

Goldman Sachs Small/Mid Cap Growth Fund



Think Outside the Box

★★★★★ A Share

★★★★★ I Share

Overall Morningstar Ratings® among
727 Mid-Cap Growth Funds as of 12/31/09

See full disclosures and ratings information on next page.

Class A: GSMAX

Class I: GSMYX

Class C: GSMGX

Class IR: GTMTX

Class R: GTMRX

**Goldman
Sachs**

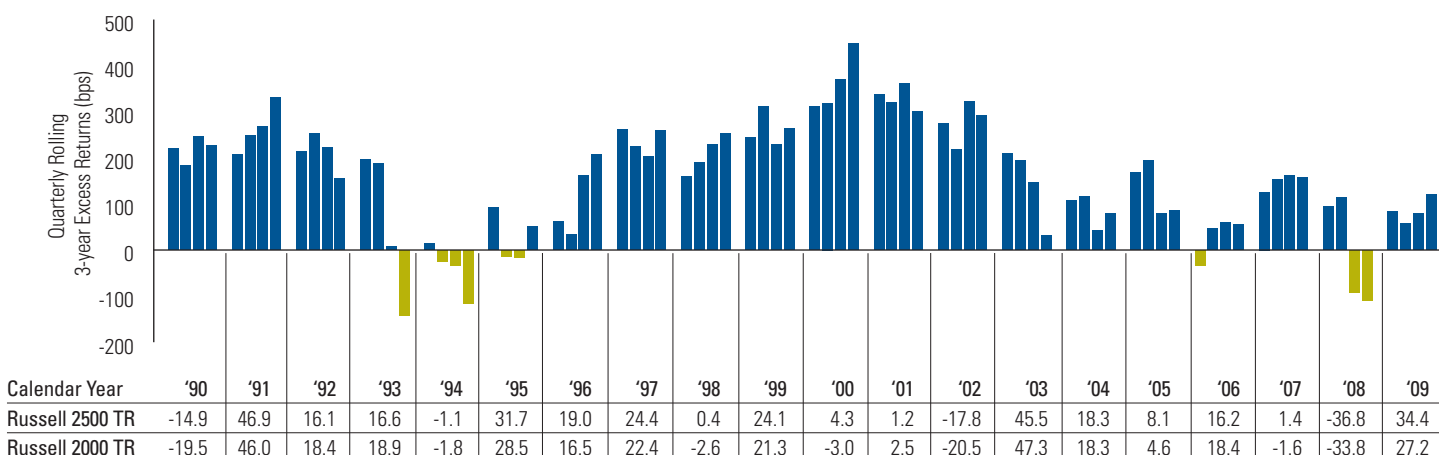
**Asset
Management**

Revisiting Equities—Think Small, think Mid, think SMID

Investors looking beyond the large capitalization box have traditionally turned to small or mid cap stocks. Today, there is a growing demand for portfolios with a broader small/mid cap, or SMID focus. When seeking a non-large cap manager, investors should consider the SMID cap option. An investment in small/mid cap stocks, may enhance portfolio diversification and efficiency, potentially improve returns and provide the opportunity for long-term compounding growth.

Small/Mid cap has outperformed small cap 89% of the time in the last 20 years ...

Rolling 3-year excess returns of SMID versus small caps (12/31/1989 to 12/31/2009)



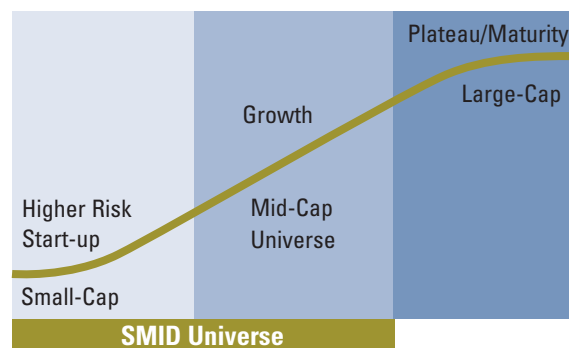
Source: GSAM. This illustration shows 3-year rolling excess returns for the Russell 2500 Index (SMID caps) against the Russell 2000 Index (small caps) and assumes reinvestment of dividends and capital gains, and does not include payment of the sales charge. You cannot invest directly in an index. Results are hypothetical but based on historical data. **Past performance is no guarantee of future results.**

What are SMID cap stocks?

Market capitalization ranks stocks into distinct groups. Small cap stocks typically represent companies whose total market capitalization is between \$300 million and \$2 billion. Mid cap stocks represent companies whose total market capitalization is between \$2 billion and \$10 billion.

Unlike small caps, SMID holds small cap companies as they grow into mid cap companies capturing the compounding growth as they emerge from the early start-up phase into mid-cap enterprises. Also, by including mid-sized companies in the SMID asset class, the companies have a proven business model and the potential to deliver sustainable growth. We believe these compounding and sustainable growth characteristics can translate into strong performance for the SMID cap asset class. Investors looking to supplement their large cap or blue chip portfolio can benefit from capturing the growth spectrum offered by SMID caps.

Traditional Growth Pattern of a Business



For illustrative purposes only.

Goldman Sachs Small/Mid Cap Growth Fund

As of December 31, 2009

★★★★★ A Share

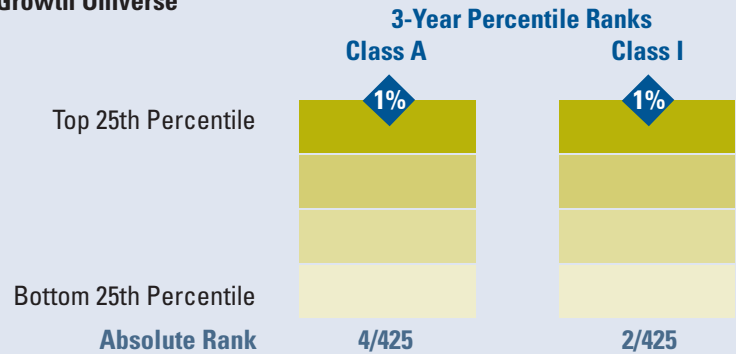
★★★★★★ I Share

Overall Morningstar Ratings® among 727 Mid-Cap Growth Funds*

Lipper Top Decile Performance

Percentile and Absolute Rankings within the Mid Cap Growth Universe

As of December 31, 2009



*Based on Mid-Cap Growth funds as of 12/31/09. See previous page for more information on Morningstar Ratings®. Morningstar rated Goldman Sachs Small/Mid Cap fund Class A shares as of 12/31/09, 4 stars for the overall and 3-year among 727 Mid-Cap Growth funds, respectively, based on risk-adjusted return. And, Class I shares as of 12/31/09, 5 stars for the overall and 3-year among 727 Mid-Cap Growth funds, respectively, based on risk-adjusted return. Past performance does not guarantee future results. See additional Morningstar Disclosures on fund profile page.

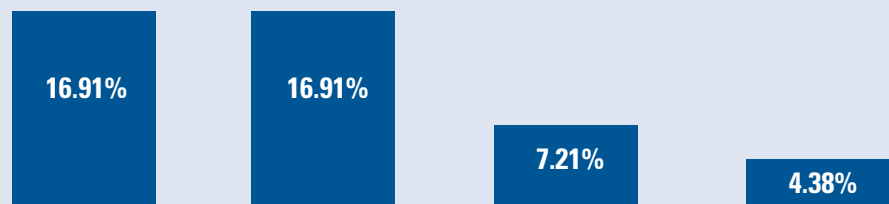
Source: Lipper, Inc. **Lipper Total Return Rankings** – Lipper Analytical Services, Inc., an independent publisher of mutual fund rankings, records rankings for these and other Goldman Sachs Funds for one-year, three-year, five-year, and ten-year total returns periods. Lipper compares mutual funds within a universe of funds with similar investment objectives, including dividend reinvestment. **Lipper rankings are based on total return at net asset value and do not reflect sales charges.** Lipper rankings do not imply that the fund had a high total return.

Consistently Outperformed Benchmark

Average annual total return (as of December 31, 2009)

	YTD (%)	1-Year (%)	3-Year (%)	Since Inception 06/30/2005 (%)
Class I	59.17	59.17	4.50	7.09
Class A with 5.5% max sales charge	49.76	49.76	2.13	5.42
Class A without sales charge	58.57	58.57	4.08	6.74
Russell 2500 Growth	41.66	41.66	-3.13	2.36

Class A shares without sales charge consistently outperformed benchmark



Source: Goldman Sachs Asset Management.

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. Average Annual Total Returns assume reinvestment of all distributions at net asset value. Please visit our Web site at: www.goldmansachsfunds.com to obtain the most recent month-end returns.

Net Expense Ratio – Class A (Current) 1.50%. Gross Expense Ratio – Class A (Before Waiver) 1.68%

Net Expense Ratio - Class I (Current) 1.10%. Gross Expense Ratio - Class I (Before Waiver) 1.28%

Performance reflects average annual total returns. All Fund performance data reflect the reinvestment of distributions. The expense ratios of the Fund, both current (net of any fee waivers or expense limitations) and before waivers (gross of any fee waivers or expense limitations) are as set forth above. Waivers and expense limitations are voluntary and the Investment Adviser may modify or terminate them at any time without shareholder approval. If this occurs, the expense ratios may change.

Goldman Sachs Growth Team

Throughout the investment process, we view each stock purchase as if we are private investors buying the entire business and owning it for many years.

High-quality approach driven by stock selection

Today, in an environment of higher stock market volatility, stock selection is more important than ever. At Goldman Sachs Asset Management, we believe our strong stock selection process is based on the following criteria we look for in a high-quality growth investment:

- Established brand name
- Dominant market share
- Pricing power
- Recurring revenue stream
- High return on invested capital
- Free cash flow
- Predictable, sustainable growth
- Favorable demographic trends
- Long product life-cycle
- Enduring competitive advantage
- Excellent management

Deep research resources

With 17 portfolio managers and research analysts organized by industry, we are able to dig deep into under-researched small/mid-cap stocks, identifying both companies that dominate niche markets, as well as those that may grow into large-cap companies over time.

Focus on stewardship

Our experienced team of industry experts are led by co-CIOs Steven Barry and David Shell, CFA. The team acts as stewards of investors' capital, building the portfolio company by company to achieve strong return potential for shareholders while seeking to manage the loss of capital in more challenging markets.

What is stewardship?

The careful and responsible management of something entrusted to one's care.¹

Look Forward: Think Equities

Don't let market rebounds skip your portfolio. We believe during a sustainable recovery, quality companies should take the lead. Managers that embrace uncertainty and focus on fundamentals can help bring the right stocks to any portfolio.

Visit goldmansachsfunds.com for more information on our fundamental equity teams and funds.

All information above is as of December 31, 2009.

¹Merriam Webster's Dictionary

Goldman Sachs Small/Mid Cap Growth Fund

As of 12/31/09

	VALUE	BLEND	GROWTH
LARGE-CAP			
MID-CAP			
SMALL-CAP			

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Morningstar rated Goldman Sachs Small/Mid Cap Fund Class A shares as of 12/31/09, 4 stars for the overall and 3-year among 727 Mid-Cap Growth funds, respectively, based on risk-adjusted return. And, Class I shares as of 12/31/09, 5 stars for the overall and 3-year among 727 Mid-Cap Growth funds, respectively, based on risk-adjusted return. Past performance does not guarantee future results. Morningstar Risk-Adjusted Ratings – The Overall Rating is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating Metrics.

Morningstar, Inc. is an independent publisher of mutual fund research and ratings. Ratings reflect a fund's risk-adjusted 3-, 5-, and 10-year total returns, including any sales charge. A Fund is rated against all other funds in its category. 5 stars are assigned to the top 10%; 4 stars to the next 22.5%; 3 stars to the next 35%; 2 stars to the next 22.5%; and 1 star to the bottom 10%. Morningstar only rates funds with at least a 3-year history.

LIPPER RANKINGS – MID-CAP GROWTH FUNDS

CLASS A

1 Year (top 6%) 24 out of 474 funds
3 Year (top 1%) 4 out of 425 funds

CLASS I

1 Year (top 4%) 18 out of 474 funds
3 Year (top 1%) 2 out of 425 funds

Lipper Total Return Rankings – Lipper Analytical Services, Inc., an independent publisher of mutual fund rankings, records rankings for these and other Goldman Sachs Funds for one-year, three-year, five-year, and ten-year total returns periods as of 12/31/09. Lipper compares mutual funds within a universe of funds with similar investment objectives, including dividend reinvestment. Lipper rankings are based on **total return** at net asset value and do not reflect sales charges. Lipper rankings do not imply that the fund had a high total return.

Class A: GSMAX
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FUND OBJECTIVE

Seeks long-term growth of capital

BENEFITS

Return Potential—We believe our Fund offers an attractive mix of small companies that offer the potential for faster growth than larger, more established companies and mid-sized companies that have moved beyond the start-up phase and can deliver sustainable growth.

Compounding Growth—With the flexibility to invest in both small- and mid-cap companies, we seek to identify high quality companies in the earliest stages of their growth, own them for the long term and participate in their long-term compounding growth potential.

Efficiency—For some investors, the Fund may provide exposure to the non-large cap asset classes more efficiently than hiring separate small-cap and mid-cap managers as it eliminates overlap in holdings and may simplify the due diligence process.

PORTFOLIO MANAGERS

Steven Barry, Chief Investment Officer
24 Years of Investment Experience

David Shell, CFA, Chief Investment Officer
22 Years of Investment Experience

For more information on the Goldman Sachs Small/Mid Cap Fund, please contact your Financial Advisor.

Risk Disclosures

The Small/Mid Cap Growth Fund invests in equity investments with a primary focus on small- and mid-cap companies. The securities of small and mid capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements. The Fund may also invest in foreign securities and emerging market securities. Foreign and emerging market securities may be more volatile than investment in U.S. securities and will be subject to the risks of currency fluctuations and political developments.

The Net Asset Value (NAV) is the market value of one share of the Fund.

The Russell 2500 Index measures the performance of the 2,500 smallest companies in the Russell 3000 Index. It is calculated by Frank Russell Company, and reflects reinvestment of all dividends and capital gains. It is not possible to invest directly in an unmanaged index.

A prospectus for the Fund containing more complete information may be obtained from your authorized dealer or from Goldman, Sachs Co. by calling 1-800-526-7384. Please consider a fund's objectives, risks, and charges and expenses, and read the prospectus carefully before investing. The prospectus contains this and other information about the Fund.

Visit our Web site www.goldmansachsfunds.com to obtain month-end returns.

Goldman Sachs Co. is the distributor of the Goldman Sachs Funds.

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