

PROSPECTUS SUPPLEMENT NO. 2 TO THE BASE PROSPECTUS DATED 14 APRIL 2016



GOLDMAN SACHS INTERNATIONAL
(Incorporated with unlimited liability in England)

GOLDMAN, SACHS & CO. WERTPAPIER GMBH
(Incorporated with limited liability in Germany)

**SERIES M PROGRAMME FOR THE ISSUANCE OF
WARRANTS, NOTES AND CERTIFICATES**

in respect of which the obligations of Goldman Sachs International,
Goldman, Sachs & Co. Wertpapier GmbH are
guaranteed by

THE GOLDMAN SACHS GROUP, INC.
(A corporation organised under the laws of the State of Delaware)

This Prospectus Supplement

This prospectus supplement (the "**Prospectus Supplement**") to the base prospectus dated 14 April 2016 prepared by Goldman, Sachs & Co. Wertpapier GmbH ("**GSW**") as issuer, Goldman Sachs International ("**GSI**") as issuer and The Goldman Sachs Group, Inc. ("**GSG**") as guarantor under their programme for the issuance of warrants, notes and certificates with respect to the securities (the "**Programme**") (the "**Original Base Prospectus**"), constitutes a supplement to the base prospectus for the purposes of Article 13 of Chapter 1 of Part II of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005 and amended on 3 July 2012 (the "**Luxembourg Law**") and should be read in conjunction therewith and with Prospectus Supplement No. 1 to the Base Prospectus, dated 21 April 2016 (the Original Base Prospectus as so supplemented, the "**Base Prospectus**"). On 14 April 2016, the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") approved the Base Prospectus for the purposes of Article 7 of the Luxembourg Law.

Terms defined in the Base Prospectus have the same meaning when used in this Prospectus Supplement unless otherwise defined herein. This Prospectus Supplement shall form part of and be read in conjunction with the Original Base Prospectus.

Information being supplemented

Incorporation by reference

This Prospectus Supplement supplements the Base Prospectus by incorporating by reference the Quarterly Report on Form 10-Q for the first fiscal quarter ended 31 March 2016 of GSG (the "**2016 First Quarter Form 10-Q**") which was filed with the U.S. Securities and Exchange Commission (the "**SEC**") on 6 May 2016.

A copy of the 2016 First Quarter Form 10-Q has been filed with the CSSF in its capacity as competent authority under the Prospectus Directive.

The 2016 First Quarter Form 10-Q is incorporated by reference into, and forms part of, this Prospectus Supplement, and the information contained in this Prospectus Supplement and the 2016 First Quarter Form 10-Q, set out in "Information incorporated by reference" below, shall be deemed to update and where applicable, supersede any information contained in the Base Prospectus, or any documents incorporated by reference therein.

Information incorporated by reference*From the 2016 First Quarter 10-Q**Page Reference*

<i>PART I</i>	<i>FINANCIAL INFORMATION</i>	<i>Page 2</i>
<i>Item 1</i>	<i>Financial Statements (Unaudited)</i>	<i>Page 2</i>
	<i>Condensed Consolidated Statements of Earnings for the three months ended March 31, 2016 and March 31, 2015</i>	<i>Page 2</i>
	<i>Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2016 and March 31, 2015</i>	<i>Page 3</i>
	<i>Condensed Consolidated Statements of Financial Condition as of March 31, 2016 and December 31, 2015</i>	<i>Page 4</i>
	<i>Condensed Consolidated Statements of Changes in Shareholders' Equity for the three months ended March 31, 2016 and year ended December 31, 2015</i>	<i>Page 5</i>
	<i>Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2016 and March 31, 2015</i>	<i>Page 6</i>
	<i>Notes to Condensed Consolidated Financial Statements</i>	<i>Pages 7-89</i>
	<i>Report of Independent Registered Public Accounting Firm</i>	<i>Page 90</i>
	<i>Statistical Disclosures</i>	<i>Page 91</i>
<i>Item 2</i>	<i>Management's Discussion and Analysis of Financial Condition and Results of Operations</i>	<i>Pages 92-153</i>
<i>Item 3</i>	<i>Quantitative and Qualitative Disclosures About Market Risk</i>	<i>Page 154</i>
<i>Item 4</i>	<i>Controls and Procedures</i>	<i>Page 154</i>
<i>PART II</i>	<i>OTHER INFORMATION</i>	<i>Page 154</i>
<i>Item 1</i>	<i>Legal Proceedings</i>	<i>Page 154</i>
<i>Item 2</i>	<i>Unregistered Sales of Equity Securities and Use of Proceeds</i>	<i>Page 155</i>
<i>Item 6</i>	<i>Exhibits</i>	<i>Page 155</i>
	<i>SIGNATURES</i>	<i>Page 156</i>

This Prospectus Supplement and the document incorporated by reference into this Prospectus Supplement will be available on the website of the Luxembourg Stock Exchange at www.bourse.lu.

Amendments to the Summary

Element B.19 (B.12) (*Selected historical key financial information of the Guarantor*) (on pages 7 - 8 of the Original Base Prospectus) shall now read as follows:

"

B.19 (B.12)	Selected historical key financial information of the Guarantor	<p>The following table shows selected key historical financial information in relation to GSG:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">As and for the three months ended (unaudited)</th> <th colspan="2">As and for the Year ended</th> </tr> <tr> <th>31 March 2016</th> <th>31 March 2015</th> <th>December 2015</th> <th>December 2014</th> </tr> </thead> <tbody> <tr> <td><i>(in USD millions)</i></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total non-interest revenues</td> <td>5,455</td> <td>9,758</td> <td>30,756</td> <td>30,481</td> </tr> <tr> <td>Net revenues, including net interest income</td> <td>6,338</td> <td>10,617</td> <td>33,820</td> <td>34,528</td> </tr> <tr> <td>Pre-tax earnings</td> <td>1,576</td> <td>3,934</td> <td>8,778</td> <td>12,357</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th>As at 31 March (unaudited)</th> <th colspan="2">As at 31 December</th> </tr> <tr> <th>2016</th> <th>2015</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td><i>(in USD millions)</i></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total assets</td> <td>878,036</td> <td>861,395</td> <td>855,842</td> </tr> <tr> <td>Total liabilities</td> <td>791,199</td> <td>774,667</td> <td>773,045</td> </tr> <tr> <td>Total shareholders' equity:</td> <td>86,837</td> <td>86,728</td> <td>82,797</td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of GSG since 31 December 2015.</p> <p>Not applicable; there has been no significant change in GSG's financial or trading position since 31 March 2016.</p>		As and for the three months ended (unaudited)		As and for the Year ended		31 March 2016	31 March 2015	December 2015	December 2014	<i>(in USD millions)</i>					Total non-interest revenues	5,455	9,758	30,756	30,481	Net revenues, including net interest income	6,338	10,617	33,820	34,528	Pre-tax earnings	1,576	3,934	8,778	12,357		As at 31 March (unaudited)	As at 31 December		2016	2015	2014	<i>(in USD millions)</i>				Total assets	878,036	861,395	855,842	Total liabilities	791,199	774,667	773,045	Total shareholders' equity:	86,837	86,728	82,797
	As and for the three months ended (unaudited)			As and for the Year ended																																																		
	31 March 2016	31 March 2015	December 2015	December 2014																																																		
<i>(in USD millions)</i>																																																						
Total non-interest revenues	5,455	9,758	30,756	30,481																																																		
Net revenues, including net interest income	6,338	10,617	33,820	34,528																																																		
Pre-tax earnings	1,576	3,934	8,778	12,357																																																		
	As at 31 March (unaudited)	As at 31 December																																																				
	2016	2015	2014																																																			
<i>(in USD millions)</i>																																																						
Total assets	878,036	861,395	855,842																																																			
Total liabilities	791,199	774,667	773,045																																																			
Total shareholders' equity:	86,837	86,728	82,797																																																			

"

Amendments to the Base Prospectus

The Base Prospectus shall be amended by virtue of this Prospectus Supplement by replacing the first paragraph under the sub-section entitled "The Goldman Sachs Group, Inc." in the section "Documents Incorporated by Reference", on page 100 of the Original Base Prospectus, with the following:

"GSG files documents and information with the SEC. The following documents, which have previously been published and filed with the SEC, shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) The Quarterly Report on Form 10-Q for the first fiscal quarter ended March 31, 2016 of The Goldman Sachs Group, Inc. (the "**2016 First Quarter Form 10-Q**") which was filed with the SEC on 6 May 2016.
- (b) The Current Report on Form 8-K dated April 19, 2016 of The Goldman Sachs Group, Inc. (the "**19 April 2016 Form 8-K**"), as filed with the SEC on 19 April 2016.
- (c) The Proxy Statement relating to the 2016 Annual Meeting of Shareholders on May 20, 2016 (the "**GSG's 2016 Proxy Statement**").
- (d) The Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (the "**GSG's 2015 Form 10-K**"), containing financial statements relating to the fiscal years ended 31 December 2015 and 31 December 2014, including Exhibit 21.1."

The following table supersedes the table contained on pages 100 - 102 of the Original Base Prospectus in relation to GSG and indicates where information required by Commission Regulation (EC) No. 809/2004 as amended (the "**Prospectus Regulation**") to be disclosed in, and incorporated by reference into, the Base Prospectus can be found in the documents referred to above:

Information required by the Prospectus Regulation	Document/Location
Selected financial information for the fiscal years ended 31 December 2015 and 31 December 2014 (Annex IV, Section 3.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (p. 210)
Unaudited selected financial information (Annex IV, Section 3.1 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (pp. 2, 4)
Risk factors relating to GSG (Annex IV, Section 4 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 25-43)
Information about GSG	
History and development of the company (Annex IV, Section 5.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (p. 1)
Investments (Annex IV, Section 5.2 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (pp. 121-123)
Business overview	
GSG's principal activities (Annex IV, Section 6.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 1-6, 8-23, 121)
GSG's principal markets (Annex IV, Section 6.2 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 1, 46, 50-51, 195-196)
Organizational Structure (Annex IV, Section 7 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 34-35, Exhibit 21.1)
Trend information (Annex IV, Section 8 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 47-112) 2016 First Quarter Form 10-Q (p. 92-153)
Administrative, management and supervisory bodies, including conflicts of interest (Annex IV, Section 10 of the Prospectus Regulation)	GSG's 2015 Form 10-K (p. 45) GSG's 2016 Proxy Statement (pp. 1, 4, 7-8, 11-32, 72-74)
Audit committee (Annex IV, Section 11.1 of the Prospectus Regulation)	GSG's 2016 Proxy Statement (pp. 21, 64-65)
Beneficial owners of more than five per cent. (Annex IV, Section 12 of the Prospectus Regulation)	GSG's 2016 Proxy Statement (p. 77)

Financial information

Audited historical financial information for the fiscal years ended 31 December 2015 and 31 December 2014 (Annex IV, Section 13.1-13.4 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 116-208)
Audit report (Annex IV, Section 13.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (p. 115)
Balance sheet (Annex IV, Section 13.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (p. 118)
Shareholder's equity statement (Annex IV, Section 13.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 118-119, 180-182)
Income statement (Annex IV, Section 13.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 116)
Cash flow statement (Annex IV, Section 13.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (p. 120)
Accounting policies and explanatory notes (Annex IV, Section 13.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 51-54, 121-208)
Unaudited interim historical financial information (Annex IV, Section 13.5 of the Prospectus Regulation)	
Unaudited balance sheet (Annex IV, Section 13.5 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (p. 4)
Unaudited shareholder's equity statement (Annex IV, Section 13.5 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (p. 5)
Unaudited income statement (Annex IV, Section 13.5 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (p. 2-3)
Unaudited cash flow statement (Annex IV, Section 13.5 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (p. 6)
Unaudited accounting policies and explanatory notes (Annex IV, Section 13.5 of the Prospectus Regulation)	2016 First Quarter Form 10-Q (p. 7-89)
Legal and arbitration proceedings (Annex IV, Section 13.6 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 44, 198-205) 2016 First Quarter Form 10-Q (p. 82-90)
Financial or trading position (Annex IV, Section 13.7 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 116-208) 2016 First Quarter Form 10-Q (p. 2-89)

Additional information

Share capital (Annex IV, Section 14.1 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 118, 180-182) 2016 First Quarter Form 10-Q (pp. 4-5, 65-67)
Credit ratings (Annex V, Section 7.5 of the Prospectus Regulation)	GSG's 2015 Form 10-K (pp. 96-97) 2016 First Quarter Form 10-Q (p. 135-136)

Any information incorporated by reference that is not included in the cross-reference list is considered to be additional information and is not required by the relevant schedules of the Prospectus Regulation.

Additional changes to the Base Prospectus

The following additional supplemental changes shall be made to the Base Prospectus by virtue of this Prospectus Supplement:

1. The list of documents under paragraph 5 "Availability of Documents" on page 644 of the Original Base Prospectus, as supplemented prior to this Prospectus Supplement, shall now read as follows:

- "(a) the certificate of incorporation of GSG;
- (b) the constitutional documents of GSI;
- (c) the constitutional documents of GSW;
- (d) GSG's 2016 First Quarter Form 10-Q;
- (e) GSG's 2016 Proxy Statement;
- (f) GSG's 19 April 2016 Form 8-K;
- (g) GSG's 2015 Form 10-K;
- (h) GSI's 2015 Financial Statements;
- (i) GSI's 2014 Financial Statements;
- (j) GSW's 2015 Financial Statements;
- (k) GSW's 2014 Financial Statements;
- (l) the Guaranty;
- (m) the Programme Agency Agreement;
- (n) the Deed of Covenant or Cayman Deed of Covenant, as applicable;
- (o) the Final Terms for each Tranche or Series of Securities that are listed on the Official List of the Luxembourg Stock Exchange or any other stock exchange;
- (p) a copy of the Base Prospectus;
- (q) a copy of any supplement to the Base Prospectus and Final Terms; and
- (r) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus."

2. Paragraph 3 "*No Significant change and no material adverse change*" on pages 643 – 644 of the Original Base Prospectus, as supplemented prior to this Prospectus Supplement, shall now read as follows:

"There has been no significant change in the financial or trading position of GSI or GSW since 31 December 2015.

There has been no significant change in the financial or trading position of GSG since 31 March 2016.

There has been no material adverse change in the prospects of GSI, GSG or GSW since 31 December 2015."

3. Paragraph 4 "*Litigation*" on page 644 of the Original Base Prospectus, as supplemented prior to this Prospectus Supplement, shall now read as follows:

"Save as disclosed in (i) "Legal Proceedings" of Note 25 to the Financial Statements (pages 77 and 78) of GSI's 2015 Annual Report, (ii) "Legal Proceedings" in Part 1, Item 3 (page 44) and Note 27 to the Consolidated Financial Statements (pages 198 to 205) of the GSG's 2015 Form 10-K and (iii) "Legal Proceedings" in Part II, Item 1 (page 154) and Note 27 to the Condensed Consolidated Financial Statements (pages 82 to 89) of 2016 First Quarter Form 10-Q, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending

or threatened of which GSG, GSI or GSW is aware) during the 12 months before the date of this Base Prospectus which may have, or have had in the recent past, significant effects on GSG, GSI, GSW or Goldman Sachs Group's financial position or profitability."

Responsibility

Each of Goldman Sachs International, Goldman, Sachs & Co. Wertpapier GmbH and The Goldman Sachs Group, Inc. accepts responsibility for the information given in this Prospectus Supplement and confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus Supplement is, to the best of their knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Rights of withdrawal

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before this Prospectus Supplement is published have the right exercisable until 17 May 2016, which is two working days after the publication of this Prospectus Supplement, to withdraw their acceptances.

Interpretation

To the extent that there is any inconsistency between (a) any statement in this Prospectus Supplement and (b) any other statement in or incorporated by reference into the Base Prospectus, the statements in (a) above will prevail.

References to the Base Prospectus shall hereafter mean the Base Prospectus as supplemented by this Prospectus Supplement.

U.S. notice

This Prospectus Supplement is not for use in, and may not be delivered to or inside, the United States.

Prospectus Supplement, dated 12 May 2016