Goldman Sachs Group UK Limited

Pillar 3 Disclosures

For the period ended March 31, 2018

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Introduction

Overview

The Goldman Sachs Group, Inc. (Group Inc. or parent company), a Delaware corporation, together with its consolidated subsidiaries (collectively, the firm), is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals. Goldman Sachs Group UK Limited (GSGUKL) is a wholly owned subsidiary of Group Inc.. When we use the terms "Goldman Sachs" and "the firm", we mean Group Inc. and its consolidated subsidiaries and when we use the terms "GSGUK", "we", "us" and "our", we mean GSGUKL and its consolidated subsidiaries.

The Board of Governors of the Federal Reserve System (Federal Reserve Board) is the primary regulator of Group Inc., a bank holding company under the Bank Holding Company Act of 1956 (BHC Act) and a financial holding company under amendments to the BHC Act. As a bank holding company, the firm is subject to consolidated regulatory capital requirements which are calculated in accordance with the revised risk-based capital and leverage regulations of the Federal Reserve Board, subject to certain transitional provisions.

GSGUK is supervised on a consolidated basis by the Prudential Regulation Authority (PRA) and as such is subject to minimum capital adequacy standards. Certain subsidiaries of GSGUK are regulated by the Financial Conduct Authority (FCA) and the PRA and are subject to minimum capital adequacy standards also on a standalone basis.

The risk-based capital requirements are expressed as capital ratios that compare measures of regulatory capital to Risk-Weighted Assets (RWAs). Failure to comply with these requirements could result in restrictions being imposed by our regulators. GSGUK's capital levels are also subject to qualitative judgements by our regulators about components of capital, risk weightings and other factors.

For information on Group Inc.'s financial statements and regulatory capital ratios, please refer to the firm's most recent Quarterly Pillar 3 Disclosures and Quarterly Report on Form 10-Q. References in this document to the "Quarterly Pillar 3 Disclosures" are to the firm's Pillar 3 Disclosures for the quarterly period ended March 31, 2018, references to the "Quarterly Report on Form 10-Q" are to the firm's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018. All references to March 2018 refer to the period ended, or the date March 31, 2018 as the context requires. These forms can be accessed via the following links:

http://www.goldmansachs.com/investor-relations/financials/current/other-information/1q-pillar3-2018.pdf

http://www.goldmansachs.com/investor-relations/financials/current/10q/first-quarter-2018-10-q.pdf

The GSGUK consolidated regulatory capital requirement has been calculated in accordance with the E.U. Fourth Capital Requirements Directive (CRD IV) and the E.U. Capital Requirements Regulation (CRR), , which came into effect on January 1, 2014. These regulations are largely based on the Basel Committee's final capital framework for strengthening international capital standards (Basel III), which is structured around three pillars: Pillar 1 "minimum capital requirements", Pillar 2 "supervisory review process" and Pillar 3 "market discipline". Certain provisions of CRD IV are directly applicable in the UK and certain provisions have been implemented in the PRA and FCA Rulebooks.

These quarterly Pillar 3 disclosures set out the qualitative and quantitative elements of Part 8 of the CRR within CRD IV, as supplemented by the PRA and FCA Rulebooks, for which we have determined that more frequent disclosure is appropriate in accordance with the EBA Guidelines under Articles 431(1), 432(2) and 433 of CRR. From March 2018, these quarterly Pillar 3 disclosures have also been prepared in accordance with the European Banking Authority's revised guidelines on disclosure requirements under Part 8 of the CRR published in December 2016.

GSGUK also publishes annual Pillar 3 disclosures. The latest available published annual Pillar 3 disclosures can be accessed via the following link:

http://www.goldmansachs.com/disclosures/gsguk-2016-pillar-3.pdf

Measures of exposures and other metrics disclosed in this report may not be based on UK generally accepted accounting principles (UK GAAP), may not be directly comparable to measures reported in financial statements, and may not be comparable to similar measures used by other companies. These disclosures are not required to be, and have not been, audited by our independent auditors.

Basis of Consolidation

GSGUKL is the holding company for a group that provides a wide range of financial services to clients located worldwide. The company's functional currency is US dollars and these disclosures are prepared in that currency.

The following UK-regulated subsidiaries are included in the regulatory consolidation:

- Goldman Sachs International (GSI)
- Goldman Sachs International Bank (GSIB)
- Goldman Sachs Asset Management International
- Goldman Sachs Asset Management Global Services Limited

The scope of consolidation for regulatory capital purposes is consistent with the UK GAAP consolidation.

CRD IV requires significant subsidiaries to make certain capital disclosures on an individual or subconsolidated basis. The significant subsidiaries of GSGUK are GSI and GSIB. GSI is the firm's broker dealer in the Europe, Middle East and Africa (EMEA) region and its risk profile is materially the same as GSGUK. GSIB is GSGUK's deposit-taking subsidiary. Risk management policies and procedures are applied consistently to GSI, GSIB and to GSGUK as a whole. The remaining entities have minimal balance sheet activity and have not been determined material subsidiaries for the purposes of these disclosures.

Restrictions on the Transfer of Funds or Regulatory Capital within the Firm

Group Inc. is a holding company and, therefore, utilises dividends, distributions and other payments from its subsidiaries to fund dividend payments and other payments on its obligations, including debt obligations. Regulatory capital requirements as well as provisions of applicable law and regulations restrict Group Inc.'s ability to withdraw capital from its regulated subsidiaries. Within GSGUK, capital is provided by GSGUKL to subsidiary entities. Capital is considered transferable to other entities within the GSGUK Group without any significant restriction except to the extent it is required for regulatory purposes.

For information about restrictions on the transfer of funds within Group Inc. and its subsidiaries, see "Note 20. Regulation and Capital Adequacy" in Part I, Item 1 "Financial Statements" and "Risk Management – Liquidity Risk Management" and "Equity Capital Management and Regulatory Capital" in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the firm's Quarterly Report on Form 10-Q.

Definition of Risk-Weighted Assets

The risk weights that are used in the calculation of RWAs reflect an assessment of the riskiness of our assets and exposures. These risk weights are based on either predetermined levels set by regulators or on internal models which are subject to various qualitative and quantitative parameters that are subject to approval by our regulators. The relationship between available capital and capital requirements can be expressed in the form of a ratio, and capital requirements are arrived at by dividing RWAs by 12.5. In this document, minimum capital ratios set out in Table 1 are expressed including the impact of additional buffers.

Fair Value

The inventory amounts reflected in our consolidated statements of financial condition as “financial instruments owned” and “financial instruments sold, but not yet purchased” as well as certain other financial assets and financial liabilities, are accounted for at fair value (i.e., marked-to-market), with related gains or losses generally recognised in our consolidated financial position and, therefore, in capital. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The use of fair value to measure financial instruments is fundamental to risk management practices and is our most critical accounting policy. The daily discipline of marking substantially all of our inventory to current market levels is an effective tool for assessing and managing risk and provides transparent and realistic insight into our financial exposures. The use of fair value is an important aspect to consider when evaluating our capital base and our capital ratios; it is also a factor used to determine the classification of positions into the banking book and trading book.

The firm has documented policies and maintains systems and controls for the calculation of Prudent Valuation Adjustment (“PVA”) as required by the Commission Delegated Regulation (EU) No. 2016/101. PVA represents the excess of valuation adjustments required to achieve prudent value, over any adjustment applied in the firm’s fair value that addresses the same source of valuation uncertainty. For a valuation input where the range of plausible values is created from mid prices, Prudent Value represents the point within the range where the firm is 90% confident that the mid value which could be achieved in exiting the valuation exposure would be at that price or better. The Firm’s methodology addresses fair value uncertainties arising from a number of sources; market price uncertainty, close-out costs, model risk, unearned credit spreads, investing and funding cost, concentrated positions, future administrative costs, early termination, operational risk. Methodologies utilised by our independent control functions to calculate PVA are aligned with, and use the same external data sources as, those used when carrying out price verification of fair value.

For additional information regarding the determination of fair value under accounting principles generally accepted in the United States (US GAAP) and controls over valuation of inventory, see “Note 3. Significant Accounting Policies” and “Note 5. Fair Value Measurements” in Part I “Financial Statements”, and “Critical Accounting Policies” in Part I, Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the firm’s Quarterly Report on Form 10-Q.

Banking Book / Trading Book Classification

In order to determine the appropriate regulatory capital treatment for our exposures, positions must be first classified into either “banking book” or “trading book”. Positions are classified as banking book unless they qualify to be classified as trading book.

Banking book positions may be accounted for at amortised cost, fair value or under the equity method; they are not generally positions arising from client servicing and market making, positions intended to be resold in the short term, or positions intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations[1]. Banking book positions are subject to credit risk capital requirements. Credit risk represents the potential for loss due to the default or deterioration in credit quality of a counterparty (e.g., an OTC derivatives counterparty or a borrower) or an issuer of securities or other instruments that we hold.

Trading book positions generally meet the following criteria: they are assets or liabilities that are accounted for at fair value; they are risk managed using a Value-at-Risk (VaR) internal model; they are held as part of our market-making and underwriting businesses and are intended to be resold in the short term, or positions intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations[1]. Trading book positions are subject to market risk regulatory capital requirements, as are foreign exchange and commodity positions, whether or not they meet the other criteria for classification as trading book positions. Market risk is the risk of loss in the value of our inventory due to changes in market prices. Some trading book positions, such as derivatives, are also subject to counterparty credit risk capital requirements.

[1] As defined in point (85) of Article 4(1) in CRD IV.

Capital Framework

Capital Structure

For CRD IV regulatory purposes, a company's total available capital has the following components:

- Common Equity Tier 1 capital (CET1), which is comprised of common shareholders' equity, after giving effect to deductions for disallowed items and other adjustments;
- Tier 1 capital which is comprised of CET1 capital and other qualifying capital instruments; and
- Tier 2 capital, which is comprised of Tier 1 capital and includes long term qualifying subordinated debt and preference shares.

Certain components of our regulatory capital are subject to regulatory limits and restrictions under CRD IV. In general, to qualify as Tier 1 or Tier 2 capital, an instrument must be fully paid and unsecured. A qualifying Tier 1 or Tier 2 capital instrument must also be subordinated to all senior indebtedness of the organisation.

Under CRD IV, the minimum CET1, Tier 1 capital and Total capital ratios (collectively the Pillar 1 capital requirements) are supplemented by:

- A capital conservation buffer, consisting entirely of capital that qualifies as CET1, that phases in beginning on January 1, 2016, in increments of 0.625% per year until it reaches 2.5% of RWAs on January 1, 2019.
- A countercyclical capital buffer of up to 2.5% (consisting entirely of CET1) in order to counteract excessive credit growth. The buffer only applies to GSGUK's exposures to certain types of counterparties based in jurisdictions which have announced and implemented a countercyclical buffer. These exposures are not currently material for GSGUK; the buffer adds approximately 0.01% to its minimum capital ratio.
- Individual capital guidance under Pillar 2A (an additional amount to cover risks not adequately captured in Pillar 1). The PRA performs a periodic supervisory review of GSI's and GSIB's Internal Capital Adequacy Assessment Process (ICAAP), which leads to a final determination by the PRA of individual capital guidance under Pillar 2A. This is a point in time assessment of the minimum amount of capital the PRA considers that an entity should hold.

Minimum Regulatory Capital Ratios

The risk-based capital requirements are expressed as capital ratios that compare measures of regulatory capital to RWAs. The CET1 ratio is defined as CET1 divided by RWAs. The Tier 1 capital ratio is defined as Tier 1 capital divided by RWAs. The total capital ratio is defined as total capital divided by RWAs.

The following table presents GSGUK's minimum required ratios as of March 2018.

Table 1: Minimum Regulatory Capital Ratios

	March 2018 Minimum ratio[1, 2]
CET1 ratio	**7.8%**
Tier 1 capital ratio	**9.8%**
Total capital ratio	**12.4%**

1. Includes the phase-in of the capital conservation buffer and countercyclical capital buffer described above.
2. These minimum ratios also incorporate the Pillar 2A capital guidance received from the PRA (2.5% for Total Capital at March 31, 2018) and could change in the future.

In addition to the Pillar 2A capital guidance, the PRA also defines forward looking capital guidance which represents the PRA's view of the capital that GSGUK would require to absorb losses in stressed market conditions. This is known as Pillar 2B or the "PRA buffer" and is not reflected in the minimum ratios shown in Table 1 above. As the capital conservation buffer phases in, as described above, it will fully or partially replace the PRA buffer.

Compliance with Capital Requirements

As of March 31, 2018, all of GSGUK's regulated subsidiaries had capital levels in excess of their minimum regulatory capital requirements.

Regulatory Capital

Overview

The following table presents a breakdown of GSGUK's capital ratios under CRD IV as at March 31, 2018, including those for our significant subsidiaries GSI and GSIB.

Table 2: Regulatory Capital Ratios

$ in millions		**as of March 2018**	
	GSGUK	**GSI**	**GSIB**
CET1 Capital	**$ 30,123**	**$ 25,274**	**$ 3,001**
Tier 1 Capital	**35,923**	**31,074**	**3,001**
Tier 2 Capital	**6,503**	**5,377**	**826**
Total Capital	**42,426**	**36,451**	**3,827**
RWAs	**$ 248,952**	**$ 233,485**	**$ 9,785**
CET1 Ratio	**12.1%**	**10.8%**	**30.7%**
Tier 1 Capital Ratio	**14.4%**	**13.3%**	**30.7%**
Total Capital Ratio	**17.0%**	**15. 6%**	**39.1%**

In the table above, the CET1 ratio and Total capital ratio include approximately 103 basis points attributable to GSGUK's unaudited profit, net of foreseeable dividends and charges, for the fifteen month period ended March 2018, and 17 basis points and 35 basis points attributable to GSI's and GSIB's results respectively, for the three months ended March 2018.

Assets that are deducted from capital in computing the numerator of the capital ratios are excluded from the computation of RWAs in the denominator of the ratios. The following tables contain information on the components of our regulatory capital structure based on CRD IV, as implemented by the PRA.

Leverage Ratio

The company is required to monitor and disclose its leverage ratio using CRR's definition of exposure as amended by the European Commission Leverage Ratio Delegated Act. In November 2016, the European Commission proposed amendments to CRD IV to implement a 3% minimum leverage ratio requirement for certain E.U. financial institutions, including the company. This leverage ratio compares CRR's definition of Tier 1 capital to a measure of leverage exposure, defined as the sum of certain assets plus certain off-balance sheet exposures (which include a measure of derivatives exposures, securities financing transactions and commitments), less Tier 1 capital deductions. Any required minimum ratio is expected to become effective for the company no earlier than January 1, 2021. As of March 31, 2018, GSGUK had a leverage ratio of 4.1%. This leverage ratio is based on our current interpretation and understanding of this rule and may evolve as its interpretation and application is discussed with our regulators. The table below presents the company's leverage ratio under CRD IV.

Table 3: Leverage Ratio

$ in millions		**as of March 2018**	
	GSGUK	**GSI**	**GSIB**
Tier 1 Capital	**$ 35,923**	**$ 31,074**	**$ 3,001**
Leverage Ratio Exposure	**878,161**	**847,461**	**28,304**
Leverage Ratio	**4.1%**	**3.7%**	**10.6%**

Capital Structure

The following table contains summary information on the components of our regulatory capital structure based on CRD IV, as implemented by the PRA.

Table 4: Regulatory Capital Resources

$ in millions		**as of March 2018**	
	GSGUK	**GSI**	**GSIB**
CET1 Capital Before Deductions	**$ 31,338**	**$ 26,414**	**$ 3,075**
Regulatory Adjustments	**(1,215)**	**(1,141)**	**(74)**
CET1 Capital After Deductions	**30,123**	**25,274**	**3,001**
Additional Tier 1 Instruments	**5,800**	**5,800**	**-**
Tier 1 Capital After Deductions	**35,923**	**31,074**	**3,001**
Tier 2 Capital Before Deductions	**6,503**	**5,377**	**826**
Regulatory Adjustments	**-**	**-**	**-**
Tier 2 Capital After Deductions[1]	**6,503**	**5,377**	**826**
Total Capital Resources	**$ 42,426**	**$ 36,451**	**$ 3,827**

1. Tier 2 Capital includes subordinated debt with an original term to maturity of five years or greater. The outstanding amount of subordinated debt qualifying for Tier 2 Capital is reduced, or discounted, upon reaching a remaining maturity of five years.

Risk-Weighted Assets

CRD IV RWAs are calculated based on measures of credit risk, market risk and operational risk. The tables below represent a summary of the RWAs and capital requirements for GSGUK, GSI and GSIB by type as at March 31, 2018 and December 31, 2017.

Table 5: Overview of Risk Weighted Assets

GSGUK

$ in millions

		RWAs		
		March 2018	**December 2017**	**Minimum capital requirements**
1	Credit risk (excluding CCR)	**$ 33,052**	**$ 29,480**	**$ 2,644**
2	Of which the standardised approach	**6,979**	**5,996**	**558**
4	Of which the advanced IRB (AIRB) approach	**23,929**	**22,041**	**1,914**
5	Of which equity IRB under the simple risk-weighted approach or the IMA	**2,144**	**1,443**	**171**
6	CCR	**$ 108,964**	**$ 106,088**	**$ 8,717**
7	Of which mark to market	**9,880**	**9,739**	**790**
9	Of which the standardised approach	**13**	**24**	**1**
10	Of which internal model method (IMM)	**75,485**	**74,025**	**6,039**
11	Of which risk exposure amount for contributions to the default fund of a CCP	**743**	**782**	**59**
12	Of which CVA	**22,843**	**21,518**	**1,827**
13	Settlement risk	**$ 2,189**	**$ 2,054**	**$175**
14	Securitisation exposures in the banking book (after the cap)	**$ 456**	**$ 452**	**$ 36**
15	Of which IRB approach	**456**	**452**	**36**
19	Market risk	**$ 88,812**	**$ 89,957**	**$ 7,105**
20	Of which the standardised approach	**39,948**	**38,549**	**3,196**
21	Of which IMA	**48,864**	**51,409**	**3,909**
22	Large exposures	**-**	**-**	**-**
23	Operational risk	**$ 15,479**	**$ 15,479**	**$ 1,238**
24	Of which basic indicator approach	**-**	**-**	**-**
25	Of which standardised approach	**15,479**	**15,479**	**1,238**
29	Total	**$ 248,952**	**$ 243,510**	**$ 19,916**

GSI

$ in millions

		RWAs		
		March 2018	**December 2017**	**Minimum capital requirements**
1	Credit risk (excluding CCR)	**$ 21,143**	**$ 18,667**	**$ 1,691**
2	Of which the standardised approach	**1,953**	**1,877**	**156**
4	Of which the advanced IRB (AIRB) approach	**17,046**	**15,347**	**1,364**
5	Of which equity IRB under the simple risk-weighted approach or the IMA	**2,143**	**1,443**	**171**
6	CCR	**$ 108,443**	**$ 105,601**	**$ 8,675**
7	Of which mark to market	**9,711**	**9,565**	**777**
9	Of which the standardised approach	**-**	**-**	**-**
10	Of which internal model method (IMM)	**75,235**	**73,782**	**6,019**
11	Of which risk exposure amount for contributions to the default fund of a CCP	**743**	**782**	**59**
12	Of which CVA	**22,754**	**21,472**	**1,820**
13	Settlement risk	**$ 2,188**	**$ 2,052**	**$ 175**
14	Securitisation exposures in the banking book (after the cap)	**$ 0**	**$ 15**	**$ 0**
15	Of which IRB approach	**0**	**15**	**0**
19	Market risk	**$ 87,606**	**$ 85,272**	**$ 7,008**
20	Of which the standardised approach	**39,707**	**38,203**	**3,177**
21	Of which IMA	**47,898**	**47,069**	**3,832**
22	Large exposures	**-**	**-**	**-**
23	Operational risk	**$ 14,104**	**$ 14,335**	**$ 1,128**
24	Of which basic indicator approach	**-**	**-**	**-**
25	Of which standardised approach	**14,104**	**14,335**	**1,128**
29	Total	**$ 233,485**	**$ 233,129**	**$ 18,679**

GSIB
$ in millions

		RWAs		
		March 2018	December 2017	Minimum capital requirements
1	Credit risk (excluding CCR)	$ 7,332	$ 6,698	$ 587
2	Of which the standardised approach	450	4	36
4	Of which the advanced IRB (AIRB) approach	6,882	6,694	551
5	Of which equity IRB under the simple risk-weighted approach or the IMA	0	0	0
6	CCR	$ 507	$ 464	$ 41
7	Of which mark to market	169	174	14
9	Of which the standardised approach	-	-	-
10	Of which internal model method (IMM)	249	243	20
11	Of which risk exposure amount for contributions to the default fund of a CCP	-	-	-
12	Of which CVA	88	46	7
13	Settlement risk	$ 1	$ 2	$ 0
14	Securitisation exposures in the banking book (after the cap)	$ 456	$ 437	$ 36
15	Of which IRB approach	456	437	36
19	Market risk	$ 1,024	$ 4,587	$ 82
20	Of which the standardised approach	59	247	5
21	Of which IMA	965	4,339	77
22	Large exposures	-	-	-
23	Operational risk	$ 464	$ 360	$ 37
24	Of which basic indicator approach	464	360	37
25	Of which standardised approach	-	-	-
29	Total	$ 9,785	$ 12,547	$ 783

The tables below represent the quarterly flow statements of RWAs and Capital requirements for Credit Risk, Counterpart Credit Risk (CCR) and Market Risk for GSGUK, GSI and GSIB

Table 6: RWA flow statements of credit risk exposures under the IRB approach

$ in millions **As of March 2018**

		RWA amounts			Capital requirements		
		GSGUK	GSI	GSIB	GSGUK	GSI	GSIB
1	**RWAs as at the end of the previous reporting period**	$ 22,041	$ 15,347	$ 6,694	$ 1,763	$ 1,228	$ 535
2	Asset size[1]	1,948	1,675	272	156	134	22
3	Credit quality of counterparties	(24)	55	(79)	(2)	4	(6)
7	Foreign exchange movements	347	190	157	28	15	13
8	Other	(382)	(220)	(162)	(31)	(18)	(13)
9	**RWAs as at the end of the current reporting period**	$ 23,929	$ 17,046	$ 6,882	$ 1,914	$ 1,364	$ 551

[1]The asset size impact on RWAs under the IRB approach for GSI is mainly due to a combination of new margin loans and commitments and an increase in cash.

Table 7: RWA flow statements of CCR exposures under the IMM

$ in millions **As of March 2018**

		RWA amounts			Capital requirements		
		GSGUK	GSI	GSIB	GSGUK	GSI	GSIB
1	**RWAs as at the end of the previous reporting period**	$ 74,025	$ 73,782	$ 243	$ 5,922	$ 5,903	$ 19
2	Asset size	524	517	7	42	41	1
3	Credit quality of counterparties	(33)	(32)	(0)	126	126	(0)
4	Model updates (IMM only)	25	25	-	2	2	-
7	Foreign exchange movements	1,109	1,106	4	89	88	0
8	Other	(166)	(163)	(4)	(140)	(140)	(0)
9	**RWAs as at the end of the current reporting period**	$ 75,485	$ 75,235	$ 249	$ 6,039	$ 6,019	$ 20

Table 8: RWA flow statements of market risk exposures under the IMA

GSGUK

$ in millions **As of March 2018**

		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total capital requirements
1	**RWAs at previous quarter end**	**$ 5,903**	**$ 20,160**	**$ 13,951**	**$ 1,934**	**$ 9,461**	**$ 51,409**	**$ 4,113**
1a	*Regulatory adjustment*	**(3,942)**	**(13,360)**	**(838)**	**0**	**(4,703)**	**(18,140)**	**(1,451)**
1b	***RWAs at the previous quarter-end***	**$ 1,961**	**$ 6,800**	**$ 13,113**	**$ 1,934**	**$ 4,758**	**$ 28,566**	**$ 2,285**
2	Movement in risk levels	**(103)**	**(2,471)**	**(2,513)**	**361**	**1,618**	**(3,108)**	**(249)**
3	Model updates/changes	**48**	**259**	**0**	**0**	**(202)**	**105**	**8**
8a	***RWAs at the end of the reporting period***	**$ 1,906**	**$ 4,589**	**$ 10,600**	**$ 2,295**	**$ 6,175**	**$ 25,564**	**$ 2,045**
8b	*Regulatory adjustment*	**3,675**	**12,386**	**2,225**	**0**	**5,012**	**23,300**	**1,864**
8	**RWAs at the end of the reporting period**	**$ 5,581**	**$ 16,975**	**$ 12,825**	**$ 2,295**	**$ 11,187**	**$ 48,864**	**$ 3,909**

GSI

$ in millions **As of March 2018**

		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total capital requirements
1	**RWAs at previous quarter end**	**$ 5,576**	**$ 18,485**	**$ 12,138**	**$ 1,934**	**$ 8,936**	**$47,069**	**$ 3,766**
1a	*Regulatory adjustment*	**(3,735)**	**(12,398)**	**0**	**0**	**(4,349)**	**(20,482)**	**(1,639)**
1b	***RWAs at the previous quarter-end***	**$ 1,841**	**$ 6,088**	**$ 12,138**	**$ 1,934**	**$ 4,588**	**$ 26,588**	**$ 2,127**
2	Movement in risk levels	**(34)**	**(1,958)**	**(1,763)**	**361**	**1,789**	**(1,605)**	**(128)**
3	Model updates/changes	**48**	**259**	**0**	**0**	**(202)**	**105**	**8**
8a	***RWAs at the end of the reporting period***	**$ 1,855**	**$ 4,389**	**$ 10,375**	**$ 2,295**	**$ 6,175**	**$ 25,088**	**$ 2,007**
8b	*Regulatory adjustment*	**3,573**	**11,999**	**2,225**	**0**	**5,012**	**22,810**	**1, 825**
8	**RWAs at the end of the reporting period**	**$ 5,428**	**$ 16,388**	**$ 12,600**	**$ 2,295**	**$ 11,187**	**$ 47,898**	**$ 3,832**

GSIB

$ in millions **As of March 2018**

		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total capital requirements
1	**RWAs at previous quarter end**	**$ 327**	**$ 1,675**	**$ 1,812**	**-**	**$ 525**	**$ 4,339**	**$ 347**
1a	*Regulatory adjustment*	**(207)**	**(963)**	**(838)**	**0**	**(354)**	**(2,361)**	**(189)**
1b	***RWAs at the previous quarter-end***	**$ 120**	**$ 713**	**$ 975**	**-**	**$ 171**	**$ 1,978**	**$ 158**
2	Movement in risk levels	**(69)**	**(513)**	**(750)**	**0**	**(171)**	**(1,502)**	**(120)**
3	Model updates/changes	**0**	**0**	**0**	**0**	**0**	**0**	**0**
8a	***RWAs at the end of the reporting period***	**$ 51**	**$ 200**	**$ 225**	**-**	**$ 0**	**$ 476**	**$ 38**
8b	*Regulatory adjustment*	**102**	**387**	**0**	**0**	**0**	**489**	**39**
8	**RWAs at the end of the reporting period**	**$ 153**	**$ 587**	**$ 225**	**-**	**$ 0**	**$ 965**	**$ 77**

RWAs and Capital requirements in GSIB decreased due to a reduction in risk exposure following the transfer of the European Government Bond Business from GSIB to GSI in the first quarter of 2018. The migration of the European Government Bond business did not drive a corresponding increase in GSI due to diversification with GSI’s existing portfolio.

For GSIB, the quarterly increase in the “Other” column was mainly driven by Risk Factors Not in VaR (RNIV) due to increased market volatilities.

Cautionary Note on Forward-Looking Statements

We have included or incorporated by reference in these disclosures, and from time to time our management may make, statements that may constitute "forward-looking statements." Forward-looking statements are not historical facts, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These statements include statements other than historical information or statements of current condition.

It is possible that actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Important factors that could cause actual results and financial condition to differ from those indicated in the forward-looking statements include, among others, those discussed under "Risk Factors" in Part I, Item 1A in the firm's Annual Report of Form 10-K for the year ended December 31, 2017. This can be accessed via the following link:

http://www.goldmansachs.com/investor-relations/financials/current/10k/2017-10-k.pdf