

GOLDMAN SACHS NYSE-GS

RECENT PRICE **250.58** P/E RATIO **11.9** (Trailing: 12.7; Median: 10.0) RELATIVE P/E RATIO **0.64** DIV'D YLD **1.2%** VALUE LINE

TIMELINESS 3 Lowered 1/6/17
SAFETY 1 Raised 10/13/17
TECHNICAL 3 Raised 3/16/18
BETA 1.20 (1.00 = Market)

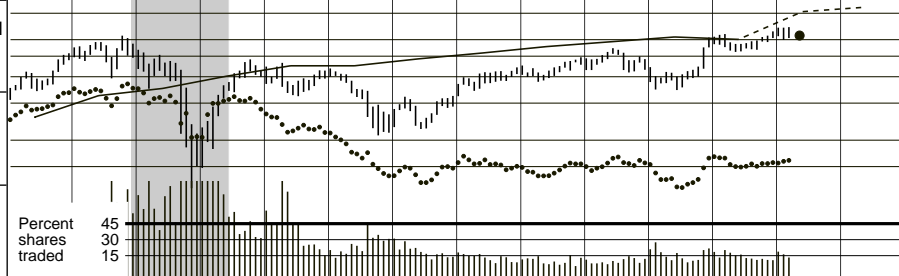
High: 250.7 215.0 193.6 186.4 175.3 129.7 177.4 198.1 218.8 245.6 262.1 275.3
 Low: 157.4 47.4 59.1 129.5 84.3 90.4 129.6 151.6 167.5 138.2 209.6 239.3

LEGENDS
 — 1.3 x Book value p sh
 ... Relative Price Strength
 Options: Yes
 Shaded area indicates recession

2021-23 PROJECTIONS
 Price Gain Ann'l Total
 High 375 (+50%) 12%
 Low 305 (+20%) 6%

Insider Decisions
 J A S O N D J F
 to Buy 0 0 0 0 0 0 0 0
 Options 0 0 1 0 2 4 10 8
 to Sell 0 0 2 0 3 6 0 1 2

Institutional Decisions
 2Q2017 3Q2017 4Q2017
 to Buy 583 447 504
 to Sell 507 375 449
 Hlds(000) 309844 301722 278034



Target Price Range	2021	2022	2023
	640	480	400
	320	240	200
	160	80	60

% TOT. RETURN 3/18	THIS STOCK	VLARITH. INDEX
1 yr.	11.0	9.7
3 yr.	39.6	24.3
5 yr.	82.9	68.8

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
48.32	49.94	61.87	99.52	168.06	222.19	121.07	100.31	90.57	75.79	89.57	91.57	93.16	93.47	94.66	111.23	118.40	123.70	Revenues per sh ^A	152.00
21.6%	8.1%	8.8%	7.1%	6.5%	5.3%	8.7%	7.9%	7.7%	10.2%	7.5%	7.9%	8.2%	8.4%	8.5%	7.2%	8.0%	8.0%	Commissions	8.0%
17.7%	36.2%	40.1%	35.6%	34.6%	33.7%	15.1%	55.8%	44.8%	7.6%	14.0%	17.1%	16.4%	12.7%	8.4%	12.4%	10.5%	10.5%	Principal Trans	10.5%
11.2%	10.1%	11.0%	8.2%	8.0%	8.5%	9.6%	9.2%	10.4%	11.8%	11.8%	14.6%	16.1%	17.9%	16.6%	17.4%	16.5%	16.5%	Invest Banking	16.5%
49.3%	45.5%	39.9%	48.9%	50.7%	52.2%	66.5%	26.9%	26.7%	57.5%	27.3%	22.9%	20.8%	24.2%	26.3%	18.1%	25.0%	25.0%	Interest Income	25.0%
2%	1%	2%	2%	2%	3%	1%	2%	10.4%	12.9%	39.4%	37.5%	38.5%	36.8%	40.2%	44.9%	40.0%	40.0%	Other	40.0%
4.03	5.87	8.92	11.21	19.69	24.73	4.47	22.13	14.90	4.51	14.13	15.46	17.07	18.32	16.36	19.76	22.00	24.00	Earnings per sh ^{AB}	30.80
.48	.74	1.00	1.00	1.40	1.40	1.52	1.05	1.40	1.40	1.77	2.05	2.25	2.55	2.60	2.90	3.00	3.20	Div'ds Decl'd per sh ^C	3.60
40.18	45.73	52.00	60.21	79.21	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	218.12	216.49	252.65	263.15	Book Value per sh	346.65
472.94	473.02	482.30	436.01	412.67	395.91	442.54	515.11	507.53	485.47	465.15	446.36	430.26	419.48	398.38	379.89	380.00	380.00	Common Shs Outst'g ^D	375.00
19.7	13.7	10.8	9.9	7.9	8.5	36.9	6.3	10.4	29.1	7.9	10.2	10.2	10.5	10.3	11.8	11.8	11.8	Avg Ann'l P/E Ratio	11.0
1.08	.78	.57	.53	.43	.45	2.22	.42	.66	1.83	.50	.57	.54	.53	.54	.59	.54	.59	Relative P/E Ratio	.60
.6%	.9%	1.0%	.9%	.9%	.7%	.9%	.7%	.9%	1.1%	1.6%	1.3%	1.3%	1.3%	1.5%	1.2%	1.5%	1.2%	Avg Ann'l Div'd Yield	1.1%

CAPITAL STRUCTURE as of 12/31/17
ST Borrowings \$46.9 bill.
LT Debt \$217.7 bill.
 (Total int. cov.: 2.1x)

Leases, Uncapitalized Annual rentals \$299 mill.
No Defined Pension Benefit Plan

Pfd Stock \$1185.3 mill. **Pfd Div'd** \$601.0 mill.
Common Stock 379,887,039 shs.
 as of 2/9/18
MARKET CAP: \$95.2 billion (Large Cap)

53579	51673	45967	36793	41664	40874	40085	39208	37712	42254	45000	47000	Total Revenues (\$mill) ^A	57000
2322.0	13385	9363.0	4442.0	7475.0	8040.0	8477.0	8933.0	7398.0	8686.0	8360	9120	Net Profit (\$mill)	11550
6%	32.5%	27.4%	28.0%	33.3%	31.5%	31.4%	25.4%	28.2%	22.0%	20.0%	20.0%	Income Tax Rate	20.0%
4.3%	25.9%	20.4%	12.1%	17.9%	19.7%	21.1%	22.8%	19.6%	20.6%	18.6%	19.4%	Net Profit Margin	20.3%
168220	185085	174399	173545	167305	160965	167571	175422	189086	217687	200000	180000	Long-Term Debt	160000
64369	70714	77356	70379	7516	78467	82797	86728	86893	82243	96000	100000	Shr. Equity (\$mill)	130000
7.7%	6.4%	4.8%	2.9%	3.9%	4.8%	4.5%	4.4%	4.0%	4.6%	3.0%	3.5%	Return on Total Cap'l	4.0%
3.6%	18.9%	12.1%	6.3%	9.9%	10.2%	10.2%	10.3%	8.5%	10.6%	8.5%	9.0%	Return on Shr. Equity	9.0%
3.1%	17.5%	11.3%	2.5%	9.2%	9.5%	9.5%	9.6%	7.5%	9.8%	7.5%	8.0%	Retained to Com Eq	8.0%
37%	16%	15%	62%	15%	16%	17%	19%	23%	20%	14%	13%	All Div'ds to Net Prof	12%

BALANCE SHEET

	2015	2016	12/31/17
Cash Assets	131943	121711	110051
Securities Owned	293004	295952	311670
Other	436448	442502	495055
Total Assets	861395	860165	916776
ST Financings	42787	39265	46922
LT Borrowings	175422	189086	217687
Other	556458	544921	569924
Total Liab.	774667	773272	834533

BUSINESS: The Goldman Sachs Group, Inc. is a global investment banking and securities firm. Operates in four business segments: Investment Banking (23% of '17 revenues), Institutional Client Services (37%), Investing & Lending (21%), and Investment Management (19%). 40% of '17 revenues came from outside the Americas. Has over \$1 trillion in assets under management. Acq. Ayco, 7/03.

Has about 36,600 employees. BlackRock owns 6.3% of common stock; Vanguard Group, 6.3%; State Street Corporation, 6.1%; officers and directors, 1.7% (3/18 Proxy). Chairman/Chief Executive Officer: Lloyd C. Blankfein. President: Harvey Schwartz. Incorporated: Delaware. Address: 200 West St., New York, NY 10282. Telephone: 212-902-1000. Internet: www.gs.com.

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '15-'17 to '21-'23

Revenues	6.0%	8.0%	7.5%
Earnings	11.5%	10.0%	9.0%
Dividends	18.5%	7.5%	5.0%
Book Value	18.0%	18.5%	11.0%

QUARTERLY REVENUES (\$ mill.) ^A

Cal-endar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2015	11793	10556	8138	8721	39208
2016	7803	9708	9943	10258	37712
2017	10256	10319	11007	10672	42254
2018	10500	11000	11500	12000	45000
2019	11000	11500	11500	13000	47000

EARNINGS PER SHARE ^{AB}

Cal-endar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2015	5.94	4.75	2.90	4.68	18.32
2016	2.68	3.72	4.88	5.08	16.36
2017	5.15	3.95	5.02	5.64	19.76
2018	4.50	5.00	6.00	6.50	22.00
2019	5.00	5.00	6.50	7.50	24.00

QUARTERLY DIVIDENDS PAID ^C

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.55	.55	.55	.60	2.25
2015	.60	.65	.65	.65	2.55
2016	.65	.65	.65	.65	2.60
2017	.65	.75	.75	.75	2.90
2018	.75				

Shares of Goldman Sachs have declined slightly in price since our January full-page report. After several quarters of sharp improvement in the company's outlook, momentum slowed in recent months. First, Goldman's fourth-quarter results came in mixed. Revenues of \$10.672 billion were higher on a year-over-year basis, but fell shy of our \$10.918 estimate. The year-over-year growth was led by a 44% improvement in the Investment Banking segment, which was in turn driven by a 76% increase in underwriting revenue due to higher debt underwriting from leveraged finance activity, and equity underwriting from secondary offerings. This was partially offset by a decline in Institutional Client Services revenue, which was hindered by lower revenues in currencies, credit products, interest-rate products, and commodities.

The company is likely to benefit from recently passed tax reform legislation. The Tax Cuts and Jobs Act, which includes a drop in the U.S. corporate tax rate from 35% to 21%, should provide a boost to the company's bottom line. It also may boost Goldman's revenues by en-

couraging mergers & acquisitions, as well as other corporate activity in which the company specializes. However, Goldman took a large nonrecurring charge due to the legislation, as the company suffered a one-time hit owing to the repatriation tax, as well as the remeasurement of U.S. deferred tax assets as a result of the lower tax rate.

An emerging pattern of U.S. tariffs and foreign retaliation might create risk for Goldman. Escalating and prolonged trade wars would likely lower the outlook for cross-border investment and lending activity. Furthermore, they could lead to economic turbulence. Another possible headwind is rate increases from the Fed, which could hinder some of the company's core businesses, such as debt underwriting.

These shares hold solid risk-adjusted long-term appreciation potential. This stock holds our Highest rank (1) for Safety. Meanwhile, GS shares have the potential to deliver double-digit annualized total returns out to the 2021-2023 stretch, based on our projections.

Adam J. Platt
 April 13, 2018

(A) Fiscal year ends on last Friday in Dec. Prior to fiscal 2009, year ended on last Friday in Nov. Data for stub period (Nov. 28, 2008 - Dec. 27, 2008) incl.: Revenues, \$1,185 million; earnings, (\$2.15).
 (B) Dil. egs. Excl. n/r gains/(losses): '10, (\$1.72), '17 (\$10.75). Earnings may not sum due to changes in the number of shares out.
 (C) Div'd historically paid in late Feb., May, Aug., and Nov.
 (D) In millions.

Company's Financial Strength	A++
Stock's Price Stability	80
Price Growth Persistence	30
Earnings Predictability	45