations. The Fund may also invest in REITs. REITs whose underlying properties are concentrated in a particular industry or geographic region are also subject to risks affecting such industries and regions and may be subject to more abrupt or erratic price movements. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

The Fund may make investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

³⁷The Lehman Brothers Aggregate Bond Index represents an unmanaged diversified portfolio of fixed-income securities, including U.S. Treasuries, investment-grade corporate bonds, and mortgage-backed and asset-backed securities. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

³⁸The Real Estate Securities Fund invests primarily in a diversified portfolio of equity investments in issuers related to the real estate industry, including REITs. The value of a REIT is affected by changes in the value of the properties owned by the REIT or securing mortgage loans held by the REIT. REITs and real estate companies are also subject to risks generally associated with investments in real estate including possible declines in the value of real estate, general and local economic conditions, environmental problems and changes in interest rates.

The Fund is subject to greater risk of loss as a result of adverse economic, business or other developments than if its investments were diversified across different industry sectors. Securities of issuers held by the Fund may lack sufficient market liquidity to enable the Fund to sell the securities at an advantageous time or without a substantial drop in price. Because the Fund invests in issuers related to the real estate industry, its net asset value may fluctuate substantially overtime and its performance may be substantially different from the returns of the broader stock market.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

³⁹The Dow Jones Wilshire Real Estate Securities Index is an unmanaged index of publicly traded REITs and real estate operating companies. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁴⁰The International Real Estate Securities Fund invests primarily in issuers that are real estate operating companies organized outside the United States or whose securities are principally traded outside the United States, including REITs. The Fund is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Foreign and emerging market securities may be more volatile, less liquid than investments in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The value of a REIT is affected by changes in the value of the properties owned by the REIT or securing mortgage loans held by the REIT. REITs and real estate companies are also subject to risks generally associated with investments in real estate including possible declines in the value of real estate, general and local economic conditions, environmental problems and changes in interest rates.

The Fund is subject to greater risk of loss as a result of adverse economic, business or other developments than if its investments were diversified across different industry sectors. Securities of issuers held by the Fund may lack sufficient market liquidity to enable the Fund to sell the securities at an advantageous time or without a substantial drop in price. Because the Fund invests in issuers related to the real estate industry, its net asset value may fluctuate substantially overtime and its performance may be substantially different from the returns of the broader stock market.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

⁴¹The FTSE EPRA/NA REIT Global ex US Real Estate Index is a market capitalization weighted index comprised of REITs and non-REITs within the international (global ex us) real estate securities market. The market capitalization for each constituent is adjusted for each constituent is adjusted for free float. It is not possible to invest directly in an unmanaged index.

⁴²The Tollkeeper Fund invests in equity securities of high quality technology, media or service companies that adopt or use technology to improve their cost structure, revenue opportunities or competitive advantage.

The Tollkeeper Fund is subject to greater risk of loss as a result of adverse economic, business or other developments than if its investments were diversified across different industry sectors. Securities of issuers held by the Fund may lack sufficient market liquidity to enable the Fund to sell the securities at an advantageous time or without a substantial drop in price. Because the Fund invests in "Tollkeeper" companies, its net asset value may fluctuate substantially over time and its performance may be substantially different from the returns of the broader stock market.

The Fund may invest in foreign securities, which may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

The Goldman Sachs Tollkeeper FundSM is a registered service mark of Goldman, Sachs & Co.

⁴³The International Equity Fund invests in equity investments in companies that are organized outside the United States or whose securities are principally traded outside the United States and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Foreign and emerging market securities may be more volatile than investments in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

⁴⁴The Japanese Equity Fund invests primarily in Japanese equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Because of its focus, the Fund will be more susceptible to Japanese economic, market, political and local risks than a fund that is more geographically diversified.

The Fund may invest in securities of issuers in countries with emerging markets or economies. Emerging markets securities are volatile, less liquid and are subject to substantial currency fluctuations and sudden economic and political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

⁴⁵The TOPIX (unhedged) is a capitalization-weighted stock index designed to reflect the general movement of the Japanese stock market. The Index generally consists of Japan's larger companies. The Index is unmanaged and does not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁴⁶The International Small Cap Fund invests primarily in small- and mid-capitalization companies organized outside the United States or whose securities are principally traded outside the United States and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Stocks of small- and mid-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may invest in securities of issuers in countries with emerging markets or economies. Emerging markets securities are volatile, less liquid and are subject to substantial currency fluctuations and sudden economic and political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

⁴⁷Effective April 13, 2006, the S&P/Citigroup EMI World ex-US Index (gross) replaced the MSCI EAFE Small Cap Index (unhedged) as the Fund's benchmark. The S&P/Citigroup EMI World ex-US Index covers the smallest 20% of companies, ranked by total market capitalization, which first qualify for inclusion in the country index. This includes approximately 4,280 securities from 24 developed markets with a general regional allocation of 61% Europe, 21% Japan, 11% Australasia and 7% North America. In the Investment Adviser's opinion, the S&P/Citigroup EMI World ex-US Index (gross) is a more appropriate benchmark against which to measure the performance of the Fund. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁴⁸The MSCI EAFE Small Cap Index (unhedged) includes approximately 1,000 securities from 21 developed markets with a capitalization range between \$200 million and \$1.5 billion and a general regional allocation of 55% Europe, 31% Japan and 14% Australasia. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁴⁹The Emerging Markets Equity Fund invests primarily in securities of issuers in countries with emerging markets or economies and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Emerging markets securities are volatile, less liquid and are subject to substantial currency fluctuations and sudden economic and political developments. The securities markets of emerging countries have less government regulation and are subject to less extensive accounting and financial reporting requirements than the markets of more developed countries. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

⁵⁰The unmanaged MSCI EMF Index is a market-capitalization-weighted composite of securities in over 26 emerging countries. "Free" indicates an index that excludes shares in otherwise free markets that are not purchasable by foreigners. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁵¹The Asia Equity Fund invests primarily in Asian equity investments and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Because of its focus, the Fund will be more susceptible to Asian economic, market, political and local risks than a fund that is more geographically diversified.

The Fund may participate in the Initial Public Offering (IPO) market, and a portion of the Fund's returns consequently may be attributable to its investment in IPOs. The market value of IPO shares may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the small number of shares available for trading and limited information about the issuer. When a fund's asset base is small, IPOs may have a magnified impact on the fund's performance. As a fund's assets grow, it is probable that the effect of the fund's investment in IPOs on its total returns may not be as significant, which could reduce the fund's performance.

The Fund may invest in securities of issuers in countries with emerging markets or economies. Emerging markets securities are volatile, less liquid and are subject to substantial currency fluctuations and sudden economic and political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

⁵²The unmanaged MSCI All Country Asia Free ex-Japan Index (unhedged) is a market capitalization-weighted composite of securities in eleven Asian countries. "Free" indicates an index that excludes shares in otherwise free markets that cannot be purchased by foreigners. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁵³The Goldman Sachs BRIC Fund invests primarily in equity investments in Brazil, Russia, India and China or in issuers that substantially participate in these markets and is subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The securities markets of these countries and other emerging countries are volatile, less liquid and are subject to substantial currency fluctuations and sudden economic and political developments. The securities markets of emerging countries have less government regulation and are subject to less extensive accounting and financial reporting requirements than the markets of more developed countries. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

The Fund is also subject to the risk of the concentration of investments in issuers located in a particular country or region which may be susceptible to adverse securities markets, exchange rates and social, political, regulatory or economic events which may occur in that country or region.

The Fund is "non-diversified" under the Investment Company Act of 1940 and may invest a large percentage of its assets in fewer issuers than "diversified" mutual funds. Because of the smaller number of stocks generally held in the Fund's portfolio, the Fund may be subject to greater risks than a more diversified fund. A change in the value of any single holding may affect the overall value of the portfolio more than it would affect a diversified fund that holds more investments.

⁵⁴MSCI BRIC Equity Index combines, on a market capitalization weighted basis, the components of the MSCI Brazil, MSCI Russia, MSCI India and MSCI China Equity Indices. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁵⁵The Enhanced Income Fund is not a money market fund. Investors in this Fund should understand that the net asset value of the Fund will fluctuate, which may result in a loss of the principal amount invested. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

⁵⁶The Six-Month U.S. Treasury Bill Index and One-Year U.S. Treasury Note Index, as reported by Merrill Lynch, do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁵⁷The Ultra-Short Duration Government Fund is not a money market fund. Investors in this Fund should understand that the net asset value of the Fund will fluctuate, which may result in a loss of the principal amount invested. The Fund's net asset value and yield are not guaranteed by the U.S. government or by its agencies, instrumentalities or sponsored enterprises. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The guarantee on U.S. government securities applies only to the underlying securities of the Fund if held to maturity and not to the value of the Fund's shares. The Fund's investments in mortgage-backed securities are subject to prepayment risks. These risks may result in greater share price volatility. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

⁵⁸The Short Duration Government Fund is not a money market fund. Investors in this Fund should understand that the net asset value of the Fund will fluctuate, which may result in a loss of the principal amount invested. The Fund's net asset value and yield are not guaranteed by the U.S. government or by its agencies, instrumentalities or sponsored enterprises. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The guarantee on U.S. government securities applies only to the underlying securities of the Fund if held to maturity and not to the value of the Fund's shares. The Fund's investments in mortgage-backed securities are subject to prepayment risks. These risks may result in greater share price volatility. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

⁵⁹The Two-Year U.S. Treasury Note Index, as reported by Merrill Lynch, does not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁶⁰The Short-Duration Tax-Free Fund is not a money market fund. Investors in this Fund should understand that the net asset value of the Fund will fluctuate, which may result in a loss of the principal amount invested. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. Under normal conditions, the Short Duration Tax-Free Fund will invest at least 80% of its net assets in municipal securities, the interest on which is exempt from regular federal income tax and is not a tax preference item under the federal alternative minimum tax. Under normal conditions, the Fund's investments in private activity bonds and taxable investments will not exceed, in the aggregate, 20% of the Fund's net assets. The interest from private activity bonds (including the Fund's distributions of such interest) may be a preference item for purposes of the federal alternative minimum tax. The Fund may be adversely impacted by changes in tax law rates and policies, and is not suited for IRAs, and other tax-exempt or deferred accounts.

⁶¹The Lehman Brothers 1-3 Year Municipal Bond Index, an unmanaged index, represents investment grade municipal bonds with maturities greater than one year and less than 4 years, and does not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁶²The Government Income Fund's net asset value and yield are not guaranteed by the U.S. government or by its agencies, instrumentalities or sponsored enterprises. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The guarantee on U.S. government securities applies only to the underlying securities of the Fund if held to maturity and not to the value of the Fund's shares. The Fund's investments in mortgage-backed securities are subject to prepayment risks. These risks may result in greater share price volatility. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; the risk of default by a counterparty, and the risk that transactions may not be liquid.

⁶³The Lehman Brothers Government/Mortgage Index, an unmanaged index, does not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁶⁴The Goldman Sachs California Intermediate AMT-Free Municipal Fund invests in municipal securities, the interest on which is exempt from regular federal income tax. Up to 20% of the Fund's net assets may include securities whose income may be subject to the federal alternative minimum tax and state income taxes. The Fund is nondiversified and may invest more of its assets in fewer issuers than diversified funds, may be more susceptible to adverse developments affecting any single issuer held in its portfolio and may be susceptible to greater losses because of these developments.

The Fund may be adversely impacted by changes in tax law rates and policies, and is not suited for IRAs, and other tax-exempt or deferred accounts. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

⁶⁵The Lehman Brothers CA 1-10 Year Municipal Bond Index, with income reinvested, is representative of municipal bonds with maturities ranging from 1-10 years. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁶⁶The Goldman Sachs New York Intermediate AMT-Free Municipal Fund invests in municipal securities, the interest on which is exempt from regular federal income tax. Up to 20% of the Fund's net assets may include securities whose income may be subject to the federal alternative minimum tax and state income taxes. The Fund is nondiversified and may invest more of its assets in fewer issuers than diversified funds, may be more susceptible to adverse developments affecting any single issuer held in its portfolio and may be susceptible to greater losses because of these developments.

The Fund may be adversely impacted by changes in tax law rates and policies, and is not suited for IRAs, and other tax-exempt or deferred accounts. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

⁶⁷The Lehman Brothers NY 1-10 Year Municipal Bond Index, with income reinvested, is representative of municipal bonds with maturities ranging from 1-10 years. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁶⁸The Goldman Sachs Tennessee Municipal Fund invests in municipal securities, the interest on which is exempt from regular federal income tax and Tennessee State personal income tax. Up to 20% of the Fund's Net Assets may include securities whose income may be subject to Tennessee State personal income tax. The Fund is non-diversified and may invest more of its assets in fewer issuers than diversified funds and may be more susceptible to adverse developments affecting any single issuer held in its portfolio and may be susceptible to greater losses because of these developments. The Fund may be adversely impacted by changes in tax law rates and policies, and are not suited for IRAs, and other tax-exempt or deferred accounts. The Fund will also be affected by political and economic developments within Tennessee and by the financial condition of the state of Tennessee, its public authorities, and political subdivisions. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

IRS Circular 230 disclosure: Goldman Sachs does not provide legal, tax or accounting advice. Any statement contained in this communication (including any attachments) concerning U.S. tax matters is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties imposed on the relevant taxpayer. Potential investors should obtain their own independent tax advice based on their particular circumstances.

⁶⁹The Lehman Brothers Aggregate Municipal Bond Index is an unmanaged broad-based total return index composed of approximately 8,000 investment grade, fixed rate, and tax-exempt issues, with a remaining maturity of at least one year. The Index figures do not include any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁷⁰The Municipal Income Fund invests in municipal securities, the interest on which is exempt from regular federal income tax. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The Fund may include securities whose income may be subject to the federal alternative minimum tax and state income taxes. The Fund may be adversely impacted by changes in tax law rates and policies, and is not suited for IRAs, and other tax-exempt or deferred accounts.

⁷¹The U.S. Mortgages Fund's investment in mortgage-backed securities (MBS) is subject to prepayment risk, the risk that in a declining interest rate environment the Fund's underlying mortgages may be prepaid, causing the Fund to have to reinvest at lower interest rates. This risk may result in greater share price volatility than a fixed income fund not invested in MBS. The guarantee on U.S. government securities applies only to the underlying securities of the Fund if held to maturity and not to the value of the Fund's shares. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk.

⁷²The Lehman Brothers Securitized Index is an unmanaged composite of asset-backed securities, collateralized mortgage-backed securities (ERISA-eligible) and fixed rate mortgage-backed securities. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁷³The Core Fixed Income Fund's investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The guarantee on U.S. government securities applies only to the underlying securities of the Fund if held to maturity and not to the value of the Fund's shares. The Fund's investments in mortgage-backed securities are subject to prepayment risks. These risks may result in greater share price volatility. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

Foreign and emerging markets investments may be more volatile and less liquid than investment in U.S. securities and will be subject to the risks of currency fluctuations and political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may also engage in foreign currency transactions for hedging purposes including cross hedging or for speculative purposes. Forward foreign currency exchange contracts are subject to the risk that the counterparty to the contract will default on its obligations.

⁷⁴The Investment Grade Credit Fund's investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The guarantee on U.S. government securities applies only to the underlying securities of the Fund if held to maturity and not to the value of the Fund's shares. The Fund's investments in mortgage-backed securities are subject to prepayment risks. These risks may result in greater share price volatility. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid.

The Fund's foreign and emerging markets investments may be more volatile and less liquid than its investment in U.S. securities and will be subject to the risks of currency fluctuations and political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may also engage in foreign currency transactions for hedging purposes including cross hedging or for speculative purposes. Forward foreign currency exchange contracts are subject to the risk that the counterparty to the contract will default on its obligations.

⁷⁵The Lehman Brothers U.S. Credit Index is an unmanaged index which is unbundled into pure corporates (industrial, utility, and finance, including both U.S. and Non-U.S. corporations) and non-corporates (sovereign, supranational, foreign agencies, and foreign local governments). The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁷⁶The Global Income Fund's investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The Fund may invest in foreign and emerging market securities, which may be more volatile and less liquid than its investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. The Fund may also engage in foreign currency transactions for hedging purposes including cross hedging for speculative purposes. Forward foreign currency exchange contracts are subject to the risk that the counterparty to the contract will default on its obligations. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; risks of default by a counterparty, and the risks that transactions may not be liquid. The Fund is non-diversified and may invest more of its assets in fewer issuers than diversified funds, may be more susceptible to adverse developments affecting any single issuer held in its portfolio and may be susceptible to greater losses because of these developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all.

⁷⁷The J.P. Morgan Global Government Bond Indexes (hedged and unhedged) are a broad measure of bond performance in developed countries, including the United States. The Indexes are unmanaged and do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁷⁸The High Yield Municipal Fund invests in high yield municipal securities that, at the time of purchase, are medium quality or non-investment grade. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. High yield, lower rated securities involve greater price volatility and present greater risks than higher rated fixed income securities. At times, the High Yield Municipal Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may also include securities whose income is subject to the federal alternative minimum tax and state income tax. The Fund is non-diversified and may invest more of its assets in fewer issuers than diversified funds, may be more susceptible to adverse developments affecting any single issuer held in its portfolio and may be susceptible to greater losses because of these developments.

The Fund may be adversely impacted by changes in tax law rates and policies, and is not suited for IRAs, and other tax-exempt or deferred accounts.

⁷⁹The Lehman Brothers High Yield Municipal Bond Index is an unmanaged index made up of bonds that are non-investment grade, unrated, or rated below Ba1 by Moody's Investors Service with a remaining maturity of at least one year. The Index does not include any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁸⁰The High Yield Fund invests in high yield, fixed income securities that, at the time of purchase, are non-investment grade. High yield, lower rated securities involve greater price volatility and present greater risks than higher rated fixed income securities. The Fund may also invest in foreign issuers who are denominated in currencies other than the U.S. dollar and in securities of issuers located in emerging countries denominated in any currency. The Fund's foreign and emerging market investments may be more volatile and less liquid than its investment in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments. At times, the Fund may be unable to sell certain of its portfolio securities without a substantial drop in price, if at all. The Fund may also engage in foreign currency transactions for hedging purposes including cross hedging or for speculative purposes. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, options on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; the risk of default by a counterparty, and the risk that transactions may not be liquid.

⁸¹The Lehman Brothers U.S. Corporate High Yield Bond Index, 2% Issuer Capped covers the universe of U.S. dollar denominated, non-convertible, fixed rate, non-investment grade debt. Index holdings must have at least one year to final maturity, at least \$150 million par amount outstanding, and be publicly issued with a rating of Ba1 or lower. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁸²The Emerging Markets Debt Fund's investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The majority of the countries in which the Fund invests have sovereign ratings that are below investment grade or are unrated. High yield, lower rated securities involve greater price volatility and present greater risks than higher rated fixed income securities. Fixed income securities of emerging countries are less liquid and are subject to greater price volatility and will be subject to the risks of currency fluctuations and sudden economic or political developments. The securities markets of emerging countries have less government regulation and are subject to less extensive accounting and financial reporting requirements than the markets of more developed countries. The Fund may also engage in foreign currency transactions for hedging purposes including cross hedging or for speculative purposes. Forward foreign currency exchange contracts are subject to the risk that the counterparty to the contract will default on its obligations. The Fund is subject to concentration risk and it may subject the Fund to greater losses than if it was less concentrated in a particular country or region. The Fund is also subject to the risk that the issuers of sovereign debt or the government authorities that control the payment of debt may be unable or unwilling to repay principal or interest when due. The Fund may make substantial investments in derivative instruments, including options, financial futures, Eurodollar futures contracts, swaps, option on swaps, structured securities and other derivative investments. Derivative instruments may involve a high degree of financial risk. These risks include the risk that a small movement in the price of the underlying security or benchmark may result in a disproportionately large movement, unfavorable or favorable, in the price of the derivative instrument; the risk of default by a counterparty, and the risk that transactions may not be liquid.

⁸³The JP Morgan EMBI Global Diversified Index is an unmanaged index of debt instruments of 31 Emerging Countries. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

⁸⁴The Balanced Fund invests in equity investments considered to have capital appreciation and/or dividend-paying ability and invests in fixed income securities. The Fund's equity investments will be subject to market risk so that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. Foreign securities may be more volatile than investments in U.S. securities and will be subject to fluctuation and sudden economic and political developments. Investments in fixed income securities are subject to the risks associated with debt securities including credit and interest rate risk. The Fund's balanced objective seeks to reduce the volatility associated with investing in a single market. There is no guarantee however, that market cycles will move in opposition to one another or that a balanced investment program will successfully reduce volatility.

⁸⁵The Balanced Strategy Portfolio is expected to invest a relatively significant percentage of its equity allocation in the Goldman Sachs Structured Large Cap Growth, Structured Large Cap Value, Structured Small Cap Equity and Structured International Equity Funds and may invest a relatively significant percentage of its assets in the Global Income and High Yield Funds. It is expected that the Portfolio will invest more than 25% of its assets in the Short Duration Government Fund. The Portfolio is subject to the risk factors of those funds. Some of those risk factors include credit and interest rate risk, the price fluctuations of U.S. government securities in response to changes in interest rates; the volatility of investments in the stock market; and currency, economic and political risks of non-US investments. Asset Allocation Portfolios are subject to the underlying fund expenses as well as the expenses of the portfolio, and the cost of this type of investment may be higher than a mutual fund that only invests in stocks and bonds.

⁸⁶The Growth and Income Strategy Portfolio is expected to invest a relatively significant percentage of its equity allocation in the Goldman Sachs Structured Large Cap Growth, Structured Large Cap Value, Structured Small Cap Equity and Structured International Equity Funds and will invest a relatively significant percentage of its assets in the Core Fixed Income and Global Income Funds. The Portfolio is subject to the risk factors of those funds. Some of those risk factors include credit and interest rate risk, the price fluctuations of U.S. government securities in response to changes in interest rates; the credit risk and volatility of high yield bonds; and the volatility of non-US stocks and bonds and US stocks. Asset Allocation Portfolios are subject to the underlying fund expenses as well as the expenses of the portfolio, and the cost of this type of investment may be higher than a mutual fund that only invests in stocks and bonds.

⁸⁷The Growth Strategy Portfolio is expected to invest a relatively significant percentage of its equity allocation in the Goldman Sachs Structured Large Cap Growth, Structured Large Cap Value, Structured Small Cap Equity and Structured International Equity Funds, and is subject to the risk factors of those funds. Some of those risk factors include the volatility of US and non-US equity investments; the credit risk and volatility of high yield bonds; and the political, economic and currency risks of non-US securities. Asset Allocation Portfolios are subject to the underlying fund expenses as well as the expenses of the portfolio, and the cost of this type of investment may be higher than a mutual fund that only invests in stocks and bonds.

⁸⁸The Equity Growth Strategy Portfolio is expected to invest a relatively significant percentage of its assets in the Goldman Sachs Structured Large Cap Growth, Structured Large Cap Value, Structured Small Cap Equity and Structured International Equity Funds, and is subject to the risk factors of those funds. Some of those risk factors include the volatility of US and non-US equity investments; and the political, economic and currency risks of non-US securities, which are particularly significant regarding equities of issuers located in emerging markets. Asset Allocation Portfolios are subject to the underlying fund expenses as well as the expenses of the portfolio, and the cost of this type of investment may be higher than a mutual fund that only invests in stocks and bonds.

A prospectus for the Fund containing more complete information may be obtained from your authorized dealer or from Goldman, Sachs & Co. by calling 1-800-621-2550. Please consider a fund's objectives, risks, and charges and expenses, and read the prospectus carefully before investing. The prospectus contains this and other information about the Fund.

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