



GS Mid Cap Value Fund – I Shares

| Performance Summary, as of 30-Sep-2019 (I Shares, Net) | | | | | | | |
|--|-------------|--------------|-------------|--------------|--------------|---------------|-------------------------|
| | 3Q19 | YTD | Last 1 Year | Last 3 Years | Last 5 Years | Last 10 Years | Since 2000 ¹ |
| GS Mid Cap Value Fund (%) | 3.14 | 24.81 | 7.31 | 9.47 | 6.21 | 10.99 | 10.44 |
| Russell Mid Cap Value Index (%) | 1.22 | 19.47 | 1.60 | 7.82 | 7.55 | 12.28 | 9.84 |
| Net Excess Returns (bps) | +192 | +534 | +571 | +165 | -134 | -130 | +61 |
| Morningstar Ranking (Mid Cap Blend) ² | | | 6% | 43% | 65% | 57% | 5% |
| Morningstar Absolute Ranking ² | | | 25/427 | 132/369 | 182/308 | 106/227 | 7/147 |

3Q 2019 Performance Review

- During the trailing 3 months, the Fund has returned 3.14% (net), outperforming the Russell Mid Cap Value Index by 192 basis points (bps) (net).
- Our stock selection in the Materials and Information Technology sectors contributed to relative returns.
 - **Top Contributors:** Overall in the portfolio, **L3harris Technologies, Inc. (Ending Weight 1.6%)**, a technology-based tactical communications, geospatial systems, air traffic management and avionics firm, was a top contributor to relative returns during the quarter. The stock returned 10.71%, contributing 24 bps to returns for the period. After the merger between Harris Corp. and L3 Technologies, Inc., the new entity continued to post positive results throughout the quarter. We believe the combined portfolio remains well-aligned with the Department of Defense's spending priorities and should continue to benefit as spending moves from readiness towards modernization. During the quarter, **Zimmer Biomet Holdings, Inc. (Ending Weight 2.3%)**, a manufacturer of musculoskeletal healthcare products and solutions, was a top contributor to relative returns during the quarter. The stock returned 16.80%, contributing 22 bps to returns for the period. A strong earnings report mid-quarter caused the stock to rise. We believe there is the opportunity for increased earnings potential and valuation multiple expansion.
 - **Top Detractors:** **Diamondback Energy, Inc. (Ending Weight 1.0%)**, an oil and natural gas producer, was a top detractor from relative returns during the quarter. The stock returned -17.33%, detracting 17 bps from returns for the period. The stock trended downwards in correlation with the Energy sector as a result of a decline in crude oil prices. Overall, we view the company as a well-capitalized oil and natural gas producer with quality land and a strong management team. **PTC, Inc. (Ending weight 0.5%)**, a software and services company, was a top detractor from relative returns during the quarter. The stock returned -24.04%, detracting 12 bps from returns for the period.

¹ Since 1-Jan-2000. Inception Date: 1-Aug-1995. Performance data has been presented since 2000 to highlight the management of the Fund since implementation of the current portfolio management team's views as there were significant changes to the Value team at the end of 1999.

² Source: Morningstar as of 30-Sep-2019. **Morningstar Percentile and Absolute Rankings** are based on the total return percentile rank within each Morningstar Category and do not account for a fund's sales charge (if applicable). Rankings will not be provided for periods less than one year. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of the funds as they were at the time of the calculation. Percentile ranks within categories are most useful in those groups that have a large number of funds. For small universes, funds will be ranked at the highest percentage possible. For instance, if there are only two specialty-utility funds with 10-year average total returns, Morningstar will assign a percentile rank of 1 to the top-performing fund, and the second fund will earn a percentile rank of 51 (indicating the fund underperformed 50% of the sample). **The returns represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted above. Please visit our Web site at: www.GSAMFUNDS.com to obtain the most recent month-end returns. Standardized Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter-end. They assume reinvestment of all distributions at net asset value. Because Institutional Shares do not involve a sales charge, such a charge is not applied to their Standardized Total Returns. Net/Gross Expense Ratios: 0.83%/0.83%. The expense ratios of the Fund do not have a fee waiver and expense limitation. The Net and Gross expense ratios will be the same.**

The stock fell during the middle of the quarter due to a disappointing earnings release. We continue to view the company favorably as we believe it has a unique competitive advantage in the production of much of the software that we expect to enable industrial automation and connectivity.

Trailing 1-Year Performance

- Over the last year, the Fund has outperformed its benchmark by 571 bps (net) and ranks in the 6th percentile relative to its peers.
- Our stock selection in the Materials and Information Technology sectors contributed to relative returns while our investments in Industrials detracted from relative returns.
- Outperformance relative to the benchmark in each of the past four quarters has contributed to trailing 1-year performance.
- Stock-specific drivers of last 1 year performance:
 - **Contributors:** **Martin Marietta Materials (Ending Weight 1.6%)** was a top relative contributor to returns during the period. The stock returned 52.08%, contributing 55 bps to returns for the year. The company engages in the provision of aggregates including crushed stone, sand, and gravel through its network of quarries and distribution yards. At the end of July, the company announced a strong earnings report while also raising EBITDA guidance. We are positive on Martin's long runway of pricing outperformance made available from its consolidation of the Texas and Colorado markets, given that aggregates is a local business with strong pricing power. **Ball Corp. (Ending Weight 0.9%)**, a metal packaging company that produces goods for beverages, household products, and aerospace technologies, was a top relative contributor to returns during the period. The stock returned 60.11%, contributing 45 bps to returns for the period. First quarter earnings provided a tailwind for the stock price as global beverage can volumes grew over 8% and the aerospace business grew over 24%. We view Ball Corp. as a highly diversified company that has growing market share in the defense industry, is a leader in the fragmented aerosol space, and is one of the more sustainable companies in beverage can production.
 - **Detractors:** **Diamondback Energy, Inc. (Ending Weight 1.0%)** was a top detractor during the trailing 1-year performance. The stock returned -33.09%, detracting 33 bps from returns for the period. Overall, we view the company as a well-capitalized oil and natural gas producer with superior land and a strong management team. **PVH Corp. (Ending Weight 0.8%)**, a fashion conglomerate that owns the brands Calvin Klein and Tommy Hilfiger, was also a top detractor during the trailing 1-year performance. The stock returned -38.81%, detracting 37 bps from returns for the year. We believe the stock's decline can be primarily attributed to broader macroeconomic trends, such as slowdowns in North American and Chinese retail markets and foreign exchange headwinds, rather than company-specific factors. Additionally, we are positive on the company's significant geographic diversity, which allows for more flexibility and global growth opportunities moving forward.

Positioning & Outlook

- The US equity market has experienced robust performance in 2019, gaining more than 20% through the first three quarters, and we continue to view equities favorably. Volatility increased in the third quarter stemming from continued geopolitical and trade tensions as well as increased fears of a US recession. Further decline and volatility in 10-year treasury rates and a shift in Federal Reserve policy to rate cuts did help buoy equities. We believe we are beginning to see, and expect to continue to see, more signals of an aging cycle moving forward. We expect choppy conditions, however, without clearer indications of deteriorating fundamentals, we think it is too early to position for a downturn in global growth or corporate earnings. Within this more volatile backdrop, we believe a thorough understanding of both market and company specific variables will be crucial to navigating this challenging environment. With that said, our investment philosophy won't change based on short-term fluctuations in markets. We plan to maintain our focus on high-quality companies with strong market positions and experienced management

teams. In our opinion, emphasizing these durable businesses can potentially set up portfolios to outperform amidst heightened volatility.

Attribution by Stock – 3Q 2019

Top 5 Contributors

| Security Name | Ending Weight (%) | Gross Return (%) | Contribution (bps) |
|--|-------------------|------------------|--------------------|
| L3Harris Technologies Inc | 1.6 | 18.3 | 25 |
| Zimmer Biomet Holdings Inc | 2.3 | 15.0 | 20 |
| CyrusOne Inc | 0.7 | 37.1 | 18 |
| Fidelity National Information Services Inc | 1.1 | 11.0 | 17 |
| Alder Biopharmaceuticals Inc | 0.4 | 59.3 | 17 |

Attribution by Stock – Trailing 1 Year

Top 5 Contributors

| Security Name | Ending Weight (%) | Gross Return (%) | Contribution (bps) |
|---------------------------------|-------------------|------------------|--------------------|
| Marvell Technology Group Ltd | 1.6 | 33.0 | 46 |
| Ball Corp | 0.9 | 65.7 | 45 |
| Martin Marietta Materials Inc | 1.6 | 38.3 | 44 |
| Xcel Energy Inc | 2.1 | 42.3 | 43 |
| Equity LifeStyle Properties Inc | 1.3 | 41.8 | 39 |

Top 5 Detractors

| Security Name | Ending Weight (%) | Gross Return (%) | Contribution (bps) |
|--------------------------|-------------------|------------------|--------------------|
| Diamondback Energy Inc | 0.9 | -19.8 | -19 |
| ITT Inc | 1.6 | -7.2 | -12 |
| Cooper Cos Inc | 1.1 | -11.7 | -11 |
| Viper Energy Partners LP | 0.9 | -10.8 | -11 |
| PTC Inc | 0.5 | -22.5 | -11 |

Top 5 Detractors

| Security Name | Ending Weight (%) | Gross Return (%) | Contribution (bps) |
|-------------------------|-------------------|------------------|--------------------|
| PVH Corp | 0.8 | -38.8 | -37 |
| Diamondback Energy Inc | 0.9 | -35.1 | -35 |
| Marathon Petroleum Corp | 0.4 | -22.4 | -31 |
| Concho Resources Inc | 0.0 | -51.6 | -31 |
| XPO Logistics Inc | 0.0 | -46.9 | -29 |

Fund Risk Considerations:

The Goldman Sachs Mid Cap Value Fund invests primarily in U.S. equity investments with a primary focus on mid-capitalization companies. The Fund's investments are subject to **market risk**, which means that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions. The securities of **mid- and small-capitalization companies** involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. **Different investment styles** (e.g., "quantitative") tend to shift in and out of favor, and at times the Fund may underperform other funds that invest in similar asset classes.

General Disclosures

A summary prospectus, if available, or a Prospectus for the Fund containing more information may be obtained from your authorized dealer or from Goldman Sachs & Co. LLC by calling (retail - 1-800-526-7384) (institutional – 1-800-621-2550). Please consider a fund's objectives, risks, and charges and expenses, and read the summary prospectus, if available, and the Prospectus carefully before investing. The summary prospectus, if available, and the Prospectus contains this and other information about the Fund.

This information discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice. This material has been prepared by GSAM and is not financial research nor a product of Goldman Sachs Global Investment Research (GIR). It was not prepared in compliance with applicable provisions of law designed to promote the independence of financial analysis and is not subject to a prohibition on trading following the distribution of financial research. The views and opinions expressed may differ from those of Goldman Sachs Global Investment Research or other departments or divisions of Goldman Sachs and its affiliates. Investors are urged to consult with their financial advisors before buying or selling any securities. This information may not be current and GSAM has no obligation to provide any updates or changes.

The Russell Midcap Value Index is an unmanaged index that measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. Investors cannot directly invest in an unmanaged index.

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization

Free cash flow represents the cash that is available for a company to spend after financing its capital projects.

Fund holdings and allocations shown are unaudited, and may not be representative of current or future investments. Fund holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities. Current and future holdings are subject to risk.

Although certain information has been obtained from sources believed to be reliable, we do not guarantee its accuracy, completeness or fairness. We have relied upon and assumed without independent verification, the accuracy and completeness of all information available from public sources.

Views and opinions expressed are for informational purposes only and do not constitute a recommendation by GSAM to buy, sell, or hold any security. Views and opinions are current as of the date of this presentation and may be subject to change, they should not be construed as investment advice.

The Global Industry Classification Standard (GICS) was developed by and is the exclusive property and a service mark of Morgan Stanley Capital International Inc. (MSCI) and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. (S&P) and is licensed for use by Goldman Sachs. Neither MSCI, S&P nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

©2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is not a guarantee of future results.

Goldman Sachs & Co. LLC, distributor of the Fund(s), is not a bank, and Fund shares distributed by Goldman Sachs & Co. LLC are neither deposits nor obligations of, nor endorsed, nor guaranteed by any bank or other insured depository institution, nor are they insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency. Investment in the Funds involves risks, including possible loss of the principal amount invested.

© 2019 Goldman Sachs. All Rights Reserved.

Date of First Use: 10/16/2019

Compliance code: 182335-OTU