

GOLDMAN SACHS GROUP INC

Form 424B2

February 01, 2019

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Registration Statement No. 333-219206

Subject to Completion. Dated January 31, 2019

The information in this preliminary pricing supplement is not complete and may be changed. This preliminary pricing supplement is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

GS Finance Corp.

\$

Callable Buffered Monthly Russell 2000<sup>®</sup> Index-Linked Range Accrual Notes due

guaranteed by

The Goldman Sachs Group, Inc.

Subject to our redemption right described below, interest, if any, on your notes will be paid monthly on the 28th day of each month, commencing on the first interest payment date (expected to be March 28, 2019) and ending on the stated maturity date (expected to be February 28, 2024). The amount of interest that you will be paid each month will be based on the number of scheduled trading days, each a “reference date”, on which the closing level of the Russell 2000<sup>®</sup> Index is greater than or equal to 80% of the initial index level. To determine your annualized interest rate with respect to each interest payment date, we will divide the number of reference dates in the immediately preceding interest period on which the above condition is met by the total number of reference dates in that interest period. We will then multiply the resulting fraction by the interest factor of 5.25%. Your monthly interest payment for each \$1,000 face amount of your notes will equal the product of the applicable annualized interest rate times \$1,000 times an accrued interest factor. The accrued interest factor is determined in accordance with the 30/360 (ISDA) day count convention. See page PS-7. Unless the above condition is met on each reference date in a monthly interest period, the interest rate with respect to the next interest payment date will be less than 5.25% per annum, and if it is never met, the interest rate with respect to such interest payment date will be 0%.

We may redeem your notes at 100% of their face amount plus any accrued and unpaid interest on any monthly interest payment date on or after February 28, 2020.

If we do not redeem your notes, the amount that you will be paid on your notes on the stated maturity date, in addition to any accrued and unpaid interest, is based solely on the performance of the index as measured from the trade date (expected to be February 25, 2019) to and including the determination date (expected to be February 13, 2024). If the final index level on the determination date is greater than or equal to 80% of the initial index level, you will receive the face amount of your notes. If the final index level is less than 80% of the initial index level, the amount you receive will depend on the index return but will be less than the face amount of your notes, as described below. You will not benefit from any increase in the final index level above the initial index level, and you could lose a substantial

portion of your investment in the notes if the final index level is less than 80% of the initial index level.

To determine your payment at maturity, excluding any interest payment, we will calculate the index return, which is the percentage increase or decrease in the final index level from the initial index level. At maturity, for each \$1,000 face amount of your notes, you will receive an amount in cash equal to:

• if the index return is greater than or equal to -20% (the final index level is greater than or equal to 80% of the initial index level), \$1,000; or

• if the index return is less than -20% (the final index level is less than 80% of the initial index level), the sum of (i) \$1,000 plus (ii) the product of (a) the sum of the index return plus 20% times (b) \$1,000. You will receive less than the face amount of your notes.

You should read the disclosure herein to better understand the terms and risks of your investment, including the credit risk of GS Finance Corp. and The Goldman Sachs Group, Inc. See page PS-13.

The estimated value of your notes at the time the terms of your notes are set on the trade date is expected to be between \$910 and \$960 per \$1,000 face amount. For a discussion of the estimated value and the price at which Goldman Sachs & Co. LLC would initially buy or sell your notes, if it makes a market in the notes, see the following page

Original issue date: expected to be February 28, 2019 Original issue price: 100% of the face amount

Underwriting discount: % of the face amount Net proceeds to the issuer: % of the face amount

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense. The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

Goldman Sachs & Co. LLC

Pricing Supplement No.     dated                     , 2019.

The issue price, underwriting discount and net proceeds listed above relate to the notes we sell initially. We may decide to sell additional notes after the date of this pricing supplement, at issue prices and with underwriting discounts and net proceeds that differ from the amounts set forth above. The return (whether positive or negative) on your investment in notes will depend in part on the issue price you pay for such notes.

GS Finance Corp. may use this prospectus in the initial sale of the notes. In addition, Goldman Sachs & Co. LLC or any other affiliate of GS Finance Corp. may use this prospectus in a market-making transaction in a note after its initial sale. Unless GS Finance Corp. or its agent informs the purchaser otherwise in the confirmation of sale, this prospectus is being used in a market-making transaction.

#### Estimated Value of Your Notes

The estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by Goldman Sachs & Co. LLC (GS&Co.) and taking into account our credit spreads) is expected to be between \$910 and \$960 per \$1,000 face amount, which is less than the original issue price. The value of your notes at any time will reflect many factors and cannot be predicted; however, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would initially buy or sell notes (if it makes a market, which it is not obligated to do) and the value that GS&Co. will initially use for account statements and otherwise is equal to approximately the estimated value of your notes at the time of pricing, plus an additional amount (initially equal to \$      per \$1,000 face amount).

Prior to      , the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would buy or sell your notes (if it makes a market, which it is not obligated to do) will equal approximately the sum of (a) the then-current estimated value of your notes (as determined by reference to GS&Co.'s pricing models) plus (b) any remaining additional amount (the additional amount will decline to zero on a straight-line basis from the time of pricing through      ). On and after      , the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would buy or sell your notes (if it makes a market) will equal approximately the then-current estimated value of your notes determined by reference to such pricing models.

#### About Your Prospectus

The notes are part of the Medium-Term Notes, Series E program of GS Finance Corp. and are fully and unconditionally guaranteed by The Goldman Sachs Group, Inc. This prospectus includes this pricing supplement and the accompanying documents listed below. This pricing supplement constitutes a supplement to the documents listed below and should be read in conjunction with such documents:

Product supplement no. 1,754 dated July 10, 2017

General terms supplement no. 1,734 dated July 10, 2017

Prospectus supplement dated July 10, 2017

Prospectus dated July 10, 2017

The information in this pricing supplement supersedes any conflicting information in the documents listed above. In addition, some of the terms or features described in the listed documents may not apply to your notes.

PS-2

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•For investors who want the opportunity for a potentially higher annualized interest rate than on a comparable fixed or floating rate debt security and believe that (i) the level of the underlier on any scheduled trading day from and including the issue date to but excluding the final interest determination date will not be less than 80% of the initial underlier level and (ii) the final underlier level will not decline by more than 20% relative to the initial underlier level.

•For investors who (i) are willing to bear a loss if the underlier declines by more than 20% relative to the initial underlier level and (ii) are willing to receive interest at a rate of less than 5.25% per annum, and possibly 0% per annum, if the underlier level does not meet or exceed the underlier barrier level on each reference date.

•For investors who understand that, due to the issuer's early redemption right, the term of their notes could be anywhere from twelve to sixty months.

The monthly interest payment for each \$1,000 face amount of the notes will equal:

Subject to the issuer's early redemption right, at maturity, excluding any interest payment, for each \$1,000 face amount the investor will receive:

- if the final underlier level is greater than or equal to the buffer level, 100% of the face amount; or
- if the final underlier level is less than the buffer level, the sum of (i) 100% of the face amount plus (ii) the product of (a) \$1,000 times (b) the sum of the underlier return plus the buffer amount.

If the final underlier level is less than the buffer level, the return on the notes will be negative and the investor could lose a substantial portion of their investment in the notes.

•We may redeem the notes at 100% of their face amount, plus any accrued and unpaid interest, on any interest payment date on or after February 28, 2020.

•While we may choose to call the notes on any monthly interest payment date on or after February 28, 2020, we are more likely to call the notes if:

o the underlier level stays above the underlier barrier level

o interest rates decline or do not increase; or

o the issuer's credit spreads decrease.

Issuer: GS Finance Corp.

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Guarantor:	The Goldman Sachs Group, Inc.
Underlier:	The Russell 2000 <sup>®</sup> Index (Bloomberg symbol, "RTY Index")
Face Amount:	\$ in the aggregate; each note will have a face amount equal to \$1,000
Trade Date:	Expected to be February 25, 2019
Settlement Date:	Expected to be February 28, 2019
Determination Date:	Expected to be February 13, 2024
Stated Maturity Date:	Expected to be February 28, 2024
Early Redemption Right:	We have the right to redeem the notes, in whole but not in part, at a price equal to 100% of the face amount plus any accrued and unpaid interest to but excluding such redemption date, on each interest payment date on or after February 28, 2020
Redemption Dates:	The interest payment date that is expected to fall on February 28, 2020 and each interest payment date occurring thereafter
Interest Determination Dates:	The tenth scheduled trading day prior to each interest payment date
Interest Payment Dates:	Expected to be the 28th day of each month, beginning on March 28, 2019 and ending on the stated maturity date
Initial Underlier Level:	To be determined on the trade date
Final Underlier Level:	The closing level of the underlier on the determination date
Underlier Return:	The quotient of (i) the final underlier level minus the initial underlier level divided by (ii) the initial underlier level, expressed as a positive or negative percentage.
Underlier Barrier Level:	80% of the initial underlier level
Buffer Level:	80% of the initial underlier level
Buffer Amount:	20%
Day Count Convention:	30/360 (ISDA)
Business Day Convention:	Following unadjusted
Accrued Interest Factor:	Calculated in accordance with the day count convention with respect to each period from and including each interest payment date (or the original issue date, in the case of the first interest payment date) to but excluding the next succeeding interest payment date
CUSIP/ISIN:	40056EWE4 / US40056EWE49

PS-3

Non-call Period      Above Underlier Barrier Level      Below Underlier Barrier Level      Accruing

Underlier Level Generally Increases Over the Life of the Notes, and the Final Underlier Level Is Greater Than the Buffer Level

- Interest Payments: Interest will accrue at the full 5.25% per annum.
- Call Feature: The issuer is more likely to call the notes prior to maturity.
- Payment at Maturity: Since the final underlier level is greater than the buffer level, the investor will receive the face amount at maturity.

Underlier Level Increases and Decreases Over The Life of the Notes, but the Final Underlier Level Is Greater Than the Buffer Level

Underlier Level Increases and Decreases Over The Life of the Notes, but the Final Underlier Level Is Less Than the Buffer Level

•Interest Payments: The interest rate will be 5.25% per annum only during the periods when the closing underlier level is always greater than or equal to the underlier barrier.

•Call Feature: The issuer is somewhat more likely to call the

notes prior to maturity when the underlier level is greater than the underlier barrier level.

•Payment at Maturity: Since the final underlier level is greater than the buffer level, the investor will receive the face amount at maturity.

Underlier Level Generally Decreases Over The Life of the Notes, and the Final Underlier Level Is Less Than the Buffer Level

•Interest Payments: The interest rate will be 5.25% per annum only during the periods when the closing underlier level is always greater than or equal to the underlier barrier level.

•Call Feature: The issuer is somewhat less likely to call the notes prior to maturity when the underlier level is less than the underlier barrier level.

•Payment at Maturity: Since the final underlier level is less than the buffer level, the investor will lose a significant portion of their investment.

•Interest Payments: The monthly interest payments are mostly zero.



•Call  
Feature:  
The issuer  
is not likely  
to call the  
notes prior  
to  
maturity.

•Payment at  
Maturity:  
Since the  
final  
underlier  
level is less  
than the  
buffer  
level, the  
investor  
will lose a  
significant  
portion of  
their  
investment.

Please read the section entitled “Additional Risk Factors Specific to Your Notes” of this pricing supplement as well as the risks and considerations described in the accompanying prospectus dated July 10, 2017, in the accompanying prospectus supplement dated July 10, 2017, under “Additional Risk Factors Specific to the Callable Range Accrual Notes” in the accompanying product supplement no. 1,754 dated July 10, 2017, and under “Additional Risk Factors Specific to the Notes” in the accompanying general terms supplement no. 1,734 dated July 10, 2017.

PS-4

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## Summary Information

We refer to the notes we are offering by this pricing supplement as the “offered notes” or the “notes”. Each of the offered notes has the terms described below. Please note that in this pricing supplement, references to “GS Finance Corp.”, “we”, “our” and “us” mean only GS Finance Corp. and do not include its subsidiaries or affiliates, references to “The Goldman Sachs Group, Inc.”, our parent company, mean only The Goldman Sachs Group, Inc. and do not include its subsidiaries or affiliates and references to “Goldman Sachs” mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries and affiliates, including us. Also, references to the “accompanying prospectus” mean the accompanying prospectus, dated July 10, 2017, references to the “accompanying prospectus supplement” mean the accompanying prospectus supplement, dated July 10, 2017, for Medium-Term Notes, Series E, references to the “accompanying general terms supplement no. 1,734” mean the accompanying general terms supplement no. 1,734, dated July 10, 2017, and references to the “accompanying product supplement no. 1,754” mean the accompanying product supplement no. 1,754, dated July 10, 2017, in each case of GS Finance Corp. and The Goldman Sachs Group, Inc. The notes will be issued under the senior debt indenture, dated as of October 10, 2008, as supplemented by the First Supplemental Indenture, dated as of February 20, 2015, each among us, as issuer, The Goldman Sachs Group, Inc., as guarantor, and The Bank of New York Mellon, as trustee. This indenture, as so supplemented and as further supplemented thereafter, is referred to as the “GSFC 2008 indenture” in the accompanying prospectus supplement.

This section is meant as a summary and should be read in conjunction with the section entitled “General Terms of the Callable Range Accrual Notes” on page S-25 of the accompanying product supplement no. 1,754 and “Supplemental Terms of the Notes” on page S-16 of the accompanying general terms supplement no. 1,734. Please note that certain features, as noted below, described in the accompanying product supplement no. 1,754 and general terms supplement no. 1,734 are not applicable to the notes. This pricing supplement supersedes any conflicting provisions of the accompanying product supplement no. 1,754 or the accompanying general terms supplement no. 1,734.

## Key Terms

Issuer: GS Finance Corp.

Guarantor: The Goldman Sachs Group, Inc.

Underlier: the Russell 2000<sup>®</sup> Index (Bloomberg symbol, “RTY Index”), as published by FTSE Russell

Specified currency: U.S. dollars (“\$”)

Terms to be specified in accordance with the accompanying product supplement no. 1,754:

type of notes: notes linked to an underlier

redemption right or price dependent redemption right: yes, as described below

reference rate: not applicable

rate trigger range: not applicable

trigger buffer level: not applicable

buffer level: yes, as described below

Face amount: each note will have a face amount of \$1,000; \$            in the aggregate for all the offered notes; the aggregate face amount of the offered notes may be increased if the issuer, at its sole option, decides to sell an additional amount of the offered notes on a date subsequent to the date of this pricing supplement

Purchase at amount other than face amount: the amount we will pay you at the stated maturity date for your notes or upon any early redemption of your notes, will not be adjusted based on the issue price you pay for your notes, so if you acquire notes at a premium (or discount) to face amount and hold them to the stated maturity date or date of early redemption, it could affect your investment in a number of ways. The return on your investment in such notes will be lower (or higher) than it would have been had you purchased the notes at face amount. Also, the stated buffer level would not offer the same measure of protection to your investment as would be the case if you had purchased the notes at face amount. See

PS-5

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“Additional Risk Factors Specific to Your Notes — If You Purchase Your Notes at a Premium to Face Amount, the Return on Your Investment Will Be Lower Than the Return on Notes Purchased at Face Amount and the Impact of Certain Key Terms of the Notes Will be Negatively Affected” on page PS-15 of this pricing supplement.

Supplemental discussion of U.S. federal income tax consequences: you will be obligated pursuant to the terms of the notes — in the absence of a change in law, an administrative determination or a judicial ruling to the contrary — to characterize each note for all tax purposes as an income-bearing pre-paid derivative contract in respect of the underlier, as described under “Supplemental Discussion of Federal Income Tax Consequences” on page S-31 of the accompanying product supplement no. 1,754. Pursuant to this approach, it is the opinion of Sidley Austin LLP that it is likely that any interest payment will be taxed as ordinary income in accordance with your regular method of accounting for U.S. federal income tax purposes. If you are a United States alien holder of the notes, we intend to withhold on interest payments made to you at a 30% rate or at a lower rate specified by an applicable income tax treaty. In addition, upon the sale, exchange, redemption or maturity of your notes, it would be reasonable for you to recognize capital gain or loss equal to the difference, if any, between the amount of cash you receive at such time (excluding amounts attributable to any interest payment) and your tax basis in your notes. Pursuant to Treasury regulations, Foreign Account Tax Compliance Act (FATCA) withholding (as described in “United States Taxation—Taxation of Debt Securities—Foreign Account Tax Compliance Act (FATCA) Withholding” in the accompanying prospectus) will generally apply to obligations that are issued on or after July 1, 2014; therefore, the notes will generally be subject to the FATCA withholding rules. Pursuant to recently proposed regulations, the Treasury Department has indicated its intent to eliminate the requirements under FATCA of withholding on gross proceeds from the sale, exchange, maturity or other disposition of relevant financial instruments. The Treasury Department has indicated that taxpayers may rely on these proposed regulations pending their finalization.

Cash settlement amount (on the stated maturity date): for each \$1,000 face amount of your notes, in addition to any accrued and unpaid interest, we will pay you on the stated maturity date, subject to our early redemption right, an amount in cash equal to:

• if the final underlier level is greater than or equal to the buffer level, \$1,000; or  
• if the final underlier level is less than the buffer level, the sum of (1) \$1,000 plus (2) the product of (i) \$1,000 times (ii) the buffer rate times (iii) the sum of the underlier return plus the buffer amount

Early redemption right: we have the right to redeem your notes, in whole but not in part, on each redemption date at a price equal to 100% of the face amount plus any accrued and unpaid interest to but excluding such redemption date, subject to at least ten business days prior notice, as further described under “General Terms of the Callable Range Accrual Notes – Redemption of the Notes” on page S-25 of the accompanying product supplement no. 1,754

Redemption dates: the interest payment date that is expected to fall on February 28, 2020 and each interest payment date occurring thereafter

Interest rate: the interest rate with respect to any interest payment date will be determined on the immediately preceding interest determination date, based on the closing level of the underlier on each reference date during the interest period immediately preceding such interest payment date. The interest rate will be equal to the product of (1) the interest factor times (2) the quotient of (i) the number of reference dates during the applicable interest period when the closing level of the underlier is greater than or equal to the underlier barrier level divided by (ii) the number of reference dates in such interest period, subject to adjustment as described under “General Terms of the Callable Range Accrual Notes – Interest Payments” on page S-25 of the accompanying product supplement no. 1,754.

Interest factor: 5.25%

Interest period: each period from and including each interest determination date (or the original issue date in the case of the initial interest period) to but excluding the next succeeding interest determination date

Interest determination dates: the tenth scheduled trading day prior to each interest payment date

Interest payment dates (to be set on the trade date): expected to be the 28th day of each month, beginning on March 28, 2019, up to and including the stated maturity date, subject to adjustment as described under “General Terms of the Callable Range Accrual Notes – Interest Payments” on page S-25 of the accompanying product supplement no. 1,754

Day count convention: 30/360 (ISDA), which means the number of days in the interest accrual period in respect of which payment is being made divided by 360, calculated on a formula basis as follows, as

PS-6

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described in Section 4.16(f) of the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, without regard to any subsequent amendments or supplements:

$$\frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the interest accrual period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the interest accrual period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the interest accrual period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the interest accrual period falls;

“D1” is the first calendar day, expressed as a number, of the interest accrual period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the interest accrual period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30.

Accrued interest factor: calculated in accordance with the day count convention with respect to each period from and including each interest payment date (or the original issue date, in the case of the first interest payment date) to but excluding the next succeeding interest payment date (each such period, an “interest accrual period”).

Initial underlier level (to be set on the trade date):

Underlier barrier level: 80% of the initial underlier level

Final underlier level: the closing level of the underlier on the determination date, except in the limited circumstances described under “Supplemental Terms of the Notes — Consequences of a Market Disruption Event or a Non-Trading Day” on page S-23 of the accompanying general terms supplement no. 1,734 and subject to adjustment as provided under “Supplemental Terms of the Notes — Discontinuance or Modification of an Underlier” on page S-27 of the accompanying general terms supplement no. 1,734

Closing level: as described under “Supplemental Terms of the Notes — Special Calculation Provisions — Closing Level” on page S-31 of the accompanying general terms supplement no. 1,734

Underlier return: the quotient of (1) the final underlier level minus the initial underlier level divided by (2) the initial underlier level, expressed as a percentage

Buffer level: 80% of the initial underlier level

Buffer amount: 20%

Buffer rate: 100%

No listing: the offered notes will not be listed on any securities exchange or interdealer quotation system

Business day: as described under “Supplemental Terms of the Notes — Special Calculation Provisions — Business Day” on page S-30 of the accompanying general terms supplement no. 1,734

Trading day: as described under “Supplemental Terms of the Notes — Special Calculation Provisions — Trading Day” on page S-31 of the accompanying general terms supplement no. 1,734

Trade date: expected to be February 25, 2019

Original issue date (settlement date) (to be set on the trade date): expected to be February 28, 2019

Determination date (to be set on the trade date): expected to be February 13, 2024, subject to adjustment as described under “Supplemental Terms of the Notes — Determination Date” on page S-17 of the accompanying general terms supplement no. 1,734

Stated maturity date (to be set on the trade date): expected to be February 28, 2024, subject to adjustment as described under "Supplemental Terms of the Notes — Stated Maturity Date” on page S-16 of the accompanying general terms supplement no. 1,734

PS-7

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Reference date: for each interest period, each day that is a scheduled trading day

Business day convention: following unadjusted

Regular record dates: the scheduled business day immediately preceding each interest payment date

Use of proceeds and hedging: as described under “Use of Proceeds” and “Hedging” on page S-30 of the accompanying product supplement no. 1,754

ERISA: as described under “Employee Retirement Income Security Act” on page S-38 of the accompanying product supplement no. 1,754

Supplemental plan of distribution; conflicts of interest: as described under “Supplemental Plan of Distribution” on page S-39 of the accompanying product supplement no. 1,754 and “Plan of Distribution — Conflicts of Interest” on page 94 of the accompanying prospectus; GS Finance Corp. estimates that its share of the total offering expenses, excluding underwriting discounts and commissions, will be approximately \$ .

GS Finance Corp. expects to agree to sell to Goldman Sachs & Co. LLC (“GS&Co.”), and GS&Co. expects to agree to purchase from GS Finance Corp., the aggregate face amount of the offered notes specified on the front cover of this pricing supplement. GS&Co. proposes initially to offer the notes to the public at the original issue price set forth on the cover page of this pricing supplement, and to certain securities dealers at such price less a concession not in excess of % of the face amount. GS&Co. is an affiliate of GS Finance Corp. and The Goldman Sachs Group, Inc. and, as such, will have a “conflict of interest” in this offering of notes within the meaning of Financial Industry Regulatory Authority, Inc. (FINRA) Rule 5121. Consequently, this offering of notes will be conducted in compliance with the provisions of FINRA Rule 5121. GS&Co. will not be permitted to sell notes in this offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

We expect to deliver the notes against payment therefor in New York, New York on February 28, 2019. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on any date prior to two business days before delivery will be required to specify alternative settlement arrangements to prevent a failed settlement.

We have been advised by GS&Co. that it intends to make a market in the notes. However, neither GS&Co. nor any of our other affiliates that makes a market is obligated to do so and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for the notes.

Calculation agent: GS&Co.

CUSIP no.: 40056EWE4

ISIN no.: US40056EWE49

FDIC: the notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank





## Hypothetical Examples

The following examples are provided for purposes of illustration only. They should not be taken as an indication or prediction of future investment results and are intended merely to illustrate (i) the method we will use to determine the interest rate with respect to any given interest payment date based on the closing level of the underlier on the applicable reference dates in the immediately preceding interest period, (ii) the method we will use to calculate the amount of interest accrued between interest payment dates and (iii) the impact that the various hypothetical closing levels of the underlier on the determination date could have on the cash settlement amount at maturity assuming all other variables remain constant.

The examples below are based on a range of underlier levels that are entirely hypothetical; no one can predict what the underlier level will be on any day throughout the life of your notes, what the final underlier level will be on the determination date and what the interest rate will be on any interest payment date. The underlier has been highly volatile in the past — meaning that the underlier level has changed substantially in relatively short periods — and its performance cannot be predicted for any future period.

The information in the following examples reflects the method we will use to calculate the interest rate applicable to any interest payment date and the hypothetical rates of return on the offered notes assuming that they are purchased on the original issue date at the face amount and held to the stated maturity date. If you sell your notes in a secondary market prior to the stated maturity date, your return will depend upon the market value of your notes at the time of sale, which may be affected by a number of factors that are not reflected in the examples below such as interest rates, the volatility of the underlier, the creditworthiness of GS Finance Corp., as issuer, and the creditworthiness of The Goldman Sachs Group, Inc., as guarantor. In addition, the estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by GS&Co.) is less than the original issue price of your notes. For more information on the estimated value of your notes, see “Additional Risk Factors Specific to Your Notes — The Estimated Value of Your Notes At the Time the Terms of Your Notes Are Set On the Trade Date (as Determined By Reference to Pricing Models Used By GS&Co.) Is Less Than the Original Issue Price Of Your Notes” on page PS-13 of this pricing supplement. The information in the examples also reflects the key terms and assumptions in the box below.

### Key Terms and Assumptions

Face amount	\$1,000
Buffer level	80% of the initial underlier level
Buffer amount	20%
Buffer rate	100%
Underlier barrier level	80% of the initial underlier level
Interest factor	5.25%

The day count convention calculation results in an accrued interest factor of approximately 0.08333

The notes are not called

Neither a market disruption event nor a non-trading day occurs on the originally scheduled determination date  
 No market disruption event or non-trading day occurs on any reference date

No change in or affecting any of the underlier stocks or the method by which the underlier sponsor calculates the

underlier

Notes purchased on original issue date at the face amount and held to the stated maturity date

Moreover, we have not yet set the initial underlier level that will serve as the baseline for determining the interest payable at each interest payment date, the underlier return and the amount that we will pay on your notes at maturity, subject to our early redemption right. We will not do so until the trade date. As a result, the actual initial underlier level may differ substantially from the current level of such underlier prior to the trade date. They may also differ substantially from the level of the underlier at the time you purchase your notes.

For these reasons, the actual performance of the underlier over the life of your notes, the actual underlier level on any reference date in any interest period, as well as the interest payable at each interest payment date, may bear little relation to the hypothetical examples shown below or to the historical levels of the underlier shown elsewhere in this pricing supplement. For information about the levels of the underlier during recent periods, see “The Underlier — Historical Closing Levels of the Underlier” on

PS-9

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page PS-17. Before investing in the notes, you should consult publicly available information to determine the underlier level between the date of this pricing supplement and the date of your purchase of the notes.

The following tables and examples illustrate the method we will use to calculate the interest rate with respect to an interest payment date, subject to the key terms and assumptions above. The numbers in the first column represent the number of reference dates (“N”) during any given interest period for which the closing level of the underlier is greater than or equal to the underlier barrier level. The levels in the fourth column represent the hypothetical interest amount, as a percentage of the face amount of each note (rounded to the nearest one-hundredth of a percent), that would be payable with respect to a given interest period in which the closing level of the underlier is greater than or equal to the underlier barrier level for a given number of reference dates (as specified in the first column).

Also, the hypothetical examples shown below do not take into account the effects of applicable taxes. Because of the U.S. tax treatment applicable to your notes, tax liabilities could affect the after-tax rate of return on your notes to a comparatively greater extent than the after-tax return on the underlier stocks.

\* The number of days for which the closing level of the underlier is greater than or equal to the underlier barrier level in a given in