

GOLDMAN SACHS GROUP INC
Form 424B2
March 05, 2019

Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-219206

GS Finance Corp.

\$530,000

Leveraged Buffered S&P 500[®] Index-Linked Notes due 2022

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 (March 4, 2022) is based on the performance of the S&P 500[®] Index as measured from the trade date (March 1, 2019) to and including the determination date (March 1, 2022).

If the final index level on the determination date is greater than the initial index level of 2,803.69, the return on your notes will be positive and will equal 3 times the index return, subject to the maximum settlement amount of \$1,220 for each \$1,000 face amount of your notes.

If the final index level declines by up to 15% from the initial index level, you will receive the face amount of your notes. If the final index level declines by more than 15% from the initial index level, the return on your notes will be negative and will equal the index return plus 15%. You could lose a significant portion of the face amount of your notes.

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

if the index return is positive (the final index level is greater than the initial index level), the sum of (i) \$1,000 plus (ii) the product of (a) \$1,000 times (b) 3 times (c) the index return, subject to the maximum settlement amount;

if the index return is zero or negative but not below -15% (the final index level is equal to the initial index level or is less than the initial index level, but not by more than 15%), \$1,000; or

if the index return is negative and is below -15% (the final index level is less than the initial index level by more than 15%), the sum of (i) \$1,000 plus (ii) the product of (a) the sum of the index return plus 15% times (b) \$1,000. You will receive less than the face amount of your notes.

You should read the disclosure herein to better understand the terms and risks of your investment, including the credit risk of GS Finance Corp. and The Goldman Sachs Group, Inc. See page PS-11.

The estimated value of your notes at the time the terms of your notes are set on the trade date is equal to approximately \$961 per \$1,000 face amount. For a discussion of the estimated value and the price at which Goldman Sachs & Co. LLC would initially buy or sell your notes, if it makes a market in the notes, see the following page.

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Original issue date: March 6, 2019

Original issue price: 100% of the face amount

Underwriting discount: 1.425% of the face amount* Net proceeds to the issuer: 98.575% of the face amount

*See “Supplemental Plan of Distribution; Conflicts of Interest” on page PS-18 for additional information regarding the fees comprising the underwriting discount.

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

Goldman Sachs & Co. LLC

Pricing Supplement No. 5,199 dated March 1, 2019.

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

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

Estimated Value of Your Notes

The estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by Goldman Sachs & Co. LLC (GS&Co.) and taking into account our credit spreads) is equal to approximately \$961 per \$1,000 face amount, which is less than the original issue price. The value of your notes at any time will reflect many factors and cannot be predicted; however, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would initially buy or sell notes (if it makes a market, which it is not obligated to do) and the value that GS&Co. will initially use for account statements and otherwise is equal to approximately the estimated value of your notes at the time of pricing, plus an additional amount (initially equal to \$39 per \$1,000 face amount).

Prior to March 1, 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 from the time of pricing through February 29, 2020). On and after March 1, 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 pricing supplement and the accompanying documents listed below. This pricing supplement constitutes a supplement to the documents listed below, does not set forth all of the terms of your notes and therefore should be read in conjunction with such documents:

Product supplement no. 1,738 dated July 10, 2017

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

Prospectus supplement dated July 10, 2017

Prospectus dated July 10, 2017

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

We refer to the notes we are offering by this pricing supplement as the “offered notes” or the “notes”. Each of the offered notes has the terms described below. Please note that in this pricing supplement, references to “GS Finance Corp.”, “we”, “our” and “us” mean only GS Finance Corp. and do not include its subsidiaries or affiliates, references to “The Goldman Sachs Group, Inc.”, our parent company, mean only The Goldman Sachs Group, Inc. and do not include its subsidiaries or affiliates and references to “Goldman Sachs” mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries and affiliates, including us. The notes will be issued under the senior debt indenture, dated as of October 10, 2008, as supplemented by the First Supplemental Indenture, dated as of February 20, 2015, each among us, as issuer, The Goldman Sachs Group, Inc., as guarantor, and The Bank of New York Mellon, as trustee. This indenture, as so supplemented and as further supplemented thereafter, is referred to as the “GSFC 2008 indenture” in the accompanying prospectus supplement. The notes will be issued in book-entry form and represented by a master global note.

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[REDACTED]

You should be willing to forgo:

gains greater than a maximum settlement amount of 122% of the face amount in exchange for (i) 3x leveraged upside participation if the underlier return is positive and (ii) a buffer against loss of principal in the event of a decline of up to 15% in the final underlier level relative to the initial underlier level.

interest payments and risk losing a substantial portion of your investment for the potential to earn 300% of any positive underlier return up to a maximum settlement amount of 122% of the face amount.

Your maximum return on your notes will not be greater than 22%, and you could lose a substantial portion of your investment if the underlier return is less than -15%.

[REDACTED]

At maturity, for each \$1,000 face amount, the investor will receive (in each case as a percentage of the face amount):

if the final underlier level is greater than 100% of the initial underlier level, 100% plus 300% times the underlier return, subject to a maximum settlement amount of 122%;

if the final underlier level is equal to or less than 100% of the initial underlier level but greater than or equal to 85% of the initial underlier level, 100%; or

if the final underlier level is less than 85% of the initial underlier level, 100% minus 1% for every 1% that the final underlier level has declined below 85% of the initial underlier level

If the final underlier level declines by more than 15% from the initial underlier level, the return on the notes will be negative and the investor could lose a substantial portion of their investment in the notes.

Issuer:	GS Finance Corp.
Guarantor:	The Goldman Sachs Group, Inc.
Underlier:	The S&P 500 [®] Index (current Bloomberg symbol: "SPX Index")
Face Amount:	\$530,000 in the aggregate; each note will have a face amount equal to \$1,000
Trade Date:	March 1, 2019
Settlement Date:	March 6, 2019
Determination Date:	March 1, 2022
Stated Maturity Date:	March 4, 2022
Initial Underlier Level:	2,803.69
Final Underlier Level:	The closing level of the underlier on the determination date
Underlier Return:	The quotient of (i) the final underlier level minus the initial underlier level divided by (ii) the initial underlier level, expressed as a positive or negative percentage
Upside Participation Rate:	300%
Buffer Level:	85% of the initial underlier level (equal to an underlier return of -15%)
Buffer Amount:	15%
Buffer Rate:	100%
Maximum Settlement Amount:	\$1,220
Cap Level:	Approximately 107.333% of the initial underlier level
CUSIP/ISIN:	40056EX94 / US40056EX941

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[REDACTED]

[REDACTED]

200.000%	122.000%
175.000%	122.000%
150.000%	122.000%
125.000%	122.000%
107.333%	122.000%
105.000%	115.000%
103.000%	109.000%
101.000%	103.000%
100.000%	100.000%
96.000%	100.000%
92.000%	100.000%
88.000%	100.000%
85.000%	100.000%
75.000%	90.000%
50.000%	65.000%
25.000%	40.000%
0.000%	15.000%

Please read the section entitled “Additional Risk Factors Specific to Your Notes” of this pricing supplement as well as the risks and considerations described in the accompanying prospectus dated July 10, 2017, in the accompanying prospectus supplement dated July 10, 2017, under “Additional Risk Factors Specific to the Underlier-Linked Notes” in the accompanying product supplement no. 1,738 dated July 10, 2017, and under “Additional Risk Factors Specific to the Notes” in the accompanying general terms supplement no. 1,734 dated July 10, 2017.

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TERMS AND CONDITIONS

(Terms From Pricing Supplement No. 5,199 Incorporated Into Master Note No. 2)