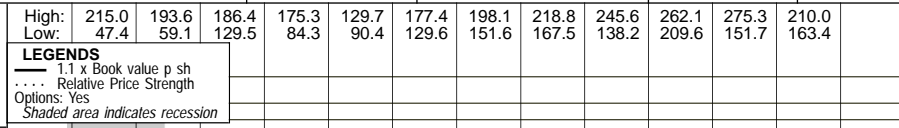


# GOLDMAN SACHS NYSE-GS

RECENT PRICE **206.86** P/E RATIO **8.0** (Trailing: 8.6 Median: 10.0) RELATIVE P/E RATIO **0.47** DIV'D YLD **2.4%** VALUE LINE

**TIMELINESS** 3 Raised 6/21/19  
**SAFETY** 1 Raised 10/13/17  
**TECHNICAL** 5 Lowered 7/12/19  
**BETA** 1.20 (1.00 = Market)

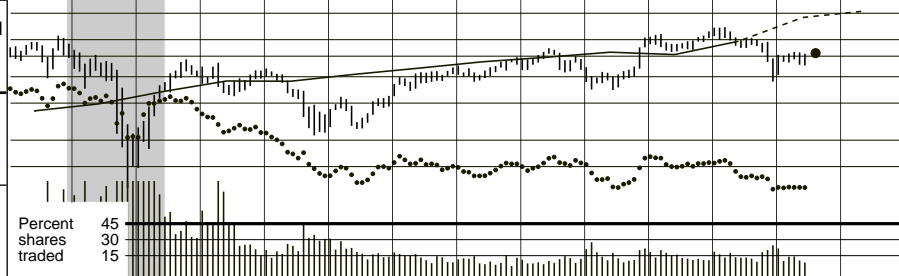


High:	215.0	193.6	186.4	175.3	129.7	177.4	198.1	218.8	245.6	262.1	275.3	210.0	Target Price Range		
Low:	47.4	59.1	129.5	84.3	90.4	129.6	151.6	167.5	138.2	209.6	151.7	163.4	2022	2023	2024

**2022-24 PROJECTIONS**  
 Price **405** Gain **(+95%)** Ann'l Total Return **20%**  
 High **405** Low **330** (+60%) **14%**

**Insider Decisions**  
 S O N D J F M A M  
 to Buy 0 0 0 0 0 0 0 0 0  
 Options 0 0 0 1 7 0 0 0 0  
 to Sell 0 0 0 1 0 1 0 0 0

**Institutional Decisions**  
 3Q2018 4Q2018 1Q2019  
 to Buy 618 534 594  
 to Sell 518 765 571  
 Hlds(000) 265437 254873 250922



% TOT. RETURN 6/19		
THIS STOCK	VL ARITH. INDEX	
1 yr. -5.7	-1.2	
3 yr. 43.6	33.7	
5 yr. 31.0	35.3	

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC 22-24	
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	142.63	<b>150.00</b>	<b>157.75</b>	Revenues per sh <sup>A</sup>	<b>185.50</b>
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%	6.0%	<b>7.0%</b>	<b>7.0%</b>	Commissions	<b>7.0%</b>
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%	11.0%	<b>11.5%</b>	<b>11.5%</b>	Principal Trans	<b>11.5%</b>
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%	14.9%	<b>16.5%</b>	<b>16.5%</b>	Invest Banking	<b>16.5%</b>
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%	17.9%	<b>20.0%</b>	<b>20.0%</b>	Interest Income	<b>20.0%</b>
.1%	.2%	.2%	.2%	.3%	.1%	.2%	10.4%	12.9%	39.4%	37.5%	38.5%	36.8%	40.2%	44.9%	50.2%	<b>45.0%</b>	<b>45.0%</b>	Other	<b>45.0%</b>
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	25.27	<b>26.00</b>	<b>29.00</b>	Earnings per sh <sup>AB</sup>	<b>33.50</b>
.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	3.15	<b>4.15</b>	<b>5.00</b>	Div's Decl'd per sh <sup>C</sup>	<b>7.00</b>
45.73	52.00	60.21	79.21	108.11	145.45	137.28	152.42	144.97	162.78	175.79	192.43	206.75	218.12	216.49	244.89	<b>277.80</b>	<b>298.60</b>	Book Value per sh	<b>362.30</b>
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	368.27	<b>360.00</b>	<b>355.00</b>	Common Shs Outst'g <sup>D</sup>	<b>345.00</b>
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	9.2	<b>Bold figures are Value Line estimates</b>		Avg Ann'l P/E Ratio	<b>11.0</b>
.78	.57	.53	.43	.45	2.22	.42	.66	1.83	.50	.57	.54	.53	.54	.59	.50			Relative P/E Ratio	<b>.60</b>
.9%	1.0%	.9%	.9%	.7%	.9%	.7%	.9%	1.1%	1.6%	1.3%	1.3%	1.3%	1.5%	1.2%	1.4%			Avg Ann'l Div'd Yield	<b>1.9%</b>

**CAPITAL STRUCTURE as of 3/31/19**  
**ST Borrowings** \$45.4 bill.  
**LT Debt** \$224.5 bill.  
 (Total int. cov.: 1.8x)  
**Leases, Uncapitalized Annual rentals** \$281 mill.  
**No Defined Pension Benefit Plan**  
**Pfd Stock** \$11203 mill. **Pfd Div'd** \$599.0 mill.  
**Common Stock** 365,838,779 shs.  
 as of 4/18/19  
**MARKET CAP: \$75.7 billion (Large Cap)**

51673	45967	36793	41664	40874	40085	39208	37712	42254	52528	<b>54000</b>	<b>56000</b>	Total Revenues (\$mill) <sup>A</sup>	<b>64000</b>
13385	9363.0	4442.0	7475.0	8040.0	8477.0	8933.0	7398.0	8686.0	10459	<b>9360</b>	<b>10295</b>	Net Profit (\$mill)	<b>11560</b>
32.5%	27.4%	28.0%	33.3%	31.5%	31.4%	25.4%	28.2%	22.0%	16.2%	<b>20.0%</b>	<b>20.0%</b>	Income Tax Rate	<b>20.0%</b>
25.9%	20.4%	12.1%	17.9%	19.7%	21.1%	22.8%	19.6%	20.6%	19.9%	<b>17.3%</b>	<b>18.4%</b>	Net Profit Margin	<b>18.1%</b>
185085	174399	173545	167305	160965	167571	175422	189086	217687	224149	<b>200000</b>	<b>190000</b>	Long-Term Debt	<b>160000</b>
70714	77356	70379	75716	78467	82797	86728	86893	82243	90185	<b>100000</b>	<b>106000</b>	Shr. Equity (\$mill)	<b>125000</b>
6.4%	4.8%	2.9%	3.9%	4.8%	4.5%	4.4%	4.0%	4.6%	5.7%	<b>3.0%</b>	<b>3.5%</b>	Return on Total Cap'l	<b>4.0%</b>
18.9%	12.1%	6.3%	9.9%	10.2%	10.2%	10.3%	8.5%	10.6%	11.6%	<b>9.5%</b>	<b>9.5%</b>	Return on Shr. Equity	<b>9.0%</b>
17.5%	11.3%	2.5%	9.2%	9.5%	9.5%	9.6%	7.5%	9.8%	11.0%	<b>8.0%</b>	<b>8.0%</b>	Retained to Com Eq	<b>7.5%</b>
16%	15%	62%	15%	16%	17%	19%	23%	20%	17%	<b>16%</b>	<b>17%</b>	All Div's to Net Prof	<b>21%</b>

**BALANCE SHEET (SMILL.)**

	2017	2018	3/31/19
Cash Assets	110051	130547	87884
Securities Owned	311670	274543	280395
Other	495055	526706	557070
Total Assets	916776	931796	925349
ST Financings	46922	40502	45432
LT Borrowings	217687	224149	224473
Other	569924	576960	565171
Total Liab.	834533	841611	835076

**BUSINESS:** The Goldman Sachs Group, Inc. is a global investment banking and securities firm. Operates in four business segments: Investment Banking (22% of '18 revenues), Institutional Client Services (37%), Investing & Lending (22%), and Investment Management (19%). 39% of '18 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 6.1% of common stock; Vanguard Group, 6.8%; State Street Corporation, 5.8%; officers and directors, 1.4% (3/19 Proxy). Chairman/Chief Executive Officer: David M. Solomon. President: John E. Waldron. 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 '16-'18	'22-'24
of change (per sh)			8.0%	
Revenues	6.0%	8.0%	8.0%	
Earnings	11.5%	10.0%	8.5%	
Dividends	18.5%	7.5%	5.5%	
Book Value	18.0%	18.5%	10.5%	

**Shares of Goldman Sachs have been rangebound since our April report.** The global investment banking behemoth delivered lackluster revenue and earnings-per-share results for the first quarter, but they were solid enough to suggest the stock may be oversold. Revenues of \$13.2 billion for the March period beat our \$13.0 billion estimate slightly, but marked a decline from the \$13.4 billion figure in the previous-year period. Meanwhile, share net of \$5.71 missed our \$6.50 estimate, as well as the \$6.95 figure in the first quarter of 2018. The soft results reflected weakness in the Investing & Lending and Institutional Client Services segments.

has approved Goldman's capital plan for the next 12 months. The program provides for up to \$7 billion worth of share repurchases and \$1.8 billion in common stock dividends, including an increase in the quarterly payout from \$0.85 to \$1.25 per share beginning with the third quarter's disbursement (subject to approval by the board of directors).

**QUARTERLY REVENUES (\$ mill.) <sup>A</sup>**

Cal-endar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2016	7803	9708	9943	10258	37712
2017	10256	10319	11007	10672	42254
2018	13392	13554	13025	12557	52528
2019	13186	<b>13500</b>	<b>13500</b>	<b>13814</b>	<b>54000</b>
2020	<b>13500</b>	<b>13800</b>	<b>14200</b>	<b>14500</b>	<b>56000</b>

**At the recent quotation, these shares trade at a very conservative price/earnings ratio.** In spite of recent setbacks, the company appears set for full-year growth in earnings per share, and yet the stock price has declined significantly over the past two years. As a result, this issue trades at a P/E ratio that is well below its historical average.

**Recent reports indicate that the company intends to grow its private investing footprint.** With Goldman's core investment banking and trading businesses showing signs of stagnation, company executives have signaled a shift toward more fee revenue and a more balanced business mix. A likely scenario entails combining some of Goldman's units that invest in private companies and real estate while raising funds along the lines of large private equity firms in order to generate a steady, growing income stream. **These shares have risk-adjusted appeal for patient investors.** The stock holds our Highest rank (1) for Safety, as well as above-average appreciation potential out to the 2022-2024 stretch.

**EARNINGS PER SHARE <sup>AB</sup>**

Cal-endar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2016	2.68	3.72	4.88	5.08	16.36
2017	5.15	3.95	5.02	5.64	19.76
2018	6.95	5.98	6.28	6.04	25.27
2019	5.71	<b>6.00</b>	<b>7.00</b>	<b>7.29</b>	<b>26.00</b>
2020	<b>7.00</b>	<b>6.80</b>	<b>7.40</b>	<b>7.80</b>	<b>29.00</b>

**QUARTERLY DIVIDENDS PAID <sup>C</sup>**

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.60	.65	.65	.65	2.55
2016	.65	.65	.65	.65	2.60
2017	.65	.75	.75	.75	2.90
2018	.75	.80	.80	.80	3.15
2019	.80	.85			

**The company is returning capital to shareholders.** In light of successful stress test results in June, the Federal Reserve

Adam J. Platt July 12, 2019

(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	75
Price Growth Persistence	35
Earnings Predictability	60