

THE GOLDMAN SACHS GROUP, INC. AND SUBSIDIARIES
Consolidated Statements of Earnings

	Year Ended December		
	2021	2020	2019
<i>in millions, except per share amounts</i>			
Revenues			
Investment banking	\$14,168	\$ 9,141	\$ 6,798
Investment management	8,059	6,923	6,189
Commissions and fees	3,619	3,548	2,988
Market making	15,352	15,546	10,157
Other principal transactions	11,671	4,651	6,052
Total non-interest revenues	52,869	39,809	32,184
Interest income	12,120	13,689	21,738
Interest expense	5,650	8,938	17,376
Net interest income	6,470	4,751	4,362
Total net revenues	59,339	44,560	36,546
Provision for credit losses	357	3,098	1,065
Operating expenses			
Compensation and benefits	17,719	13,309	12,353
Transaction based	4,710	4,141	3,513
Market development	553	401	739
Communications and technology	1,573	1,347	1,167
Depreciation and amortization	2,015	1,902	1,704
Occupancy	981	960	1,029
Professional fees	1,648	1,306	1,316
Other expenses	2,739	5,617	3,077
Total operating expenses	31,938	28,983	24,898
Pre-tax earnings	27,044	12,479	10,583
Provision for taxes	5,409	3,020	2,117
Net earnings	21,635	9,459	8,466
Preferred stock dividends	484	544	569
Net earnings applicable to common shareholders	\$21,151	\$ 8,915	\$ 7,897
Earnings per common share			
Basic	\$ 60.25	\$ 24.94	\$ 21.18
Diluted	\$ 59.45	\$ 24.74	\$ 21.03
Average common shares			
Basic	350.5	356.4	371.6
Diluted	355.8	360.3	375.5

Consolidated Statements of Comprehensive Income

	Year Ended December		
	2021	2020	2019
<i>\$ in millions</i>			
Net earnings	\$21,635	\$ 9,459	\$ 8,466
Other comprehensive income/(loss) adjustments, net of tax:			
Currency translation	(42)	(80)	5
Debt valuation adjustment	322	(261)	(2,079)
Pension and postretirement liabilities	41	(26)	(261)
Available-for-sale securities	(955)	417	158
Other comprehensive income/(loss)	(634)	50	(2,177)
Comprehensive income	\$21,001	\$ 9,509	\$ 6,289

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets

\$ in millions	As of December	
	2021	2020
Assets		
Cash and cash equivalents	\$ 261,036	\$ 155,842
Collateralized agreements:		
Securities purchased under agreements to resell (at fair value)	205,703	108,060
Securities borrowed (includes \$39,955 and \$28,898 at fair value)	178,771	142,160
Customer and other receivables (includes \$42 and \$82 at fair value)	160,673	121,331
Trading assets (at fair value and includes \$68,208 and \$69,031 pledged as collateral)	375,916	393,630
Investments (includes \$83,427 and \$82,778 at fair value, and \$12,840 and \$13,375 pledged as collateral)	88,719	88,445
Loans (net of allowance of \$3,573 and \$3,874, and includes \$10,769 and \$13,625 at fair value)	158,562	116,115
Other assets	34,608	37,445
Total assets	\$1,463,988	\$1,163,028
Liabilities and shareholders' equity		
Deposits (includes \$35,425 and \$16,176 at fair value)	\$ 364,227	\$ 259,962
Collateralized financings:		
Securities sold under agreements to repurchase (at fair value)	165,883	126,571
Securities loaned (includes \$9,170 and \$1,053 at fair value)	46,505	21,621
Other secured financings (includes \$17,074 and \$24,126 at fair value)	18,544	25,755
Customer and other payables	251,931	190,658
Trading liabilities (at fair value)	181,424	153,727
Unsecured short-term borrowings (includes \$29,832 and \$26,750 at fair value)	46,955	52,870
Unsecured long-term borrowings (includes \$52,390 and \$40,911 at fair value)	254,092	213,481
Other liabilities (includes \$359 and \$263 at fair value)	24,501	22,451
Total liabilities	1,354,062	1,067,096
Commitments, contingencies and guarantees		
Shareholders' equity		
Preferred stock; aggregate liquidation preference of \$10,703 and \$11,203	10,703	11,203
Common stock; 906,430,314 and 901,692,039 shares issued, and 333,573,254 and 344,088,725 shares outstanding	9	9
Share-based awards	4,211	3,468
Nonvoting common stock; no shares issued and outstanding	—	—
Additional paid-in capital	56,396	55,679
Retained earnings	131,811	112,947
Accumulated other comprehensive loss	(2,068)	(1,434)
Stock held in treasury, at cost; 572,857,062 and 557,603,316 shares	(91,136)	(85,940)
Total shareholders' equity	109,926	95,932
Total liabilities and shareholders' equity	\$1,463,988	\$1,163,028

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Consolidated Statements of Changes in Shareholders' Equity

\$ in millions	Year Ended December		
	2021	2020	2019
Preferred stock			
Beginning balance	\$ 11,203	\$ 11,203	\$ 11,203
Issued	2,175	350	1,100
Redeemed	(2,675)	(350)	(1,100)
Ending balance	10,703	11,203	11,203
Common stock			
Beginning balance	9	9	9
Issued	—	—	—
Ending balance	9	9	9
Share-based awards			
Beginning balance	3,468	3,195	2,845
Issuance and amortization of share-based awards	2,527	1,967	2,073
Delivery of common stock underlying share-based awards	(1,626)	(1,601)	(1,623)
Forfeiture of share-based awards	(158)	(93)	(100)
Ending balance	4,211	3,468	3,195
Additional paid-in capital			
Beginning balance	55,679	54,883	54,005
Delivery of common stock underlying share-based awards	1,678	1,619	1,617
Cancellation of share-based awards in satisfaction of withholding tax requirements	(984)	(829)	(743)
Issuance costs of redeemed preferred stock	24	—	4
Other	(1)	6	—
Ending balance	56,396	55,679	54,883
Retained earnings			
Beginning balance, as previously reported	112,947	106,465	100,100
Cumulative effect of change in accounting principle for:			
Current expected credit losses, net of tax	—	(638)	—
Leases, net of tax	—	—	12
Beginning balance, adjusted	112,947	105,827	100,112
Net earnings	21,635	9,459	8,466
Dividends and dividend equivalents declared on common stock and share-based awards	(2,287)	(1,795)	(1,544)
Dividends declared on preferred stock	(443)	(543)	(560)
Preferred stock redemption premium	(41)	(1)	(9)
Ending balance	131,811	112,947	106,465
Accumulated other comprehensive income/(loss)			
Beginning balance	(1,434)	(1,484)	693
Other comprehensive income/(loss)	(634)	50	(2,177)
Ending balance	(2,068)	(1,434)	(1,484)
Stock held in treasury, at cost			
Beginning balance	(85,940)	(84,006)	(78,670)
Repurchased	(5,200)	(1,928)	(5,335)
Reissued	11	11	12
Other	(7)	(17)	(13)
Ending balance	(91,136)	(85,940)	(84,006)
Total shareholders' equity	\$109,926	\$ 95,932	\$ 90,265

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

\$ in millions	Year Ended December		
	2021	2020	2019
Cash flows from operating activities			
Net earnings	\$ 21,635	\$ 9,459	\$ 8,466
Adjustments to reconcile net earnings to net cash provided by/(used for) operating activities:			
Depreciation and amortization	2,015	1,902	1,704
Deferred income taxes	5	(833)	(334)
Share-based compensation	2,348	1,920	2,018
Gain related to extinguishment of unsecured borrowings	—	(1)	(20)
Provision for credit losses	357	3,098	1,065
Changes in operating assets and liabilities:			
Customer and other receivables and payables, net	21,971	(30,895)	(7,693)
Collateralized transactions (excluding other secured financings), net	(70,058)	(13,007)	94,991
Trading assets	15,232	(33,405)	(68,682)
Trading liabilities	26,616	44,892	(231)
Loans held for sale, net	(5,556)	1,820	(1,458)
Other, net	(13,644)	1,322	(5,958)
Net cash provided by/(used for) operating activities	921	(13,728)	23,868
Cash flows from investing activities			
Purchase of property, leasehold improvements and equipment	(4,667)	(6,309)	(8,443)
Proceeds from sales of property, leasehold improvements and equipment	3,933	2,970	6,632
Net cash used for business acquisitions	—	(231)	(803)
Purchase of investments	(39,912)	(48,670)	(29,773)
Proceeds from sales and paydowns of investments	45,701	29,057	17,812
Loans (excluding loans held for sale), net	(35,520)	(11,173)	(9,661)
Net cash used for investing activities	(30,465)	(34,356)	(24,236)
Cash flows from financing activities			
Unsecured short-term borrowings, net	2,137	7,707	14
Other secured financings (short-term), net	(1,320)	2,861	(2,050)
Proceeds from issuance of other secured financings (long-term)	4,795	8,073	7,257
Repayment of other secured financings (long-term), including the current portion	(6,590)	(4,137)	(7,468)
Purchase of Trust Preferred securities	—	(11)	(206)
Proceeds from issuance of unsecured long-term borrowings	92,717	47,250	22,381
Repayment of unsecured long-term borrowings, including the current portion	(52,608)	(55,040)	(43,936)
Derivative contracts with a financing element, net	1,121	1,037	3,952
Deposits, net	103,538	67,343	31,214
Preferred stock redemption	(2,675)	(350)	(1,100)
Common stock repurchased	(5,200)	(1,928)	(5,335)
Settlement of share-based awards in satisfaction of withholding tax requirements	(985)	(830)	(745)
Dividends and dividend equivalents paid on common stock, preferred stock and share-based awards	(2,725)	(2,336)	(2,104)
Proceeds from issuance of preferred stock, net of issuance costs	2,172	349	1,098
Other financing, net	361	392	395
Net cash provided by financing activities	134,738	70,380	3,367
Net increase in cash and cash equivalents	105,194	22,296	2,999
Cash and cash equivalents, beginning balance	155,842	133,546	130,547
Cash and cash equivalents, ending balance	\$261,036	\$155,842	\$133,546
Supplemental disclosures:			
Cash payments for interest, net of capitalized interest	\$ 5,521	\$ 9,091	\$ 18,645
Cash payments for income taxes, net	\$ 6,195	\$ 2,754	\$ 1,266

See Notes 12 and 16 for information about non-cash activities.