GOLDMAN SACHS GROUP INC
Form 424B2
March 06, 2019
Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-219206

GS Finance Corp.

$2,000,000

Capped Buffer In-GEARS due 2023

guaranteed by

The Goldman Sachs Group, Inc.

The notes do not bear interest. The amount that you will be paid on your notes on the stated maturity date (July 6, 2023) is based on the performances of the S&P 500® Index and the Russell 2000® Index, in each case as measured from its initial index level to its final index level. The initial index level of each index will not be determined until the end of the initial averaging period (the period from and including March 1, 2019 to and including May 30, 2019) and will equal the arithmetic average of its closing levels on each day during such period. The final index level of each index will equal the arithmetic average of its closing levels on each day during the final averaging period (the period from and including April 3, 2023 to and including the determination date (June 30, 2023)).

You will not know the initial index level of any index for approximately three months after the trade date (March 4, 2019). If the initial index level of any index is greater than the closing level of such index on March 1, 2019 (the first day of the initial averaging period), the return on your notes at maturity may be less than it would have been if the initial index level had been set on such date.

To determine your payment at maturity, we will calculate the index return for each index. The index return for each index is the percentage change in its final index level from its initial index level. If the final index level of each index is greater than its downside threshold of 88% of its initial index level, then the return on your notes at maturity will be positive and equal the product of (i) the sum of the index return of the lesser performing index plus 12% times (ii) 1.4, subject to the maximum settlement amount of $15.60 for each $10 face amount of your notes. The lesser performing index is the index with the lowest index return.

If the final index level of any index is less than its downside threshold, then the return on your notes will be negative and you will lose 1% of the face amount of your notes for every 1% decline in the level of the lesser performing index beyond the downside threshold. You could receive significantly less than the face amount of your notes at maturity.

At maturity, for each $10 face amount of your notes you will receive an amount in cash equal to:

- if the final index level of each index is greater than or equal to its downside threshold, subject to the maximum settlement amount, the sum of (i) $10 plus (ii) the product of (a) the sum of the lesser performing index return plus 12% times (b) $10 times (c) 1.4; or

- if the final index level of any index is less than its downside threshold, the sum of (i) $10 plus (ii) the product of (a) the sum of the lesser performing index return plus 12% times (b) $10.

A purchaser of these notes in the secondary market should determine the initial index level of each index, or, if such levels have not yet been determined, the closing levels of each index during the initial averaging period, as these levels could significantly affect both the secondary market trading price of these notes and the amount that a holder of the notes will receive at maturity. See page S-23.

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 S-12.

The estimated value of your notes at the time the terms of your notes are set on the trade date is equal to approximately $9.79 per $10 face amount. If the initial index level of any index is greater than the closing level of such index on March 1, 2019, the estimated value of your notes may be significantly less than the estimated value determined on the trade date. 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:	March 7, 2019	Original issue price:	100% of the face amount
Underwriting discount:	1.05% of the face amount*	Net proceeds to issuer:	98.95% of the face amount

* UBS Financial Services Inc., the selling agent, will receive a selling concession not in excess of 0.75% 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

UBS Financial Services Inc.
Selling Agent

Prospectus Supplement No. 5,323 dated March 4, 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 prospectus 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 equal to approximately $9.79 per $10 face amount, which is less than the original issue price. If the initial index level of any index is greater than the closing level of such index on March 1, 2019 (the first day of the initial averaging period), the estimated value of your notes may be significantly less than the estimated value determined on the trade date. 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 $0.16 per $10 face amount).

Prior to March 4, 2020, 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 over the period from the time of pricing through March 3, 2020). On and after March 4, 2020, 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 prospectus supplement and the accompanying documents listed below. This prospectus supplement constitutes a supplement to the documents listed below and should be read in conjunction with such documents:

Prospectus supplement dated July 10, 2017

Prospectus dated July 10, 2017

The information in this prospectus 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.

SUMMARY INFORMATION

We refer to the notes we are offering by this prospectus supplement as the "offered notes" or the "notes". Each of the offered notes has the terms described below and under "Specific Terms of Your Notes" on page S-23. Please note that in this prospectus 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, and references to the "accompanying prospectus supplement" mean the accompanying prospectus supplement, dated July 10, 2017, for Medium-Term Notes, Series E, in each case of GS Finance Corp. and The Goldman Sachs Group, Inc. References to the "indenture" in this prospectus supplement mean 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.

Key Terms

Issuer: GS Finance Corp.

Guarantor: The Goldman Sachs Group, Inc.

Underlying indices: the S&P 500® Index (Bloomberg symbol, "SPX Index"), as published by Standard & Poor's Financial Services LLC, and the Russell 2000® Index (Bloomberg symbol, "RTY Index"), as published by FTSE Russell; see "The Underlying Indices" on page S-27

Specified currency: U.S. dollars ("$")

Face amount: each note will have a face amount of $10, or integral multiples of $10 in excess thereof; $2,000,000 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 prospectus supplement

Denominations: $10 and integral multiples of $10 in excess thereof

Minimum purchase amount: in connection with the initial offering of the notes, the minimum face amount of notes that may be purchased by any investor is $1,000

Supplemental plan of distribution: GS Finance Corp. has agreed to sell to Goldman Sachs & Co. LLC ("GS&Co."), and GS&Co. has agreed to purchase from GS Finance Corp., the aggregate face amount of the offered notes specified on the front cover of this prospectus 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 prospectus supplement, and to UBS Financial Services Inc. at such price less a concession not in excess of 0.75% of the face amount. See "Supplemental Plan of Distribution" on page S-53

Cash settlement amount: on the stated maturity date, for each $10 face amount of your notes you will receive an amount in cash equal to:

if the final underlying index level of each underlying index is greater than or equal to its cap level, the maximum settlement amount;

if the final underlying index level of each underlying index is greater than or equal to its downside threshold but the final underlying index level of any underlying index is less than its cap level, the sum of (i) $10 plus (ii) the product of (a) the lesser performing underlying index return plus the buffer times (b) $10 times (c) the upside gearing; or

if the final underlying index level of any underlying index is less than its downside threshold, the sum of (a) $10 plus (b) the product of (i) the sum of the lesser performing underlying index return plus the buffer times (ii) $10, resulting in a loss of 1% of the face amount of your notes for every 1% that the decline in the lesser performing underlying index from its initial underlying index level to its final underlying index level exceeds the buffer

Purchase at amount other than face amount: the amount we will pay you at the stated maturity date for 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, 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 downside threshold 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. Additionally, the cap level (the level of the lesser performing underlying index at or above which the maximum settlement amount is payable) would be reached at a lower (or higher) percentage return than indicated below, relative to your initial investment. See "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"

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 a pre-paid derivative contract in respect of the underlying indices, as described under "Supplemental Discussion of U.S. Federal Income Tax Consequences" herein. Pursuant to this approach, it is the opinion of Sidley Austin llp that upon the sale, exchange 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 and your tax basis in your notes. No statutory, judicial or administrative authority directly discusses how your notes should be treated for U.S. federal income tax purposes. As a result, the U.S. federal income tax consequences of your investment in the notes are uncertain and alternative characterizations are possible. The Internal Revenue Service might assert that a treatment other than that described above is more appropriate (including on a retroactive basis) and the timing and character of income in respect of the notes might differ from the treatment described above.

Trade date: March 4, 2019

Original issue date (settlement date): March 7, 2019

Initial underlying index level: with respect to each underlying index, the arithmetic average of the closing levels of such underlying index on each of the days during the initial averaging period, subject to adjustment as provided under "Specific Terms of Your Notes — Discontinuance or Modification of an Underlying Index" on page S-27, provided that, if the initial averaging period end date is postponed as provided under "Specific Terms of Your Notes — Initial Averaging Period End Date" on page S-26, the initial underlying index level of each underlying index will be determined as described under "Specific Terms of Your Notes — Consequences of a Market Disruption Event or a Non-Trading Day" on page S-26. After the end of the initial averaging period, the initial underlying index level of each underlying index will be published on our webpage at
http://www.goldmansachs.com/what-we-do/securities/products-and-business-groups/products/gs-us-initial-index.html
(or any successor or replacement web page) (this website URL is an inactive textual reference only)

Final underlying index level: with respect to each underlying index, the arithmetic average of the closing levels of such underlying index on each of the days during the final averaging period, subject to adjustment as provided under "Specific Terms of Your Notes — Discontinuance or Modification of an Underlying Index" on page S-27, provided that, if the determination date is postponed as provided under "Specific Terms of Your Notes — Determination Date" on page S-26, the final underlying index level of each underlying index will be determined as described under "Specific Terms of Your Notes — Consequences of a Market Disruption Event or a Non-Trading Day" on page S-26

Closing level: with respect to each underlying index on any trading day, as described under "Specific Terms of Your Notes — Special Calculation Provisions — Closing Level" on page S-24

Lesser performing underlying index return: the underlying index return of the lesser performing underlying index

Lesser performing underlying index: the underlying index with the lowest underlying index return

Underlying index return: with respect to each underlying index, the quotient of (i) its final underlying index level minus its initial underlying index level divided by (ii) its initial underlying index level, expressed as a positive or negative percentage

Upside gearing: 1.4

Downside threshold: with respect to each underlying index, 88.00% of its initial underlying index level (rounded to the nearest one-thousandth)

Buffer: 12.00%

Cap level: with respect to each underlying index, 128.00% of its initial underlying index level. The cap level represents (i) the maximum return (as specified below) divided by the upside gearing plus (ii) 100% minus (iii) the buffer and is the level of the lesser performing underlying index at or above which you will receive the maximum settlement amount. If the final underlying index level of the lesser performing underlying index is greater than its cap level (in which case the product of (i) the lesser performing underlying index return plus the buffer times (ii) the upside gearing is greater than the maximum return), you will not receive more than the maximum settlement amount

Maximum settlement amount: $15.60, which corresponds to a maximum return on the notes of 56.00%

Initial averaging period: the period from and including March 1, 2019 to and including the initial averaging period end date, excluding any date or dates on which the calculation agent determines that a market disruption event with respect to any underlying index occurs or is continuing or that the calculation agent determines is not a trading day with respect to any underlying index. Notwithstanding the immediately preceding sentence, if the calculation agent determines that, with respect to any underlying index, a market disruption event occurs or is continuing on the initial averaging period end date or that day is not otherwise a trading day with respect to any underlying index, the initial averaging period end date, and therefore the last day of the initial averaging period, will be postponed as described under "Specific Terms of Your Notes — Initial Averaging Period End Date" on page S-26.

Initial averaging period end date: May 30, 2019, subject to adjustment as described under "Specific Terms of Your Notes — Initial Averaging Period End Date" on page S-25

Final averaging period: the period from and including April 3, 2023 to and including the determination date, excluding any date or dates on which the calculation agent determines that a market disruption event with respect to any underlying index occurs or is continuing or that the calculation agent determines is not a trading day with respect to any underlying index. Notwithstanding the immediately preceding sentence, if the calculation agent determines that, with respect to any underlying index, a market disruption event occurs or is continuing on the determination date or that day is not otherwise a trading day with respect to any underlying index, the determination date, and therefore the last day of the final averaging period, will be postponed as described under "Specific Terms of Your Notes — Determination Date" on page S-26.

Stated maturity date: July 6, 2023, subject to adjustment as described under "Specific Terms of Your Notes — Stated Maturity Date" on page S-25

Determination date: June 30, 2023, subject to adjustment as described under "Specific Terms of Your Notes — Determination Date" on page S-26

No interest: the notes do not bear interest

No redemption: the notes will not be subject to redemption right or price dependent redemption right

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

Calculation agent: GS&Co.

Business day: as described under “Specific Terms of Your Notes — Special Calculation Provisions — Business Day” on page S-28

Trading day: as described under “Specific Terms of Your Notes — Special Calculation Provisions — Trading Day” on page S-28

CUSIP no.: 36257D279

ISIN no.: US36257D2797

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

(Hypothetical terms only. Actual terms may vary.)

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 the impact that the various hypothetical final underlying index levels of the lesser performing underlying index could have on the cash settlement amount at maturity assuming all other variables remain constant.

The examples below are based on a range of final underlying index levels of the lesser performing underlying index that are entirely hypothetical; no one can predict what the underlying index level of any underlying index will be on any day throughout the life of your notes, including what the closing level of any underlying index will be on any day during the initial averaging period, and no one can predict what the closing level of any underlying index will be on any day during the final averaging period. The underlying indices have been highly volatile in the past — meaning that the underlying index levels have changed considerably in relatively short periods — and their performance cannot be predicted for any future period.

The information in the following examples reflects 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 underlying indices, 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 S-12 of this prospectus supplement. The information in the examples also reflects the key terms and assumptions in the box below.

Key Terms and Assumptions	
Face amount	$10
Upside gearing	1.4
Downside threshold	With respect to each underlying index, 88.00% of its initial underlying index level
Buffer	12.00%
Cap level	With respect to each underlying index, 128.00% of its initial underlying index level
Maximum settlement amount	$15.60
Neither a market disruption event nor a non-trading day occurs with respect to any underlying index during the initial averaging period or during the final averaging period.	
No change in or affecting any of the underlying index stocks or the method by which the applicable underlying index sponsor calculates any underlying index	
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 underlying index levels that will serve as the baseline for determining the underlying index returns and the amount that we will pay on your notes at maturity. The

calculation agent will not do so until the conclusion of the initial averaging period. As a result, the actual initial underlying index levels may differ substantially from the underlying index levels on or prior to the trade date.

For these reasons, the actual performance of the underlying indices over the life of your notes, as well as the amount payable at maturity, may bear little relation to the hypothetical examples shown below or to the historical performance information or hypothetical performance data shown elsewhere in this prospectus supplement. For information about the historical performance levels and hypothetical performance data of the underlying indices during recent periods, see "The Underlying Indices —Closing Levels of the Underlying Indices" below. Before investing in the offered notes, you should consult publicly available information to determine the levels of the underlying indices between the date of this prospectus supplement and the date of your purchase of the offered notes.

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 underlying index stocks.

The levels in the left column of the table below represent hypothetical final underlying index levels of the lesser performing underlying index and are expressed as percentages of the initial underlying index level of the lesser performing underlying index. The amounts in the right column represent the hypothetical cash settlement amounts, based on the corresponding hypothetical final underlying index level of the lesser performing underlying index (expressed as a percentage of the initial underlying index level of the lesser performing underlying index), and are expressed as percentages of the face amount of a note (rounded to the nearest one-thousandth of a percent). Thus, a hypothetical cash settlement amount of 100.000% means that the value of the cash payment that we would deliver for each $10 of the outstanding face amount of the offered notes on the stated maturity date would equal 100.000% of the face amount of a note, based on the corresponding hypothetical final underlying index level of the lesser performing underlying index (expressed as a percentage of the initial underlying index level of the lesser performing underlying index) and the assumptions noted above.

Hypothetical Final Underlying Index Level of the Lesser Performing Underlying Index (as Percentage of Initial Underlying Index Level)	Hypothetical Cash Settlement Amount (as Percentage of Face Amount)
175.000%	156.000%
150.000%	156.000%
128.000%	156.000%
120.000%	144.800%
110.000%	130.800%
100.000%	116.800%
97.000%	112.600%
95.000%	109.800%
88.000%	100.000%
80.000%	92.000%
75.000%	87.000%
50.000%	62.000%
25.000%	37.000%
0.000%	12.000%

If, for example, the final underlying index level of the lesser performing underlying index were determined to be 25.000% of its initial underlying index level, the cash settlement amount that we would deliver on your notes at maturity would be 37.000% of the face amount of your notes, as shown in the table above. As a result, if you purchased your notes on the original issue date at the face amount and held them to the stated maturity date, you would lose 63.000% of your investment, which is equivalent to losing 1.000% of the face amount of your notes for every 1.000% that the decline in the lesser performing underlying index from its initial underlying index level to its final underlying index level exceeds 12.000% (if your purchased your notes at a premium to face amount you would lose a correspondingly higher percentage of your investment).

Alternatively, if, for example, the final underlying index level of the lesser performing underlying index were determined to be 110.000% of its initial underlying index level, the cash settlement amount that we would deliver on your notes at maturity would be 130.800% of the face amount of your notes, as shown in the table above. Since the hypothetical final underlying index level of the lesser performing underlying index is greater than its downside threshold, the lesser performing underlying index return is enhanced by the upside gearing and the buffer.

If, however, the final underlying index level of the lesser performing underlying index were determined to be 175.000% of its initial underlying index level, the cash settlement amount that we would deliver on your notes at maturity would be capped at the maximum settlement amount of 156.000% of the face amount of your notes, as shown in the table above. In such case, the return on the notes will be the maximum return of 56.00%, which represents the percentage difference between the maximum settlement amount of $15.60 and the face amount of $10. As a result, if you held your notes to the stated maturity date, you would not benefit from any increase in the final underlying index level of the lesser performing underlying index over 128.000% of its initial underlying index level (the cap level). This is because the cap level represents (i) the maximum return of 56.00% divided by the upside gearing of 1.4 plus (ii) 100% minus (iii) the buffer.

The following chart also shows a graphical illustration of the hypothetical cash settlement amounts (expressed as a percentage of the face amount of your notes) that we would pay on your notes on the stated maturity date, if the final underlying index level of the lesser performing underlying index (expressed as a percentage of the initial underlying index level of the lesser performing underlying index) were any of the hypothetical levels shown on the horizontal axis. The chart shows that any hypothetical final underlying index level of the lesser performing underlying index (expressed as a percentage of the initial underlying index level of the lesser performing underlying index) of less than 88.000% (the section left of the 88.000% marker on the horizontal axis) would result in a hypothetical cash settlement amount of less than 100.000% of the face amount of your notes (the section below the 100.000% marker on the vertical axis) and, accordingly, in a loss of principal to the holder of the notes. In addition, the chart shows that any hypothetical final underlying index level of the lesser performing underlying index (expressed as a percentage of the initial underlying index level of the lesser performing underlying index) of greater than 88.000% (the section right of the 88.000% marker on the horizontal axis) but less than 128.000% (the section to the left of the 128.000% marker on the horizontal axis) would result in the underlying index return being enhanced by the upside gearing and the buffer. The chart also shows that any hypothetical final underlying index level of the lesser performing underlying index (expressed as a percentage of the initial underlying index level of the lesser performing underlying index) of greater than or equal to 128.000% (the section right of the 128.000% marker on the horizontal axis) would result in a capped return on your investment.

The cash settlement amounts shown above are entirely hypothetical; they are based on market prices for the underlying index stocks that may not be achieved during the final averaging period and on assumptions that may prove to be erroneous. The actual market value of your notes on the stated maturity date or at any other time, including any time you may wish to sell your notes, may bear little relation to the hypothetical cash settlement amounts shown above, and these amounts should not be viewed as an indication of the financial return on an investment in the offered notes. The hypothetical cash settlement amounts on notes held to the stated maturity date in the examples above assume you purchased your notes at their face amount and have not been adjusted to reflect the actual issue price you pay for your notes. The return on your investment (whether positive or negative) in your notes will be affected by the amount you pay for your notes. If you purchase your notes for a price other than the face amount, the return on your investment will differ from, and may be significantly lower than, the hypothetical returns suggested by the above examples. Please read "Additional Risk Factors Specific to Your Notes — The Market Value of Your Notes May Be Influenced by Many Unpredictable Factors" on page S-16.

Payments on the notes are economically equivalent to the amounts that would be paid on a combination of other instruments. For example, payments on the notes are economically equivalent to a combination of a bond bought by the holder and one or more options entered into between the holder and us. Therefore, the terms of the notes may be impacted by the various factors mentioned under "Additional Risk Factors Specific to Your Notes — The Market Value of Your Notes May Be Influenced by Many Unpredictable Factors" on page S-16. The discussion in this paragraph does not modify or affect the terms of the notes or the U.S. federal income tax treatment of the notes, as described elsewhere in this prospectus supplement.

We cannot predict the actual final underlying index levels or what the market value of your notes will be on any particular trading day, nor can we predict the relationship between the closing levels of the

underlying indices and the market value of your notes at any time prior to the stated maturity date. The actual amount that you will receive at maturity and the rate of return on the offered notes will depend on the actual initial underlying index levels, which the calculation agent will determine at the end of the initial averaging period based on the closing levels of the underlying indices during the initial averaging period, and the actual final underlying index levels, which the calculation agent will determine at the end of the final averaging period based on the closing levels of the underlying indices during the final averaging period, in each case as described above. Moreover, the assumptions on which the hypothetical returns are based may turn out to be inaccurate. Consequently, the amount of cash to be paid in respect of your notes on the stated maturity date may be very different from the information reflected in the examples above.

ADDITIONAL RISK FACTORS SPECIFIC TO YOUR NOTES

An investment in your notes is subject to the risks described below, as well as the risks and considerations described in the accompanying prospectus and in the accompanying prospectus supplement. You should carefully review these risks and considerations as well as the terms of the notes described herein and in the accompanying prospectus and the accompanying prospectus supplement. Your notes are a riskier investment than ordinary debt securities. Also, your notes are not equivalent to investing directly in the underlying index stocks, i.e., with respect to an underlying index to which your notes are linked, the stocks comprising such index. You should carefully consider whether the offered notes are suited to your particular circumstances.

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

The original issue price for your notes exceeds the estimated value of your notes as of the time the terms of your notes are set on the trade date, as determined by reference to GS&Co.'s pricing models and taking into account our credit spreads. Such estimated value on the trade date is set forth above under "Estimated Value of Your Notes"; after the trade date, the estimated value as determined by reference to these models will be affected by changes in market conditions, the creditworthiness of GS Finance Corp., as issuer, the creditworthiness of The Goldman Sachs Group, Inc., as guarantor, and other relevant factors. Further, if the initial underlying index level of any underlying index is greater than the closing level of such underlying index on March 1, 2019 (the first day of the initial averaging period), the estimated value of your notes may be significantly less than the estimated value determined on the trade date. The price at which GS&Co. would initially buy or sell your notes (if GS&Co. makes a market, which it is not obligated to do), and the value that GS&Co. will initially use for account statements and otherwise, also exceeds the estimated value of your notes as determined by reference to these models. As agreed by GS&Co. and the distribution participants, this excess (i.e., the additional amount described under "Estimated Value of Your Notes") will decline to zero on a straight line basis over the period from the date hereof through the applicable date set forth above under "Estimated Value of Your Notes". Thereafter, if GS&Co. buys or sells your notes it will do so at prices that reflect the estimated value determined by reference to such pricing models at that time. The price at which GS&Co. will buy or sell your notes at any time also will reflect its then current bid and ask spread for similar sized trades of structured notes.

In estimating the value of your notes as of the time the terms of your notes are set on the trade date, as disclosed above under "Estimated Value of Your Notes", GS&Co.'s pricing models consider certain variables, including principally our credit spreads, interest rates (forecasted, current and historical rates), volatility, price-sensitivity analysis and the time to maturity of the notes. These pricing models are proprietary and rely in part on certain assumptions about future events, which may prove to be incorrect. As a result, the actual value you would receive if you sold your notes in the secondary market, if any, to others may differ, perhaps materially, from the estimated value of your notes determined by reference to our models due to, among other things, any differences in pricing models or assumptions used by others. See "— The Market Value of Your Notes May Be Influenced by Many Unpredictable Factors" below.

The difference between the estimated value of your notes as of the time the terms of your notes are set on the trade date and the original issue price is a result of certain factors, including principally the underwriting discount and commissions, the expenses incurred in creating, documenting and marketing the notes, and an estimate of the difference between the amounts we pay to GS&Co. and the amounts GS&Co. pays to us in connection with your notes. We pay to GS&Co. amounts based on what we would pay to holders of a non-structured note with a similar maturity. In return for such payment, GS&Co. pays to us the amounts we owe under your notes.

In addition to the factors discussed above, the value and quoted price of your notes at any time will reflect many factors and cannot be predicted. If GS&Co. makes a market in the notes, the price quoted by GS&Co. would reflect any changes in market conditions and other relevant factors, including any deterioration in our creditworthiness or perceived creditworthiness or the creditworthiness or perceived creditworthiness of The Goldman Sachs Group, Inc. These changes may adversely affect the value of your notes, including the price you may receive for your notes in any market making transaction. To the extent that GS&Co. makes a market in the notes, the quoted price will reflect the estimated value determined by reference to GS&Co.'s pricing models at that time, plus or minus its then current bid and ask spread for similar sized trades of structured notes (and subject to the declining excess amount described above).

Furthermore, if you sell your notes, you will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount. This commission or discount will further reduce the proceeds you would receive for your notes in a secondary market sale.

There is no assurance that GS&Co. or any other party will be willing to purchase your notes at any price and, in this regard, GS&Co. is not obligated to make a market in the notes. See "— Your Notes May Not Have an Active Trading Market" below.

The Notes Are Subject to the Credit Risk of the Issuer and the Guarantor

Although the return on the notes will be based on the performance of each underlying index, the payment of any amount due on the notes is subject to the credit risk of GS Finance Corp., as issuer of the notes, and the credit risk of The Goldman Sachs Group, Inc., as guarantor of the notes. The notes are our unsecured obligations. Investors are dependent on our ability to pay all amounts due on the notes, and therefore investors are subject to our credit risk and to changes in the market's view of our creditworthiness. Similarly, investors are dependent on the ability of The Goldman Sachs Group, Inc., as guarantor of the notes, to pay all amounts due on the notes, and therefore are also subject to its credit risk and to changes in the market's view of its creditworthiness. See "Description of the Notes We May Offer — Information About Our Medium-Term Notes, Series E Program — How the Notes Rank Against Other Debt" on page S-4 of the accompanying prospectus supplement and "Description of Debt Securities We May Offer— Guarantee by The Goldman Sachs Group, Inc." on page 42 of the accompanying prospectus.

The Initial Underlying Index Level of Each Underlying Index is Based Solely on the Arithmetic Average of the Closing Levels of Such Underlying Index During the Initial Averaging Period and Will Not Be Determined Until the End of the Initial Averaging Period; the Return on Your Notes May Be Negatively Affected

With respect to each underlying index, the initial underlying index level will be the arithmetic average of its closing levels on each day during the initial averaging period (described below and subject to adjustment in the case of market disruption events or non-trading days during the initial averaging period). The initial averaging period is the period from and including March 1, 2019 to and including the initial averaging period end date. Accordingly, you will not know the initial underlying index level of any underlying index for a significant time after such date. In addition, if the closing level of any underlying index increases on any day during the initial averaging period (relative to its closing level on March 1, 2019), its initial underlying index level may be higher than if it had been set on such date and may influence whether such underlying index ultimately becomes the lesser performing underlying index. Under these circumstances, the level above which the final underlying index level of the lesser performing underlying index must reach in order for you to receive a positive return on the notes will be higher than if the initial underlying index level of each underlying index were the closing level of that underlying index on March 1, 2019.

The Final Underlying Index Level of Each Underlying Index is Based Solely on the Arithmetic Average of the Closing Levels of Such Underlying Index During the Final Averaging Period; the Cash Settlement Amount May Be Reduced as a Result

With respect to each underlying index, the final underlying index level will be based on the arithmetic average of its closing levels on each day during the final averaging period (described below and subject to adjustment in the case of market disruption events or non-trading days during the final averaging period). Due to such averaging, as well as the averaging used to determine the initial underlying index levels, the underlying index returns of the underlying indices do not reflect the simple performance of such underlying indices over the life of your notes. For example, if the closing level of the lesser performing underlying index dramatically increased on the final day of the final averaging period (in other words, the determination date), the cash settlement amount for your notes may be significantly less than it would have been had the cash settlement amount been linked only to the closing level of the lesser performing underlying index on the determination date.

You May Lose a Substantial Portion of Your Investment in the Notes

You can lose a substantial portion of your investment in the notes. The cash settlement amount on your notes on the stated maturity date will be based on the performance of the lesser performing of the S&P 500® Index and the Russell 2000® Index as measured from their initial underlying index levels (in each case, determined using averaging during the initial averaging period, as described below) to their final underlying index levels (in each case, determined using averaging during the final averaging period, as described below). If the final underlying index level of any underlying index is less than its downside threshold (i.e., the final underlying index level of the lesser performing underlying index has declined, relative to its initial underlying index level, by more than the buffer), you will have a loss for each $10 of the face amount of your notes equal to the sum of the lesser performing underlying index return plus the buffer times $10. As specified elsewhere in this prospectus supplement, if the final underlying index level of the lesser performing underlying index declines, relative to its initial underlying index level, by more than the buffer, you will lose 1% of the face amount of your notes for every 1% that such decline exceeds the buffer. Thus, you may lose a substantial portion of your investment in the notes, which would include any premium to face amount you paid when you purchased the notes.

Also, the application of the buffer applies only at maturity and the market price of your notes prior to the stated maturity date may be significantly lower than the purchase price you pay for your notes. Consequently, if you are able to sell your notes before the stated maturity date, you may receive far less than the amount of your investment in the notes even if the level of the lesser performing underlying index is not below its downside threshold at the time of sale.

A Lower Downside Threshold May Reflect Greater Expected Volatility of the Underlying Indices, and Greater Expected Volatility Generally Indicates An Increased Risk of Declines in the Levels of the Underlying Indices and, Potentially, a Significant Loss at Maturity

The economic terms for the notes, including the downside threshold, are based, in part, on the expected volatility of each underlying index at the time the terms of the notes are set. “Volatility” refers to the frequency and magnitude of changes in the levels of the underlying indices.

Higher expected volatility with respect to each underlying index as of the trade date generally indicates a greater expectation as of that date that the final underlying index level of the lesser performing underlying index could ultimately be less than its downside threshold, which would result in a loss of a significant portion of your investment in the notes. At the time the terms of the notes are set, higher expected volatility will generally be reflected in a lower downside threshold, as compared to otherwise comparable notes issued by the same issuer with the same maturity (taking into account any ability of the issuer to redeem the notes prior to maturity) but with one or more different underlying indices. However, there is no guarantee that the lower downside threshold set for your notes on the trade date will adequately compensate you, from a risk-potential reward perspective, for the greater risk of losing some of your investment in the notes.

A relatively lower downside threshold (as compared to otherwise comparable securities), which would increase the buffer against the loss of principal, may generally indicate an increased risk that the level of each underlying index will decrease substantially. This would result in a significant loss at maturity if the final underlying index level of any underlying index is less than its downside threshold. Further, a relatively lower downside threshold may not indicate that the notes have a greater likelihood of a return of principal at maturity based on the performance of each underlying index.

You should not take the historical volatility of any underlying index as an indication of its future volatility. You should be willing to accept the downside market risk of each underlying index and the potential to lose some of your investment at maturity.

Because the Notes Are Linked to the Performance of the Lesser Performing Underlying Index, You Have a Greater Risk of Sustaining a Significant Loss on Your Investment Than If the Notes Were Linked to Just One Underlying Index

The risk that you will suffer a significant loss on your investment is greater if you invest in the notes as opposed to substantially similar notes that are linked to the performance of just one underlying index. With two underlying indices, it is more likely that the final underlying index level of any underlying index will be below its downside threshold than if the notes were linked to only one underlying index. Therefore, it is more likely that you will suffer a significant loss on your investment.

Movements in the values of the underlying indices may be correlated or uncorrelated at different times during the term of the notes and, if there is correlation, such correlation may be positive (the underlying indices move in the same direction) or negative (the underlying indices move in reverse directions). You should not take the historical correlation (or lack thereof) of the underlying indices as an indication of the future correlation, if any, of the underlying indices. Such correlation could have an adverse effect on your return on the notes. For example, if the underlying indices are negatively correlated during the final averaging period and the level of one underlying index increases, it is likely that the other underlying index will decrease and such decrease could result in the final underlying index level of such underlying index being below its downside threshold. As discussed above in "A Lower Downside Threshold May Reflect Greater Expected Volatility of the Underlying Indices, and Greater Expected Volatility Generally Indicates An Increased Risk of Declines in the Levels of the Underlying Indices and, Potentially, a Significant Loss at Maturity", lower downside thresholds indicate a greater potential for a loss on your investment at maturity, which are risks generally associated with underlying indices that have lower correlation. In addition, other factors and inputs other than correlation may impact how the terms of the notes are set and the performance of the notes.

Your Notes Do Not Bear Interest

You will not receive any interest payments on your notes. As a result, even if the cash settlement amount payable for each of your notes on the stated maturity date exceeds the face amount of your notes, the overall return you earn on your notes may be less than you would have earned by investing in a non-indexed debt security of comparable maturity that bears interest at a prevailing market rate.

The Potential for the Value of Your Notes to Increase Will Be Limited

Your ability to participate in any change in the level of the lesser performing underlying index over the life of your notes will be limited. The maximum settlement amount will limit the cash settlement amount you may receive for each of your notes at maturity, no matter how much the level of the lesser performing underlying index may rise beyond the cap level over the life of your notes. Accordingly, the amount payable for each of your notes may be significantly less than it would have been had you invested directly in the lesser performing underlying index.

Past Underlying Index Performance is No Guide to Future Performance

The actual performance of the underlying indices over the life of the notes, as well as the amount payable at maturity, may bear little relation to the historical closing levels of the underlying indices or to the hypothetical return examples set forth elsewhere in this prospectus supplement. We cannot predict the future performance of the underlying indices.

We May Sell an Additional Aggregate Face Amount of the Notes at a Different Issue Price

At our sole option, we may decide to sell an additional aggregate face amount of the notes subsequent to the date of this prospectus supplement. The issue price of the notes in the subsequent sale may differ substantially (higher or lower) from the original issue price you paid as provided on the cover of this prospectus supplement.

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

The cash settlement amount you will be paid for your notes on the stated maturity date will not be adjusted based on the issue price you pay for the notes. If you purchase notes at a price that differs from the face amount of the notes, then the return on your investment in such notes held to the stated maturity date will differ from, and may be substantially less than, the return on notes purchased at face amount. If you purchase your notes at a premium to face amount and hold them to the stated maturity date the return on your investment in the notes will be lower than it would have been had you purchased the notes at face amount or a discount to face amount. In addition, the impact of the downside threshold and the cap level on the return on your investment will depend upon the price you pay for your notes relative to face amount. For example, if you purchase your notes at a premium to face amount, the cap level will only permit a lower percentage increase in your investment in the