Return on Average Tangible Common Shareholders’ Equity (ROTCE)
($ in millions)

ROTCE is computed by dividing annualized net earnings applicable to common shareholders by average monthly tangible common shareholders' equity. Management believes that ROTCE is meaningful because it measures the performance of businesses consistently, whether they were acquired or developed internally. ROTCE is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies.

	Six Months Ended June 2013	Year Ended December 2012
ROTCE [1]	12.3 %	11.6 %

[1] The table below presents the reconciliation of average total shareholders’ equity to average tangible common shareholders’ equity.

	Average for the	
	Six Months Ended June 2013	Year Ended December 2012
Total shareholders' equity	$ 77,156	$ 72,530
Preferred stock	(6,629)	(4,392)
Common shareholders' equity	$ 70,527	$ 68,138
Goodwill and identifiable intangible assets	(4,778)	(5,337)
Tangible common shareholders’ equity	$ 65,749	$ 62,801

Adjusted Assets, Adjusted Leverage Ratio, Tangible Common Shareholders' Equity, Tangible Book Value Per Common Share, Basel 1 Tier 1 Common Ratio and Estimated Basel 3 Tier 1 Common Ratio

($ in millions, except per share amounts)

The table below presents information on the firm's assets, shareholders' equity, leverage ratios, book value per common share, Basel 1 Tier 1 common ratio and estimated Basel 3 Tier 1 common ratio.

	June 2013	March 2013	December 2012
Total assets	$ 938,456	$ 959,223	$ 938,555
Adjusted assets [(1)]	651,555	689,034	686,874
Total shareholders' equity	$ 78,043	$ 77,228	$ 75,716
Leverage ratio [(2)]	12.0 x	12.4 x	12.4 x
Adjusted leverage ratio [(3)]	8.3 x	8.9 x	9.1 x
Common shareholders' equity	$ 70,843	$ 71,028	$ 69,516
Tangible common shareholders' equity [(4)]	66,349	66,345	64,417
Book value per common share [(5)]	$ 151.21	$ 148.41	$ 144.67
Tangible book value per common share [(4)] [(5)]	141.62	138.62	134.06
Risk-weighted assets (RWAs) [(6)]	$ 457,461	$ 480,080	$ 399,928
Basel 1 Tier 1 common ratio [(7)]	13.5 %	12.7 %	14.5 %
Basel 3 RWAs [(8)]	$ 600,222	N/A	N/A
Basel 3 Tier 1 common ratio [(9)]	9.3 %	N/A	N/A

[(1)] Adjusted assets equals total assets less (i) low-risk collateralized assets generally associated with the firm's secured client financing transactions, federal funds sold and excess liquidity (which includes financial instruments sold, but not yet purchased, at fair value, less derivative liabilities) and (ii) cash and securities segregated for regulatory and other purposes. Adjusted assets is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies. The table below presents the reconciliation of total assets to adjusted assets.

	June 2013	March 2013	December 2012
Total assets	$ 938,456	$ 959,223	$ 938,555
Deduct: Securities borrowed	(174,798)	(172,041)	(136,893)
Securities purchased under agreements to resell and federal funds sold	(153,555)	(158,506)	(141,334)
Add: Financial instruments sold, but not yet purchased, at fair value	144,986	153,749	126,644
Less derivative liabilities	(51,604)	(52,347)	(50,427)
Subtotal	(234,971)	(229,145)	(202,010)
Deduct: Cash and securities segregated for regulatory and other purposes	(51,930)	(41,044)	(49,671)
Adjusted assets	$ 651,555	$ 689,034	$ 686,874

Goldman Sachs

Adjusted Assets, Adjusted Leverage Ratio, Tangible Common Shareholders' Equity, Tangible Book Value Per Common Share, Basel 1 Tier 1 Common Ratio and Estimated Basel 3 Tier 1 Common Ratio, continued
($ in millions, except per share amounts)

(2) The leverage ratio equals total assets divided by total shareholders' equity.

(3) The adjusted leverage ratio equals adjusted assets divided by total shareholders' equity. Management believes that the adjusted leverage ratio is a more meaningful measure of the firm's capital adequacy than the leverage ratio because it excludes certain low-risk collateralized assets that are generally supported with little or no capital. The adjusted leverage ratio is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies.

(4) Tangible common shareholders' equity equals total shareholders' equity less preferred stock, goodwill and identifiable intangible assets. Tangible book value per common share is computed by dividing tangible common shareholders' equity by the number of common shares outstanding, including restricted stock units (RSUs) granted to employees with no future service requirements. Management believes that tangible common shareholders' equity and tangible book value per common share are meaningful because they are measures that the firm and investors use to assess capital adequacy. Tangible common shareholders' equity and tangible book value per common share are non-GAAP measures and may not be comparable to similar non-GAAP measures used by other companies. The table below presents the reconciliation of total shareholders' equity to tangible common shareholders' equity.

	June 2013	March 2013	December 2012
Total shareholders' equity	$ 78,043	$ 77,228	$ 75,716
Deduct: Preferred stock	(7,200)	(6,200)	(6,200)
Common shareholders' equity	70,843	71,028	69,516
Deduct: Goodwill and identifiable intangible assets	(4,494)	(4,683)	(5,099)
Tangible common shareholders' equity	$ 66,349	$ 66,345	$ 64,417

(5) The table below presents common shares outstanding, including RSUs granted to employees with no future service requirements.

	June 2013	March 2013	December 2012
		(in millions)	
Common shares outstanding, including RSUs granted to employees with no future service requirements	468.5	478.6	480.5

(6) RWAs are calculated in accordance with the Board of Governors of the Federal Reserve System's (Federal Reserve Board's) existing risk-based capital requirements under Basel 1 and reflecting the revised market risk regulatory capital requirements, which became effective on January 1, 2013.

(7) The Basel 1 Tier 1 common ratio equals Tier 1 common capital divided by RWAs. Management believes that the Tier 1 common ratio is meaningful because it is one of the measures that the firm, regulators and investors use to assess capital adequacy. The Tier 1 common ratio is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies. The table below presents the reconciliation of Tier 1 capital to Tier 1 common capital.

	June 2013	March 2013	December 2012
Tier 1 capital	$ 71,141	$ 69,371	$ 66,977
Deduct: Perpetual non-cumulative preferred stock	(7,200)	(6,200)	(6,200)
Junior subordinated debt issued to trusts	(2,063)	(2,063)	(2,750)
Add: Other adjustments	25	27	20
Tier 1 common capital	$ 61,903	$ 61,135	$ 58,047

Adjusted Assets, Adjusted Leverage Ratio, Tangible Common Shareholders' Equity, Tangible Book Value Per Common Share, Basel 1 Tier 1 Common Ratio and Estimated Basel 3 Tier 1 Common Ratio, continued
($ in millions, except per share amounts)

(8). Estimated Basel 3 RWAs are calculated in accordance with the Federal Reserve Board's new capital rules (Basel 3) which are largely based on the guidelines issued by the Basel Committee in December 2010 and address other aspects of the Dodd-Frank Act.

(9) The estimated Basel 3 Tier 1 common ratio on a fully phased-in basis equals estimated Basel 3 Tier 1 common capital divided by estimated RWAs under Basel 3. Management believes that the estimated Basel 3 Tier 1 common ratio is meaningful because it is one of the measures that the firm, regulators and investors use to assess capital adequacy. The estimated Basel 3 Tier 1 common ratio is a non-GAAP measure and may not be comparable to similar non-GAAP measures used by other companies. The table below presents the reconciliation of common shareholders' equity to the estimated Basel 3 Tier 1 common capital on a fully phased-in basis.

	June 2013
Common shareholders' equity	$ 70,843
Deduct: Goodwill	(3,699)
Intangible assets	(795)
Deductions for investments in nonconsolidated financial institutions	(9,872)
Other adjustments	(680)
Basel 3 Tier 1 common capital	$ 55,797