First Quarter 2021
Earnings Results Presentation

April 14, 2021

Results Snapshot

Net Revenues	
1Q21	$17.70 billion

Net Earnings	
1Q21	$6.84 billion

EPS	
1Q21	$18.60

Annualized ROE[1]	
1Q21	31.0%

Annualized ROTE[1]	
1Q21	32.9%

Book Value	
BVPS	$250.81
YTD Growth	6.2%

Highlights

- Record quarterly net revenues and diluted EPS
  Highest quarterly ROE since 2009
- Record Asset Management net revenues
- Record Investment Banking net revenues and record backlog[2]
  #1 in M&A and Equity and equity-related offerings[3]
- Record Consumer & Wealth Management net revenues
- Highest Global Markets net revenues since 2010
- Record Firmwide AUS[2,4]

Macro Perspectives

Macro Factors

- Continued Monetary & Fiscal Stimulus
- COVID-19 Vaccine Rollout
- Increasing Confidence in Economic Recovery

Economic Fundamentals

Economic Growth Expected in 2021 and 2022		
GDP Growth: 2021 | 2022	U.S. +7.2% | +4.9%	Global +6.7% | +4.7%
Improving Fundamentals		
Declining U.S. Unemployment	Increasing Consumer Spending	Rising CEO Confidence

Continued Rise in Equity Markets	Tighter Credit Spreads in U.S. and Europe	Rise in Government Bond Yields on Recovery Optimism	Elevated Trading Volumes, with Moderating Volatility
S&P 500: +6% in 1Q21 MSCI World: +4% in 1Q21	U.S. HY Z-Spread: -55bps QoQ EUR HY Z-Spread: -30bps QoQ	10-Yr UST: +85bps QoQ 10-Yr U.K. Gilt: +65bps QoQ	NYSE Volumes: +30% YoY Avg. VIX: -9% QoQ | -25% YoY

2021 and 2022 estimated real gross domestic product (GDP) growth per Goldman Sachs Research

Financial Overview

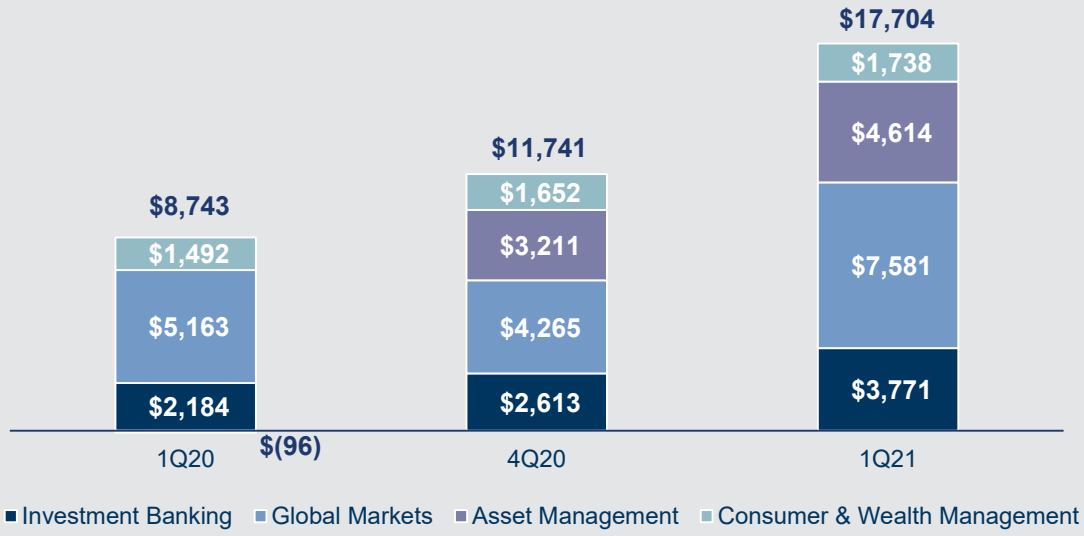
Financial Results

$ in millions, except per share amounts	1Q21	vs. 4Q20	vs. 1Q20
Investment Banking	$ 3,771	44%	73%
Global Markets	7,581	78%	47%
Asset Management	4,614	44%	N.M.
Consumer & Wealth Management	1,738	5%	16%
Net revenues	$ 17,704	51%	102%
Provision for credit losses	(70)	N.M.	N.M.
Operating expenses	9,437	60%	46%
Pre-tax earnings	8,337	50%	518%
Net earnings	6,836	52%	464%
Net earnings to common	$ 6,711	54%	498%
Diluted EPS	$ 18.60	54%	498%
ROE[1]	31.0%	9.9pp	25.3pp
ROTE[1]	32.9%	10.4pp	26.9pp
Efficiency Ratio[2]	53.3%	3.0pp	-20.6pp

Financial Overview Highlights

- 1Q21 results included record EPS of $18.60 and ROE of 31.0%
  - 1Q21 net revenues were significantly higher YoY, reflecting higher net revenues across all segments
  - 1Q21 provision for credit losses was a net benefit of $70 million, including:
    - Reserve reductions reflecting continued improvement in the broader economic environment following challenging conditions that began in the first quarter of 2020 as a result of the COVID-19 pandemic
    - Partially offset by portfolio growth, including provisions related to the pending acquisition of the General Motors co-branded credit card portfolio
  - 1Q21 operating expenses were significantly higher YoY across all segments, primarily driven by compensation and benefits expenses (reflecting strong performance)

Net Revenues by Segment ($ in millions)



Investment Banking

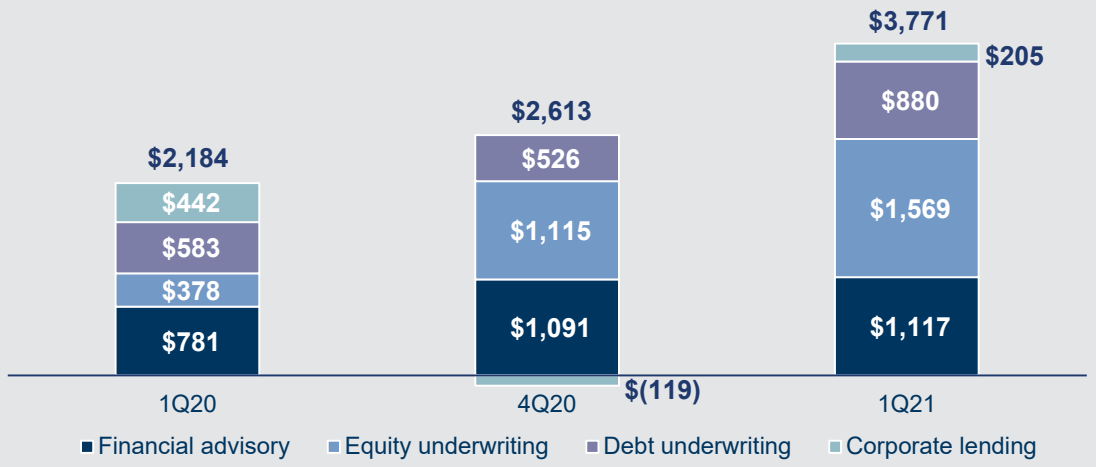
Financial Results

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
Financial advisory	$ 1,117	2%	43%
Equity underwriting	1,569	41%	315%
Debt underwriting	880	67%	51%
Underwriting	2,449	49%	155%
Corporate lending	205	N.M.	-54%
Net revenues	3,771	44%	73%
Provision for credit losses	(163)	N.M.	N.M.
Operating expenses	1,863	56%	59%
Pre-tax earnings	$ 2,071	47%	427%
Net earnings	$ 1,698	58%	380%
Net earnings to common	$ 1,679	58%	390%
Average common equity	$ 10,564	-8%	-7%
Return on average common equity	63.6%	26.6pp	51.5pp

Investment Banking Highlights

- 1Q21 net revenues were significantly higher YoY
  - Financial advisory net revenues reflected a significant increase in completed mergers and acquisitions transactions
  - Underwriting: Equity underwriting net revenues were primarily driven by strong initial public offerings activity; Debt underwriting net revenues primarily reflected higher net revenues from leveraged finance and asset-backed activity
  - Corporate lending net revenues reflected significantly lower net revenues from relationship lending activities as the prior year period included net gains from the impact of widening credit spreads on hedges
- 1Q21 provision for credit losses included a net benefit from reserve reductions reflecting continued improvement in the broader economic environment
- Overall backlog[2] was a record at the end of 1Q21 and increased QoQ in advisory and debt underwriting

Investment Banking Net Revenues ($ in millions)



Global Markets

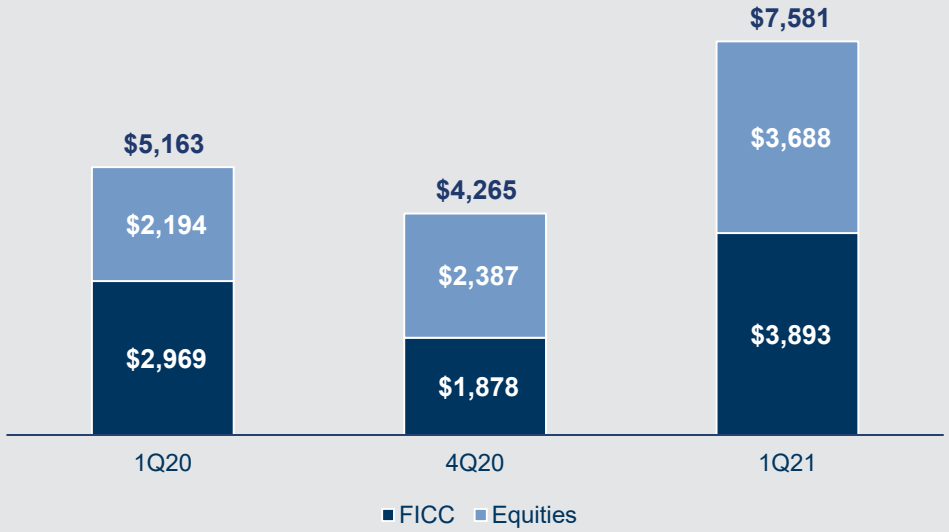
Financial Results

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
FICC	$ 3,893	107%	31%
Equities	3,688	55%	68%
Net revenues	7,581	78%	47%
Provision for credit losses	(20)	N.M.	N.M.
Operating expenses	4,185	87%	47%
Pre-tax earnings	$ 3,416	72%	52%
Net earnings	$ 2,801	58%	38%
Net earnings to common	$ 2,730	62%	39%
Average common equity	$ 41,044	-1%	3%
Return on average common equity	26.6%	10.3pp	6.9pp

Global Markets Highlights

- 1Q21 net revenues were significantly higher YoY
  - — FICC net revenues reflected significantly higher intermediation net revenues, while financing net revenues were essentially unchanged
  - — Equities net revenues reflected significantly higher intermediation and financing net revenues

Global Markets Net Revenues ($ in millions)



Global Markets – FICC & Equities

FICC Net Revenues

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
FICC intermediation	$ 3,451	130%	36%
FICC financing	442	16%	2%
FICC	$ 3,893	107%	31%

Equities Net Revenues

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
Equities intermediation	$ 2,586	44%	69%
Equities financing	1,102	86%	65%
Equities	$ 3,688	55%	68%

FICC Highlights

- 1Q21 net revenues were significantly higher YoY
  - FICC intermediation net revenues reflected significantly higher net revenues in mortgages and interest rate products and, to a lesser extent, commodities and credit products, partially offset by significantly lower net revenues in currencies
  - FICC financing net revenues were essentially unchanged
- 1Q21 operating environment was characterized by improved market-making conditions and higher client activity compared to 4Q20, as volatility moderated from elevated levels, interest rates increased and credit spreads generally tightened

Equities Highlights

- 1Q21 net revenues were significantly higher YoY
  - Equities intermediation net revenues reflected significantly higher net revenues in both derivatives and cash products
  - Equities financing net revenues reflected improved market conditions and increased activity (including higher average customer balances in the Prime business)
- Record average Prime balances in 1Q21
- 1Q21 operating environment was characterized by higher client activity and improved market-making conditions compared to 4Q20, as volatility moderated from elevated levels and global equity prices were generally higher

Asset Management

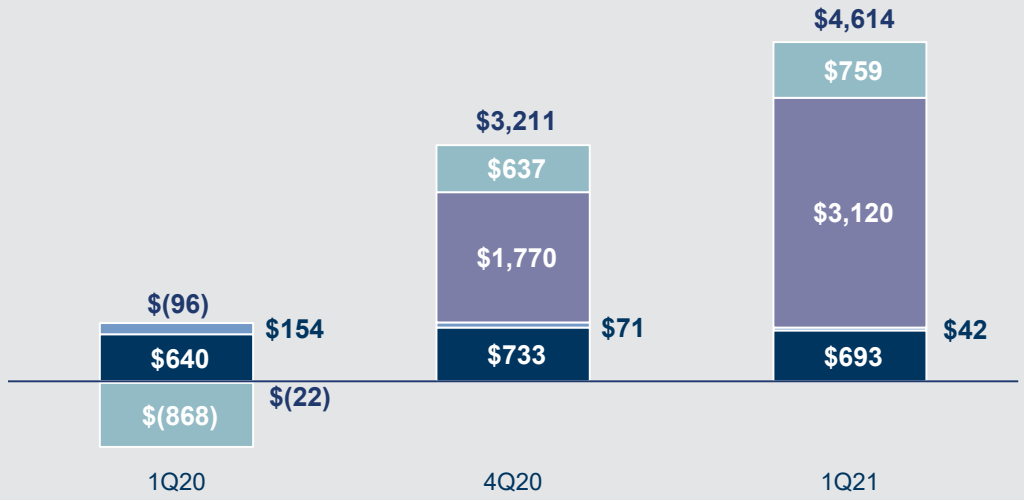
Financial Results

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
Management and other fees	$ 693	-5%	8%
Incentive fees	42	-41%	-73%
Equity investments	3,120	76%	N.M.
Lending and debt investments	759	19%	N.M.
Net revenues	4,614	44%	N.M.
Provision for credit losses	53	141%	-33%
Operating expenses	1,890	51%	58%
Pre-tax earnings	$ 2,671	38%	N.M.
Net earnings	$ 2,190	47%	N.M.
Net earnings to common	$ 2,165	48%	N.M.
Average common equity	$ 24,604	17%	16%
Return on average common equity	35.2%	7.2pp	58.8pp

Asset Management Highlights

- 1Q21 net revenues were significantly higher YoY, primarily reflecting significant net gains from investments, compared with net losses in the prior year period due to a challenging operating environment
  - Management and other fees reflected the impact of higher average AUS, partially offset by fee waivers on money market funds
  - Equity investments net revenues included significant net gains in 1Q21:
    - Private: 1Q21 ~$2,780 million, compared to 1Q20 ~$460 million
    - Public: 1Q21 ~$340 million, compared to 1Q20 ~$(485) million
  - Lending and debt investments net revenues included net gains, reflecting tighter corporate credit spreads during the quarter

Asset Management Net Revenues ($ in millions)



Asset Management – Asset Mix

Equity Investments of $20 billion[4]

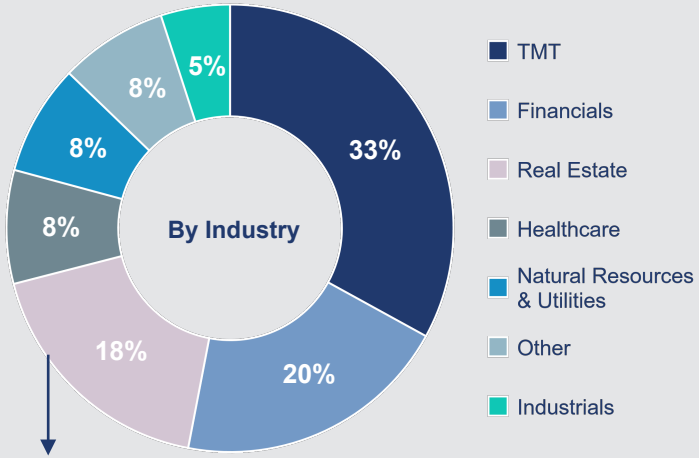
$17 Billion Private, $3 Billion Public

By Vintage

31% 2018-present
38% 2015-2017
31% 2014 or earlier

By Region

48% Americas
31% Asia
21% EMEA



Real Estate: Mixed Use 6%, Office 3%, Multifamily 3%, Other 6%

Consolidated Investment Entities[5] of $19 billion[4]

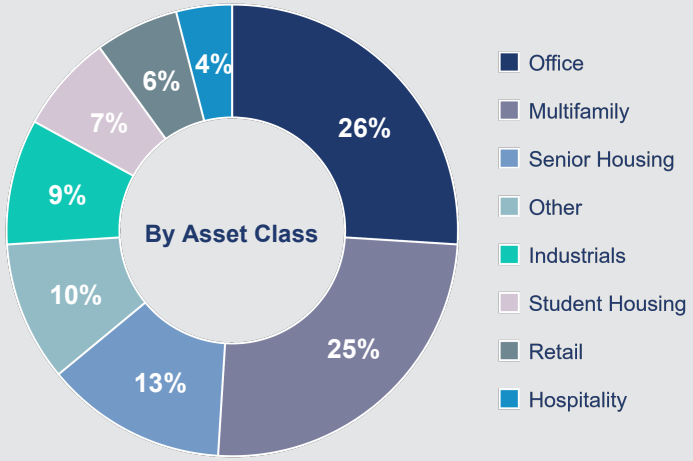
Funded with liabilities of ~$10 billion[5]

By Vintage

68% 2018-present
30% 2015-2017
2% 2014 or earlier

By Region

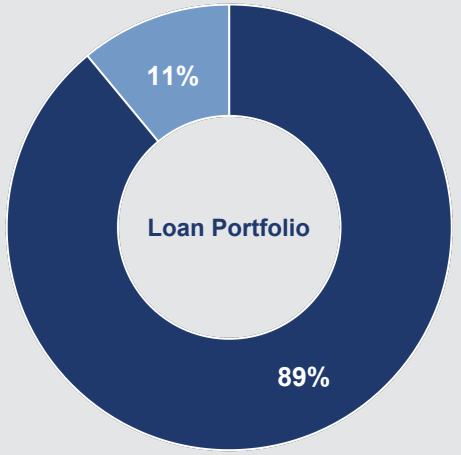
63% Americas
15% Asia
22% EMEA



Lending and Debt Investments of $31 billion[4]

$16 billion Loans

$15 billion Debt Investments

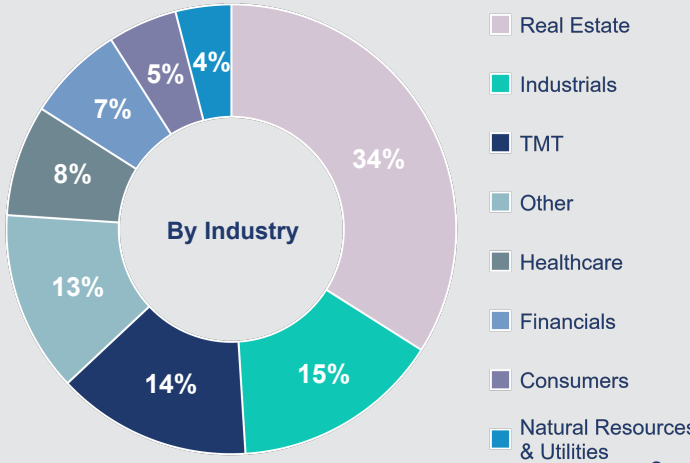


By Accounting Classification

11% Loans at FV
42% Loans at amortized cost
47% Debt investments at FV

By Region

47% Americas
21% Asia
32% EMEA



Consumer & Wealth Management

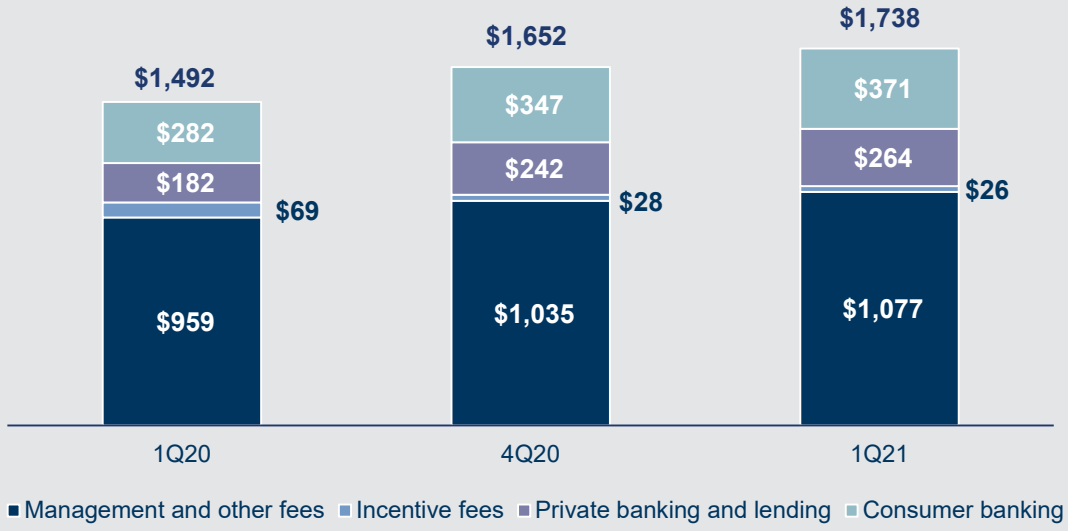
Financial Results

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
Management and other fees	$ 1,077	4%	12%
Incentive fees	26	-7%	-62%
Private banking and lending	264	9%	45%
Wealth management	1,367	5%	13%
Consumer banking	371	7%	32%
Net revenues	1,738	5%	16%
Provision for credit losses	60	-73%	-64%
Operating expenses	1,499	23%	20%
Pre-tax earnings	$ 179	-15%	124%
Net earnings	$ 147	-11%	104%
Net earnings to common	$ 137	-11%	108%
Average common equity	$ 10,244	15%	46%
Return on average common equity	5.3%	-1.6pp	1.5pp

Consumer & Wealth Management Highlights

- 1Q21 net revenues were higher YoY
  - Wealth management net revenues were higher
    - Management and other fees reflected the impact of higher average AUS
    - Private banking and lending net revenues primarily reflected higher net interest income from lending
  - Consumer banking net revenues were higher, reflecting higher credit card loan and deposit balances
- 1Q21 provision for credit losses included provisions related to the pending acquisition of the General Motors co-branded credit card portfolio, partially offset by a benefit from reserve reductions reflecting continued improvement in the broader economic environment

Consumer & Wealth Management Net Revenues ($ in millions)



Asset Management and Consumer & Wealth Management Details

Firmwide Assets Under Supervision[2,4]

$ in billions	1Q21	4Q20	1Q20	vs. 4Q20	vs. 1Q20
Asset Management	$ 1,567	$ 1,530	$ 1,309	2%	20%
Consumer & Wealth Management	637	615	509	4%	25%
Firmwide AUS	**$ 2,204**	$ 2,145	$ 1,818	3%	21%

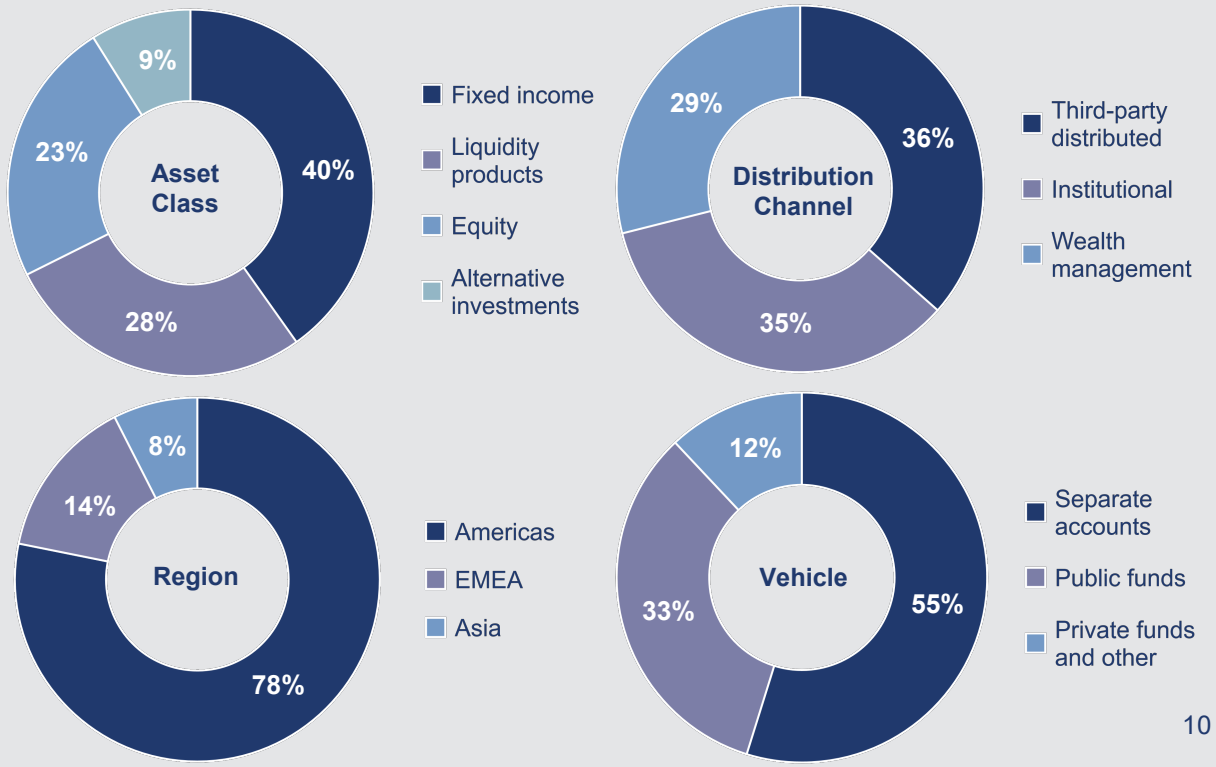
Firmwide Management and Other Fees/Incentive Fees

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
Asset Management	$ 693	-5%	8%
Consumer & Wealth Management	1,077	4%	12%
Total Management and Other Fees	$ 1,770	-%	11%
Asset Management	$ 42	-41%	-73%
Consumer & Wealth Management	26	-7%	-62%
Total Incentive Fees	$ 68	-31%	-70%

Assets Under Supervision Highlights[2,4]

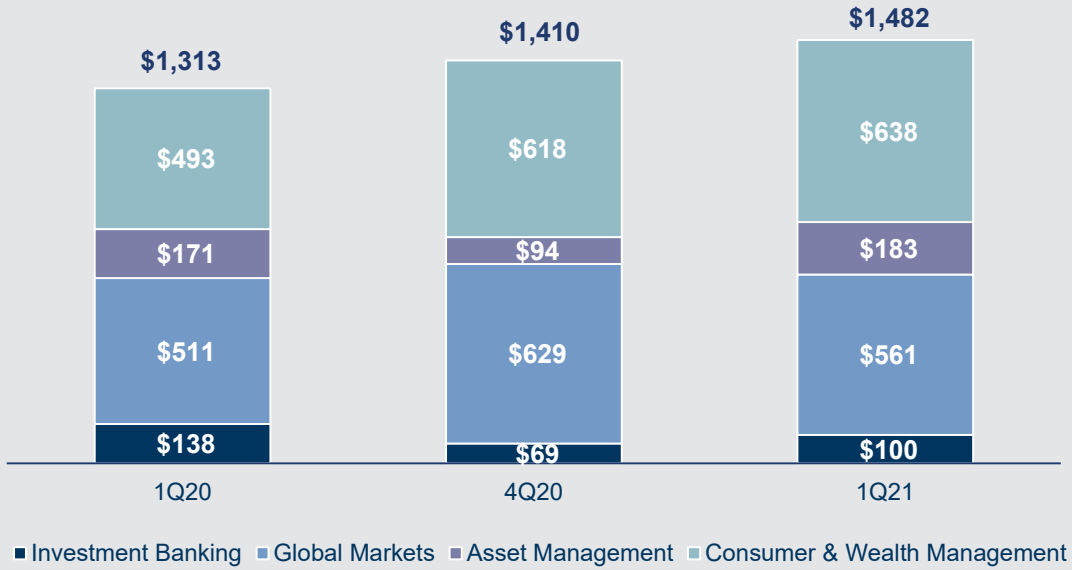
- Firmwide AUS increased $59 billion during the quarter to a record $2.20 trillion, as Asset Management AUS increased $37 billion and Consumer & Wealth Management AUS increased $22 billion
  - Long-term net inflows of $37 billion, primarily driven by fixed income and equity assets
  - Liquidity products net inflows of $23 billion
  - Net market depreciation of $1 billion, as net market depreciation in fixed income assets was largely offset by net market appreciation in equity assets

1Q21 AUS Mix[2,4]



Net Interest Income and Loans

Net Interest Income by Segment ($ in millions)



Loans[4]

$ in billions	1Q21	4Q20	1Q20
Corporate	$ 48	$ 49	$ 68
Wealth management	36	33	29
Commercial real estate	21	20	17
Residential real estate	9	6	4
Installment	3	4	5
Credit cards	4	4	2
Other	4	4	6
Allowance for loan losses	(4)	(4)	(3)
Total Loans	$ 121	$ 116	$ 128

Metrics

3.3%
ALLL to Total Gross Loans, at Amortized Cost

2.4%
ALLL to Gross Wholesale Loans, at Amortized Cost

14.1%
ALLL to Gross Consumer Loans, at Amortized Cost

Net Interest Income Highlights

- 1Q21 net interest income increased $169 million YoY
- The YoY increase in net interest income reflected an increase in interest-earning assets and continued shift to lower cost deposit funding

Lending Highlights

- Total loans increased $5 billion, up 4% QoQ, primarily reflecting growth in residential real estate (primarily in warehouse lending) and wealth management loans
- Total allowance was $4.24 billion (including $3.52 billion for funded loans), down ~$0.20 billion QoQ
  - — $2.95 billion for wholesale loans, $1.29 billion for consumer loans
- Provision for credit losses was a net benefit of $70 million in 1Q21, compared with net provisions of $937 million in 1Q20
- 1Q21 net charge-offs of $78 million for an annualized net charge-off rate of 0.3%, down 40bps QoQ
  - — Wholesale annualized net charge-off rate of 0.1%, down 40bps QoQ
  - — Consumer annualized net charge-off rate of 3.1%, down 20bps QoQ

Expenses

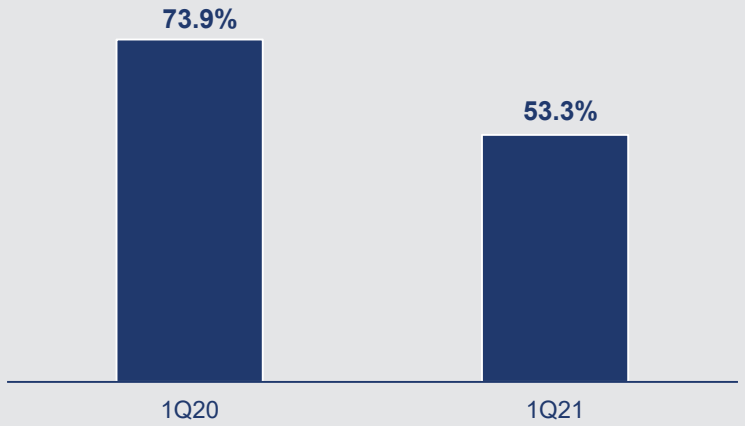
Financial Results

$ in millions	1Q21	vs. 4Q20	vs. 1Q20
Compensation and benefits	$ 6,043	144%	87%
Transaction based	1,256	16%	22%
Market development	80	-10%	-48%
Communications and technology	375	10%	17%
Depreciation and amortization	498	-%	14%
Occupancy	247	-3%	4%
Professional fees	360	3%	4%
Other expenses	578	-29%	-17%
Total operating expenses	$ 9,437	60%	46%
Provision for taxes	$ 1,501	45%	N.M.
Effective Tax Rate	***18.0%***		

Expense Highlights

- 1Q21 total operating expenses increased significantly YoY
  - — Compensation and benefits expenses up 87% (reflecting strong performance)
  - — Non-compensation expenses up 5%, reflecting:
    - Significantly higher transaction based expenses (reflecting an increase in activity levels)
    - Higher technology expenses
    - Lower net provisions for litigation and regulatory proceedings
    - Lower travel and entertainment expenses (included in market development expenses) and lower expenses related to consolidated investments (including impairments)
- 1Q21 effective income tax rate was 18.0%, down from the full year rate of 24.2% for 2020, primarily due to the impact of non-deductible litigation in 2020 and the impact of tax benefits on the settlement of employee share-based awards in the first quarter of 2021

Efficiency Ratio[2]



Capital and Balance Sheet

Capital[2,4]

$ in billions	1Q21	4Q20	1Q20
Common Equity Tier 1 (CET1) capital	**$ 85.2**	$ 81.6	$ 74.6
Standardized RWAs	**$ 595**	$ 554	$ 594
Standardized CET1 capital ratio	**14.3%**	14.7%	12.5%
Advanced RWAs	**$ 630**	$ 610	$ 606
Advanced CET1 capital ratio	**13.5%**	13.4%	12.3%
Supplementary leverage ratio (SLR)	**6.5%**	7.0%	5.9%

Selected Balance Sheet Data[4]

$ in billions	1Q21	4Q20	1Q20
Total assets	**$ 1,302**	$ 1,163	$ 1,090
Deposits	**$ 286**	$ 260	$ 220
Unsecured long-term borrowings	**$ 219**	$ 213	$ 226
Shareholders' equity	**$ 98**	$ 96	$ 92
Average GCLA[2]	**$ 299**	$ 298	$ 243

Capital and Balance Sheet Highlights

- Standardized CET1 ratio decreased QoQ reflecting higher credit and market RWAs driven by increased exposure
- Advanced CET1 ratio increased QoQ due to an increase in CET1 capital reflecting net earnings in excess of share repurchases and dividends, partially offset by higher RWAs
- SLR decreased QoQ reflecting higher average total assets
- Returned $3.15 billion of capital to common shareholders during the quarter
  - Repurchased 8.7 million shares for a total cost of $2.70 billion[2] in 1Q21
  - Paid $448 million of capital in common stock dividends
- The firm's balance sheet increased $139 billion QoQ, reflecting client demand
  - Maintained highly liquid balance sheet as GCLA[2] averaged $299 billion[4] in 1Q21
  - Deposits increased $26 billion QoQ; Consumer deposits surpassed $100 billion this quarter
  - Unsecured long-term borrowings increased $6 billion QoQ; 2021 benchmark issuances are expected to be modestly higher than maturities and redemptions
- BVPS increased 6.2% QoQ, driven by net earnings

Book Value

In millions, except per share amounts	1Q21	4Q20	1Q20
Basic shares[2]	**352.7**	358.8	355.7
Book value per common share	**$ 250.81**	$ 236.15	$ 228.21
Tangible book value per common share[1]	**$ 236.90**	$ 222.32	$ 214.69

Cautionary Note Regarding Forward-Looking Statements

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

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

Statements regarding (i) estimated GDP growth, (ii) the impact of the COVID-19 pandemic on the firm’s business, results, financial position and liquidity, (iii) the timing, profitability, benefits and other prospective aspects of business initiatives and the achievability of medium- and long-term targets and goals, (iv) the future state of the firm’s liquidity and regulatory capital ratios, (v) the firm’s prospective capital distributions (including dividends and repurchases), (vi) the firm’s future effective income tax rate, (vii) the firm’s investment banking transaction backlog, and (viii) the firm’s planned 2021 debt benchmark issuances are forward-looking statements. Statements regarding estimated GDP growth are subject to the risk that actual GDP growth may differ, possibly materially, due to, among other things, changes in general economic conditions. Statements about the effects of the COVID-19 pandemic on the firm’s business, results, financial position and liquidity are subject to the risk that the actual impact may differ, possibly materially, from what is currently expected. Statements about the timing, profitability, benefits and other prospective aspects of business initiatives and the achievability of medium and long-term targets and goals are based on the firm’s current expectations regarding the firm’s ability to implement these initiatives and achieve these targets and goals and may change, possibly materially, from what is currently expected. Statements about the future state of the firm’s liquidity and regulatory capital ratios, as well as its prospective capital distributions, are subject to the risk that the firm’s actual liquidity, regulatory capital ratios and capital distributions may differ, possibly materially, from what is currently expected. Statements about the firm’s future effective income tax rate are subject to the risk that the firm’s future effective income tax rate may differ from the anticipated rate indicated, possibly materially, due to, among other things, changes in the tax rates applicable to the firm, the firm’s earnings mix or profitability, the entities in which the firm generates profits and the assumptions made in forecasting the firm’s expected tax rate, and potential future guidance from the U.S. IRS. Statements about the firm’s investment banking transaction backlog are subject to the risk that transactions may be modified or may not be completed at all and related net revenues may not be realized or may be materially less than expected. Important factors that could have such a result include, for underwriting transactions, a decline or weakness in general economic conditions, an outbreak of hostilities, volatility in the securities markets or an adverse development with respect to the issuer of the securities and, for financial advisory transactions, a decline in the securities markets, an inability to obtain adequate financing, an adverse development with respect to a party to the transaction or a failure to obtain a required regulatory approval. Statements regarding the firm’s planned 2021 debt benchmark issuances are subject to the risk that actual issuances may differ, possibly materially, due to changes in market conditions, business opportunities or the firm’s funding needs.

Footnotes

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

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

	AVERAGE FOR THE	AS OF		
Unaudited, $ in millions	THREE MONTHS ENDED MARCH 31, 2021	MARCH 31, 2021	DECEMBER 31, 2020	MARCH 31, 2020
Total shareholders' equity	$ 96,159	$ 97,664	$ 95,932	$ 92,379
Preferred stock	(9,703)	(9,203)	(11,203)	(11,203)
Common shareholders' equity	86,456	88,461	84,729	81,176
Goodwill	(4,332)	(4,332)	(4,332)	(4,196)
Identifiable intangible assets	(608)	(575)	(630)	(614)
Tangible common shareholders' equity	$ 81,516	$ 83,554	$ 79,767	$ 76,366

2. For information about the following items, see the referenced sections in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Annual Report on Form 10-K for the year ended December 31, 2020: (i) investment banking transaction backlog – see "Results of Operations – Investment Banking" (ii) assets under supervision – see "Results of Operations – Assets Under Supervision" (iii) efficiency ratio – see "Results of Operations – Operating Expenses" (iv) basic shares – see "Balance Sheet and Funding Sources – Balance Sheet Analysis and Metrics" (v) share repurchase program – see "Equity Capital Management and Regulatory Capital – Equity Capital Management" and (vi) global core liquid assets – see "Risk Management – Liquidity Risk Management."

   For information about risk-based capital ratios and the supplementary leverage ratio, see Note 20 "Regulation and Capital Adequacy" in Part II, Item 8 "Financial Statements and Supplementary Data" in the firm's Annual Report on Form 10-K for the year ended December 31, 2020.

3. Dealogic – January 1, 2021 through March 31, 2021.

4. Represents a preliminary estimate for the first quarter of 2021 and may be revised in the firm's Quarterly Report on Form 10-Q for the period ended March 31, 2021.

5. Includes consolidated investment entities, substantially all of which are engaged in real estate investment activities. These assets are generally accounted for at historical cost less depreciation. Substantially all liabilities are nonrecourse, thereby reducing the firm's equity at risk. Amounts by vintage, region and asset class are net of financings.