

ARDELYX, INC.
Form 424B5
May 24, 2018

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Filed pursuant to Rule 424(b)(5)
Registration Statement No. 333-205631

Prospectus Supplement
(To Prospectus dated July 20, 2015)

12,500,000 Shares

Common stock

We are offering 12,500,000 shares of our common stock.

Our common stock is listed on The Nasdaq Global Market under the symbol "ARDX." On May 22, 2018, the last reported sale price of our common stock on The Nasdaq Global Market was \$4.55 per share.

Investing in our common stock involves a high degree of risk. Before making an investment decision, please read the information under the heading "Risk Factors" beginning on page S-8 of this prospectus supplement and in the documents incorporated by reference into this prospectus supplement.

	PER		TOTAL
	SHARE		
Public offering price	\$ 4.00	\$	50,000,000
Underwriting discounts and commissions ⁽¹⁾	\$ 0.24	\$	3,000,000
Proceeds, before expenses, to us	\$ 3.76	\$	47,000,000

⁽¹⁾ See "Underwriting" for additional disclosure regarding estimated underwriting discounts and commissions and estimated offering expenses.

We have granted the underwriters the right to purchase up to 1,875,000 additional shares of our common stock. The underwriters can exercise this right at any time within 30 days after the date of this prospectus supplement.

We are an "emerging growth company," as that term is used in the Jumpstart Our Business Startups Act of 2012, and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings.

The underwriters expect to deliver the shares of common stock against payment in New York, New York on or about May 25, 2018.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Jefferies

Leerink Partners

Prospectus Supplement dated May 22, 2018

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Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

We provide information to you about this offering of shares of our common stock in two separate documents that are bound together: (1) this prospectus supplement, which describes the specific details regarding this offering; and (2) the accompanying base prospectus, which provides general information, some of which may not apply to this offering. Generally, when we refer to this "prospectus," we are referring to both documents combined. If information in this prospectus supplement is inconsistent with the accompanying base prospectus, you should rely on this prospectus supplement. However, if any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document incorporated by reference in this prospectus supplement—the statement in the document having the later date modifies or supersedes the earlier statement as our business, financial condition, results of operations and prospects may have changed since the earlier dates.

We have not authorized anyone to provide you with any information or to make any representation, other than those contained or incorporated by reference in this prospectus supplement or in any free writing prospectus we have prepared. We take no responsibility for, and provide no assurance as to the reliability of, any other information that others may give you. Neither we or the underwriters are making an offer to sell or soliciting an offer to buy our securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation. You should assume that the information appearing in this prospectus, the documents incorporated by reference into this prospectus, and in any free writing prospectus that we may authorize for use in connection with this offering, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus, the documents incorporated by reference into this prospectus, and any free writing prospectus that we may authorize for use in connection with this offering, in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus supplement entitled "Where You Can Find More Information" and "Information Incorporated by Reference."

We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The distribution of this prospectus and the offering of our common stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of our common stock and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

When we refer to "Ardelyx" "we," "our," "us" and the "Company" in this prospectus, we mean Ardelyx, Inc., unless otherwise specified. When we refer to "you," we mean the holders of common stock of the Company.

Ardelyx® and our logo are some of our trademarks used in this prospectus. This prospectus also includes trademarks, tradenames, and service marks that are the property of other organizations. Solely for convenience, our trademarks and tradenames referred to in this prospectus supplement appear without the ® and symbol, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights, or the right of the applicable licensor to these trademarks and tradenames.

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MARKET, INDUSTRY AND OTHER DATA

This prospectus, including the information incorporated by reference, contains estimates, projections and other information concerning our industry, our business, and the markets for certain drugs, including data regarding the estimated size of those markets, their projected growth rates and the incidence of certain medical conditions. Information that is based on estimates, forecasts, projections or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by third parties, industry, medical and general publications, government data and similar sources. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from the same sources, unless otherwise expressly stated or the context otherwise requires.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary provides a general overview of selected information and does not contain all of the information you should consider before buying our common stock. Therefore, you should read the entire prospectus and any free writing prospectus that we have authorized for use in connection with this offering carefully, including the information incorporated by reference, before deciding to invest in our common stock. Investors should carefully consider the information set forth under "Risk Factors" beginning on page S-8 and the "Risk Factors" section, as well as our audited financial statements and related notes thereto, included in our Annual Report on Form 10-K for the year ended December 31, 2017 as well as our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018 and any subsequent Quarterly Report on Form 10-Q incorporated by reference therein.

Ardelyx, Inc.

Overview

We are a specialized biopharmaceutical company focused on developing first-in-class, disruptive medicines for the treatment of renal diseases. Our primary therapeutic focus is on treating people with renal diseases, which affect both the heart and the kidneys. This includes patients with end-stage renal disease, or ESRD, who suffer from elevated serum phosphorus, or hyperphosphatemia; patients with chronic kidney disease, or CKD, and/or heart failure patients with elevated serum potassium, or hyperkalemia. We have also developed a number of programs directed toward treating gastrointestinal, or GI, disorders, including the treatment of irritable bowel syndrome with constipation, or IBS-C.

Our portfolio is led by the development of tenapanor, a first-in-class inhibitor of NHE3. In our renal pipeline, tenapanor is being evaluated in a second Phase 3 trial for the treatment of hyperphosphatemia in patients with ESRD who are on dialysis. This registration trial follows a successful first Phase 3 trial completed in 2017, which achieved statistical significance for the primary endpoint. We are also advancing a small molecule potassium secretagogue program, RDX013, for the potential treatment of hyperkalemia. We believe that both tenapanor and RDX013 have the potential to provide treatment options that are differentiated significantly from binders, the current standards of care in both of these markets. We believe our small molecule approach to treating these conditions could significantly reduce the pill burden for patients, leading to higher compliance, and offer completely new mechanisms of action that interact with receptors in the gut, potentially allowing improved efficacy in some patients.

In addition to the development for renal diseases, we have developed tenapanor for the treatment of patients with IBS-C. In 2017, we completed the T3MPO program for this indication, including two Phase 3 studies, both of which achieved statistical significance for the primary endpoint, and a long-term safety extension study. We believe that data from the T3MPO program collectively demonstrated the ability of tenapanor to provide sustained relief of constipation and reduced abdominal pain with a generally favorable tolerability profile. Based on the results of the T3MPO clinical program in IBS-C, we are preparing to submit our first New Drug Application, or NDA, to the United States Food and Drug Administration, or FDA, in the second half of 2018 for tenapanor for the treatment of IBS-C.

We believe that tenapanor for the treatment of hyperphosphatemia could represent a market opportunity of between \$500 million and \$700 million in the United States and that tenapanor for the treatment of IBS-C could represent a market opportunity of over \$500 million in the United States.

Recent Developments

On May 16, 2018, or the Closing Date, we entered into a loan and security agreement, or the Loan Agreement, with Solar Capital Ltd. and Western Alliance Bank, or, collectively, the Lenders. The Loan

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Agreement provides for a \$50.0 million term loan facility with a maturity date of November 1, 2022, or the Term Loan. The full amount of the loan was funded on May 16, 2018.

Borrowings under the Term Loan bear interest at a floating per annum rate equal to 7.45% plus the one-month LIBOR. We are permitted to make interest-only payments on the Term Loan through December 1, 2020 if we achieve our primary endpoint in the Phase 3 study of tenapanor for the treatment of hyperphosphatemia in patients with ESRD who are on dialysis, or the Phase 3 Endpoint, prior to June 1, 2020; otherwise, we are permitted to make interest-only payments on the Term Loan only through June 1, 2020. Accordingly, beginning on either June 1, 2020 or December 1, 2020, as applicable, through the maturity date, we will be required to make monthly payments of interest plus repay the Term Loan in consecutive equal monthly installments of principal. We were obligated to pay 1% of the Term Loan, or \$0.5 million, upon the closing of the Term Loan. We are obligated to pay a fee equal to 3.95% of the Term Loan upon the earliest to occur of the maturity date, the acceleration of the Term Loan, the prepayment or repayment of the Term Loan or the termination of the Loan Agreement. We may voluntarily prepay the outstanding Term Loan, subject to a prepayment premium of (i) 3% of the principal amount of the Term Loan if prepaid prior to or on the first anniversary of the Closing Date, (ii) 2% of the principal amount of the Term Loan if prepaid after the first anniversary of the Closing Date through and including the second anniversary of the Closing Date, or (iii) 1% of the principal amount of the Term Loan if prepaid after the second anniversary of the Closing Date and prior to the maturity date. The Term Loan is secured by substantially all of our assets, except for our intellectual property and certain other customary exclusions. Additionally, in connection with the Term Loan, we entered into an Exit Fee Agreement, whereby we agreed to pay an exit fee in the amount 3% of the Term Loan, or the Exit Fee, upon (y) any change of control transaction or (z) FDA approval of tenapanor in the treatment of hyperphosphatemia in ESRD patients on dialysis and FDA approval of tenapanor for the treatment of patients with irritable bowel syndrome with constipation (IBS-C). Notwithstanding the prepayment or termination of the Term Loan, the Exit Fee will expire 10 years from the Closing Date.

The Loan Agreement contains customary representations and warranties and customary affirmative and negative covenants, including, among others, requirements as to financial reporting and insurance and restrictions on our ability to dispose of our business or property, to change our line of business, to liquidate or dissolve, to enter into any change in control transaction, to merge or consolidate with any other entity or to acquire all or substantially all the capital stock or property of another entity, to incur additional indebtedness, to incur liens on our property, to pay any dividends or other distributions on capital stock other than dividends payable solely in capital stock or to redeem capital stock. Additionally, if we elect to enter into an exclusive license agreement for the use of our intellectual property in the United States (other than for tenapanor for hyperphosphatemia or for our FXR and TGR5 agonist programs) and we have not obtained the written consent of the Lenders to enter into such license agreement, we have agreed to not allow our unrestricted cash and cash equivalents to be less than \$50.0 million, until we achieve our Phase 3 Endpoint.

In addition, the Loan Agreement contains customary events of default that entitle the Lender to cause our indebtedness under the Loan Agreement to become immediately due and payable, and to exercise remedies against us and the collateral securing the Term Loan, including our cash. Under the Loan Agreement, an event of default will occur if, among other things, we fail to make payments under the Loan Agreement, we breach any of our covenants under the Loan Agreement, subject to specified cure periods with respect to certain breaches, the Lenders determines that a material adverse change has occurred, we or our assets become subject to certain legal proceedings, such as bankruptcy proceedings, we are unable to pay our debts as they become due or we default on contracts with third parties which would permit the holder of indebtedness to accelerate the maturity of such indebtedness or that could have a material adverse change on us. Upon the occurrence and for the duration of an event of default, an additional default interest rate equal to 4.0% per annum will apply to all obligations owed under the Loan Agreement.

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Corporate Information

We were founded in October 2007 as a Delaware corporation under the name Nteryx, Inc. Our principal executive offices are located at 34175 Ardenwood Blvd., Suite 200, Fremont, CA 94555, and our telephone number is (510) 745-1700. Our website address is www.ardelyx.com. The information on, or that can be accessed through, our website is not part of this prospectus. We have included our website address as an inactive textual reference only.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year following the fifth anniversary of the completion of our initial public offering of common stock (December 31, 2019), (2) the last day of the fiscal year in which we have total annual gross revenue of at least \$1.07 billion, (3) the last day of the fiscal year in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds \$700 million as of the prior June 30th, and (4) the date on which we have issued more than \$1.0 billion in non-convertible debt during the prior three-year period.

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THE OFFERING

Issuer	Ardelyx, Inc.
Common stock we are offering	12,500,000 shares of our common stock.
Common stock to be outstanding after the offering	60,103,568 shares.
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to an additional 1,875,000 shares of our common stock.
Use of proceeds	We currently expect to use our existing cash, cash equivalents and short-term investments and the net proceeds from this offering to support our clinical development and pre-commercialization efforts for tenapanor for the treatment of hyperphosphatemia in patients with ESRD who are on dialysis, including the ongoing second Phase 3 clinical trial evaluating tenapanor for such indication; the manufacturing efforts for tenapanor; our research and development efforts for our RDX013 program; the preparation and submission of a New Drug Application for tenapanor for IBS-C, and for general corporate purposes and working capital. See "Use of Proceeds" on page S-12.
Risk factors	You should read the "Risk Factors" section of this prospectus supplement and in the documents incorporated by reference in this prospectus for a discussion of factors to consider before deciding to purchase shares of our common stock.
Loan Agreement	On May 16, 2018, we entered into a loan and security agreement with Solar Capital Ltd and Western Alliance Bank. This loan agreement provides for a \$50.0 million term loan facility with a maturity date of November 1, 2022.
Symbol on The Nasdaq Global Market	"ARDX".
The number of shares of common stock to be outstanding after this offering is based on 47,603,568 shares of common stock outstanding as of March 31, 2018, and excludes the following, in each case as of such date:	

- § 5,227,555 shares of common stock issuable upon the exercise of outstanding stock options having a weighted-average exercise price of \$9.61 per share;
- § 2,172,899 shares of common stock issuable upon the exercise of outstanding warrants having an exercise price of \$13.91 per share;
- § 635,445 shares of common stock issuable upon the settlement of outstanding restricted stock units;
- § 1,000,000 shares of common stock reserved for issuance pursuant to future awards under our 2016 Employment Commencement Inducement Plan;
- § 1,718,410 shares of common stock reserved for issuance pursuant to future awards under our 2014 Equity Incentive Award Plan, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under this plan; and

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110,080 shares of common stock reserved for future issuance under our Employee Stock Purchase Plan, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under this plan.

Unless otherwise stated, all information contained in this prospectus supplement reflects the public offering price of \$4.00 per share and no exercise of the underwriters' option to purchase additional shares.

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RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider carefully the risks described below and discussed under the section captioned "Risk Factors" contained in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018, incorporated by reference in this prospectus in its entirety, together with other information in this prospectus, and the information and documents incorporated by reference in this prospectus, and any free writing prospectus that we have authorized for use in connection with this offering before you make a decision to invest in our common stock. If any of the following events actually occur, our business, operating results, prospects or financial condition could be materially and adversely affected. This could cause the trading price of our common stock to decline and you may lose all or part of your investment. The risks described below are not the only ones that we face. Additional risks not presently known to us or that we currently deem immaterial may also affect our business operations.

Additional Risks Relating to this Offering

Our management team may invest or spend the proceeds of this offering in ways with which you may not agree or in ways which may not yield a significant return.

Our management will have broad discretion over the use of proceeds from this offering. We currently expect to use our existing cash, cash equivalents and short-term investments and the net proceeds from this offering as described in the section captioned "Use of Proceeds." However, our management will have considerable discretion in the application of the net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. The net proceeds may be used for corporate purposes that do not increase our operating results or enhance the value of our common stock.

You may experience immediate and substantial dilution in the net tangible book value per share of the common stock you purchase.

The price per share of our common stock being sold in this offering is higher than the net tangible book value per share of our common stock outstanding prior to this offering. As a result, investors purchasing shares of common stock in this offering will incur immediate dilution of \$1.08 per share, based on the public offering price of \$4.00 per share and our as-adjusted net tangible book value as of March 31, 2018 after giving effect to this offering. For information on how the foregoing amounts were calculated, see "Dilution."

This dilution is due to the substantially lower price paid by our investors who purchased shares prior to this offering as compared to the price offered to the public in this offering, and the exercise of stock options granted to our employees. As a result of the dilution to investors purchasing shares in this offering, investors may receive significantly less than the purchase price paid in this offering, if anything, in the event of our liquidation.

You may experience future dilution as a result of future equity offerings.

In order to raise additional capital, we may in the future offer additional shares of our common stock or other securities convertible into or exchangeable for our common stock. We cannot assure you that we will be able to sell shares or other securities in any other offering at a price per share that is equal to or greater than the price per share paid by investors in this offering, and investors purchasing shares or other securities in the future could have rights superior to existing stockholders. The price per share at which we sell additional shares of our common stock or other securities convertible into or exchangeable for our common stock in future transactions may be higher or lower than the price per share in this offering. As of March 31, 2018, approximately 8.7 million shares of common stock that are either subject to outstanding options or restricted stock units or reserved for future issuance under our equity incentive plans are eligible

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for sale in the public market to the extent permitted by the provisions of various vesting schedules. Additionally, as of March 31, 2018, approximately 2.2 million shares of common stock that are subject to outstanding warrants are eligible for sale in the public market.

Our stock price may be volatile and our stockholders may not be able to resell shares of our common stock at or above the price they paid.

The trading price of our common stock is highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. These factors include:

- § results from, or any delays in, clinical trial programs relating to our product candidates, including the ongoing Phase 3 clinical trial for tenapanor for hyperphosphatemia;
- § the success of our efforts to establish a collaboration partnership for the commercialization of tenapanor for IBS-C in the United States;
- § our ability, alone or with collaboration partners, to commercialize or obtain regulatory approval for our product candidates, including tenapanor, or delays in commercializing or obtaining regulatory approval;
- § announcements of regulatory approval, a complete response letter or a refuse to file letter to tenapanor, or specific label restrictions or patient populations for its use, or changes or delays in the regulatory review process;
- § announcements relating to our current or future collaboration partnerships;
- § announcements of therapeutic innovations or new products by us or our competitors;
- § adverse actions taken by regulatory agencies with respect to our clinical trials, manufacturing supply chain or sales and marketing activities;
- § changes or developments in laws or regulations applicable to our product candidates;
- § the success of our testing and clinical trials;
- § failure to meet any of our projected timelines or goals with regard to the clinical development of any of our product candidates, including the Phase 3 clinical trial for tenapanor for hyperphosphatemia;
- § failure to meet our projected timelines with regard to the filing of the NDA for tenapanor for IBS-C or to timely receive approval for such indication;
- § the success of our efforts to acquire or license or discover additional product candidates;
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any intellectual property infringement actions in which we may become involved;

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the success of our efforts to obtain adequate intellectual property protection for our product candidates;

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announcements concerning our competitors or the pharmaceutical industry in general;

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achievement of expected product sales and profitability;

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manufacture, supply or distribution shortages;

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actual or anticipated fluctuations in our operating results;

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FDA or other U.S. or foreign regulatory actions affecting us or our industry or other healthcare reform measures in the United States;

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changes in financial estimates or recommendations by securities analysts;

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trading volume of our common stock;

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sales of our common stock by us, our executive officers and directors or our stockholders in the future;

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general economic and market conditions and overall fluctuations in the United States equity markets; and

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the loss of any of our key scientific or management personnel.

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In addition, the stock markets in general, and the markets for pharmaceutical, biopharmaceutical and biotechnology stocks in particular, have experienced extreme volatility that may have been unrelated to the operating performance of the issuer. These broad market fluctuations may adversely affect the trading price or liquidity of our common stock. In the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the issuer. If any of our stockholders were to bring such a lawsuit against us, we could incur substantial costs defending the lawsuit and the attention of our management would be diverted from the operation of our business, which could seriously harm our financial position. Any adverse determination in litigation could also subject us to significant liabilities.

If securities or industry analysts cease to publish research, or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who cover us downgrade our stock or publish inaccurate or unfavorable research about our business, our stock price would likely decline. In addition, if our operating results fail to meet the forecasts of analysts, our stock price would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, demand for our stock could decrease, which might cause our stock price and trading volume to decline.

Additional Risks Related to Our Limited Operating History, Financial Condition and Capital Requirements

Our Loan Agreement contains restrictions that limit our flexibility in operating our business.

On May 14, 2018, we entered into a loan and security agreement, or the Loan Agreement, with Solar Capital Ltd. and Western Alliance Bank. The Loan Agreement provides for a \$50.0 million term loan facility with a maturity date of November 1, 2022. The Loan Agreement contains various covenants that limit our ability to engage in specified types of transactions without our lenders' prior consent. These covenants limit our ability to, among other things:

- § license our intellectual property;
- § sell, transfer, lease or dispose of our assets;
- § create, incur or assume additional indebtedness;
- § encumber or permit liens on certain of our assets;
- § make restricted payments, including paying dividends on, repurchasing or making distributions with respect to our common stock;
- § make specified investments (including loans and advances);
- § consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and
- § enter into certain transactions with our affiliates.

The covenants in the Loan Agreement limit our ability to take certain actions and, in the event that we breach one or more covenants, our lenders may choose to declare an event of default and require that we immediately repay all amounts outstanding of the aggregate principal amount of \$50 million, plus exit fees, prepayment premiums, penalties and interest, and foreclose on the collateral granted to them to secure such indebtedness. Such repayment could have a material adverse effect on our business, operating results and financial condition.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the documents incorporated by reference herein and therein, and any free writing prospectus that we have authorized for use in connection with this offering, contain forward-looking statements concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business operations and financial performance and condition. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "potential," "positioned," "seek," "should," "target," "will," "would," and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. These forward-looking statements include, but are not limited to, statements about:

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our expectation regarding the timing of our filing of a New Drug Application with the U.S. Federal Food and Drug Administration requesting approval to market tenapanor for patients with irritable bowel syndrome with constipation, or IBS-C;

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our expectation regarding the timing of receipt of results from our second Phase 3 clinical trial evaluating tenapanor for the treatment of hyperphosphatemia in patients with end-stage renal disease, or ESRD, on dialysis;

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our expectations regarding our plans for and our participation in the commercialization of tenapanor for the treatment of hyperphosphatemia in ESRD patients on dialysis, including our expectations regarding our plans to build our own sales and marketing organization to market and sell tenapanor for such indication;

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our plans to seek one or more collaboration partners to commercialize tenapanor for IBS-C;

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our expectations regarding the potential market size and the size of the patient populations for our product candidates;

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our plans with respect to our pre-clinical programs;

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our ability to identify and validate targets and novel drug candidates using our proprietary drug discovery and design platform including the Ardelyx Primary Enterocyte and Colonocyte Culture System;

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the implementation of our business model and strategic plans for our business, product candidates and technology;

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estimates of our expenses, future revenue, capital requirements, our needs for additional financing and our ability to obtain additional capital;

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our expectations regarding the time during which we will be an emerging growth company under the Jumpstart Our Business Startups Act of 2012;

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our financial performance; and

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developments and projections relating to our competitors and our industry.

You should read this prospectus and the documents incorporated by reference herein completely and with the understanding that our actual results may differ materially from what we expect as expressed or implied by our forward-looking statements. In light of the significant risks and uncertainties to which our forward-looking statements are subject, you should not place undue reliance on or regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. We discuss many of these risks in greater detail in the documents incorporated by reference herein, including under the heading "Risk Factors." These forward-looking statements represent our estimates and assumptions only as of the dates of this prospectus and the documents incorporated by reference herein and therein, regardless of the time of delivery of this prospectus or any sale of our common stock and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this prospectus. For all forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately \$46.6 million after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters exercise their option to purchase additional shares in full, we estimate that the net proceeds will be approximately \$53.7 million after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

We currently expect to use our existing cash, cash equivalents and short-term investments and the net proceeds from this offering (i) to support our clinical development and pre-commercial activities for tenapanor for the treatment of hyperphosphatemia in end-stage renal disease patients on dialysis, (ii) to support the manufacturing efforts for tenapanor, (iii) to support identification of a clinical candidate for our RDX013 program for hyperkalemia and to conduct activities related to the submission of an investigational new drug application for the RDX013 program; (iv) to finalize the preparation and submission of the New Drug Application for tenapanor for IBS-C, and (v) for general business purposes including supporting working capital requirements.

The amounts and timing of our actual expenditures will depend on numerous factors, including our clinical and pre-commercial activities with respect to tenapanor for the treatment of hyperphosphatemia in end-stage renal disease on dialysis, our manufacturing efforts for tenapanor, as well as the amount of cash used in our operations. We therefore cannot estimate with certainty the amount of net proceeds to be used for the purposes described above. We may find it necessary or advisable to use the net proceeds for other purposes, and we will have broad discretion in the application of the net proceeds. Pending the uses described above, we plan to invest the net proceeds from this offering in interest-bearing investment-grade securities, certificates of deposit or government securities.

Table of Contents**CAPITALIZATION**

The following table sets forth our cash, cash equivalents and short-term investments and capitalization as of March 31, 2018:

§	on an actual basis; and
§	on an as adjusted basis to give effect to the issuance and sale by us of 12,500,000 shares of our common stock in this offering at the public offering price of \$4.00 per share and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this information together with our audited financial statements and related notes incorporated by reference in this prospectus. For more details on how you can obtain our SEC reports and other information, you should read the section of the prospectus supplement entitled "Where You Can Find More Information."

	As of March 31, 2018	
	As	
	Actual	Adjusted
	(in thousands, except	
	share	
	and per share data)	
Cash, cash equivalents and short-term investments	\$ 127,449	\$ 174,069
Stockholders' equity:		
Preferred stock \$0.0001 par value 5,000,000 shares authorized, actual and as adjusted; no shares issued or outstanding, actual and as adjusted		
Common stock \$0.0001 par value authorized, 300,000,000 actual and as adjusted; issued and outstanding, 47,603,568 actual and 60,103,568 as adjusted	5	5
Additional paid-in capital	420,294	466,914
Accumulated deficit	(291,232)	(291,232)
Accumulated other comprehensive loss	(91)	(91)
Total stockholders' equity	128,976	175,596
Total capitalization	\$ 128,976	\$ 175,596

The outstanding share information in the table above is based on 47,603,568 shares of common stock outstanding as of March 31, 2018 and excludes the following, in each case as of such date:

§	5,227,555 shares of common stock issuable upon the exercise of outstanding stock options having a weighted-average exercise price of \$9.61 per share;
§	2,172,899 shares of common stock issuable upon the exercise of outstanding warrants having an exercise price of \$13.91 per share;

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§

635,445 shares of common stock issuable upon the settlement of outstanding restricted stock units;

§

1,000,000 shares of common stock reserved for issuance pursuant to future awards under our 2016 Employment Commencement Inducement Plan;

§

1,718,410 shares of common stock reserved for issuance pursuant to future awards under our 2014 Equity Incentive Award Plan, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under this plan; and

§

110,080 shares of common stock reserved for future issuance under our Employee Stock Purchase Plan, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under this plan.

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Table of Contents**DILUTION**

If you invest in our common stock in this offering, your interest will be immediately diluted to the extent of the difference between the public offering price per share of our common stock in this offering and the net tangible book value per share of our common stock after this offering. As of March 31, 2018, we had a historical net tangible book value of \$129.0 million, or \$2.71 per share of common stock. Our net tangible book value represents total tangible assets less total liabilities and convertible preferred stock, all divided by the number of shares of common stock outstanding on March 31, 2018.

After giving effect to the sale of shares of common stock in this offering based on the public offering price of our common stock, or \$4.00 per share, and after deducting the underwriting discounts and commissions and estimated offering expenses, our as adjusted net tangible book value at March 31, 2018 would have been approximately \$175.6 million, or \$2.92 per share. This represents an immediate increase in as adjusted net tangible book value of \$0.21 per share to existing stockholders and an immediate dilution of \$1.08 per share to new investors. The following table illustrates this per share dilution:

Public offering price per share	\$ 4.00
Net tangible book value per share as of March 31, 2018	\$ 2.71
Increase per share attributable to new investors	\$ 0.21

It has been reported that the U.K. Financial Conduct Authority and regulators from other countries are in the process of investigating the potential manipulation of published currency exchange rates. If such manipulation has occurred or is continuing, certain published exchange rates may have been, or may be in the future, artificially lower (or higher) than they would otherwise have been. Any such manipulation could have an adverse impact on any payments on, and the value of, your notes and the trading market for your notes. In addition, we cannot predict whether any changes or reforms affecting the determination or publication of exchange rates or the supervision of currency trading will be implemented in connection with these investigations. Any such changes or reforms could also adversely impact your notes.

The Return on Your Notes Will Not Reflect Any Dividends Paid on the Underliers or the Underlier Stocks

The return on your notes will not reflect the return you would realize if you actually owned the underliers and received the distributions paid on the shares of such underliers. You will not receive any dividends that may be paid on any of the underlier stocks by the underlier stock issuers or the shares of the underliers. See “— You Have No Shareholder Rights or Rights to Receive Any Shares of the Underliers or Any Underlier Stock” below for additional information.

You Have No Shareholder Rights or Rights to Receive Any Shares of the Underliers or Any Underlier Stock

Investing in your notes will not make you a holder of any shares of the underliers or any underlier stocks. Neither you nor any other holder or owner of your notes will have any rights with respect to the underliers or the underlier stocks, including any voting rights, any right to receive dividends or other distributions, any rights to make a claim against the underliers or the underlier stocks or any other rights of a holder of any shares of the underliers or the underlier stocks. Your notes will be paid in cash and you will have no right to receive delivery of any shares of the underliers or any underlier stocks.

Your Notes May Not Have an Active Trading Market

Your notes will not be listed or displayed on any securities exchange or included in any interdealer market quotation system, and there may be little or no secondary market for your notes. Even if a secondary market for your notes develops, it may not provide significant liquidity and we expect that transaction costs

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in any secondary market would be high. As a result, the difference between bid and asked prices for your notes in any secondary market could be substantial.

We May Sell an Additional Aggregate Face Amount of the Notes at a Different Issue Price

At our sole option, we may decide to sell an additional aggregate face amount of the notes subsequent to the date of this pricing supplement. The issue price of the notes in the subsequent sale may differ substantially (higher or lower) from the issue price you paid as provided on the cover of this pricing supplement.

The Tax Consequences of an Investment in Your Notes Are Uncertain

The tax consequences of an investment in your notes are uncertain, both as to the timing and character of any inclusion in income in respect of your notes.

The Internal Revenue Service announced on December 7, 2007 that it is considering issuing guidance regarding the tax treatment of an instrument such as your notes, and any such guidance could adversely affect the value and the tax treatment of your notes. Among other things, the Internal Revenue Service may decide to require the holders to accrue ordinary income on a current basis and recognize ordinary income on payment at maturity, and could subject non-U.S. investors to withholding tax. Furthermore, in 2007, legislation was introduced in Congress that, if enacted, would have required holders that acquired instruments such as your notes after the bill was enacted to accrue interest income over the term of such instruments even though there will be no interest payments over the term of such instruments. It is not possible to predict whether a similar or identical bill will be enacted in the future, or whether any such bill would affect the tax treatment of your notes. We describe these developments in more detail under “Supplemental Discussion of U.S. Federal Income Tax Consequences – United States Holders – Possible Change in Law” below. You should consult your tax advisor about this matter. Except to the extent otherwise provided by law, GS Finance Corp. intends to continue treating the notes for U.S. federal income tax purposes in accordance with the treatment described under “Supplemental Discussion of U.S. Federal Income Tax Consequences” on page PS-25 below unless and until such time as Congress, the Treasury Department or the Internal Revenue Service determine that some other treatment is more appropriate. Please also consult your tax advisor concerning the U.S. federal income tax and any other applicable tax consequences to you of owning your notes in your particular circumstances.

Your Notes May Be Subject to the Constructive Ownership Rules

There exists a risk that the constructive ownership rules of Section 1260 of the Internal Revenue Code could apply to your notes. If your notes were subject to the constructive ownership rules, then any long-term capital gain that you realize upon the sale, exchange or maturity of your notes would be re-characterized as ordinary income (and you would be subject to an interest charge on deferred tax liability with respect to such re-characterized capital gain) to the extent that such capital gain exceeds the amount of “net underlying long-term capital gain” (as defined in Section 1260 of the Internal Revenue Code). Because the application of the constructive ownership rules is unclear you are strongly urged to consult your tax advisor with respect to the possible application of the constructive ownership rules to your investment in the notes.

Foreign Account Tax Compliance Act (FATCA) Withholding May Apply to Payments on Your Notes, Including as a Result of the Failure of the Bank or Broker Through Which You Hold the Notes to Provide Information to Tax Authorities

Please see the discussion under “United States Taxation — Taxation of Debt Securities — Foreign Account Tax Compliance Act (FATCA) Withholding” in the accompanying prospectus for a description of the applicability of FATCA to payments made on your notes.

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THE UNDERLIERS

The iShares[®] MSCI EAFE ETF

The shares of the iShares[®] MSCI EAFE ETF (the “ETF”) are issued by iShares[®]Trust, a registered investment company.

The ETF is a tracking ETF that seeks investment results which correspond generally to the price and yield performance, before fees and expenses, of its underlying index.

The index it tracks is the MSCI EAFE Index (the “underlying index”).

Investment Advisor: BlackRock Fund Advisors (“BFA”).

The ETF’s shares trade on the NYSE Arca under the ticker symbol “EFA”.

The iShares[®] Trust’s SEC CIK Number is 0001100663.

The ETF’s inception date was August 14, 2001.

The ETF’s shares are issued or redeemed only in creation units of 600,000 shares or multiples thereof.

We obtained the following fee information from the iShares[®] website without independent verification. The investment advisor is paid a management fee from the ETF based on the ETF’s allocable portion of an aggregate management fee based on the aggregate average daily net assets of the ETF and a set of other specified iShares[®] funds (the “funds”) as follows: 0.35% per annum of the aggregate net assets of the funds less than or equal to \$30.0 billion, plus 0.32% per annum of the aggregate net assets of the funds on amounts in excess of \$30.0 billion, up to and including \$60.0 billion, plus 0.28% per annum of the aggregate net assets of the funds on amounts in excess of \$60.0 billion, up to and including \$90.0 billion, plus 0.252% per annum of the aggregate net assets of the funds on amounts in excess of \$90.0 billion, up to and including \$120.0 billion, plus 0.227% per annum of the aggregate net assets of the funds on amounts in excess of \$120.0 billion, up to and including \$150.0 billion, plus 0.204% per annum of the aggregate net assets of the funds on amounts in excess of \$150.00 billion. As of September 30, 2018, the aggregate expense ratio of the ETF was 0.32% per annum.

For additional information regarding iShares[®] Trust or BFA, please consult the reports (including the Annual Report to Shareholders on Form N-CSR for the period ended July 31, 2018) and other information iShares[®] Trust files with the SEC. In addition, information regarding the ETF, including its top portfolio holdings, may be obtained from other sources including, but not limited to, press releases, newspaper articles, other publicly available documents, and the iShares[®] website at us.ishares.com/product_info/fund/overview/EFA.htm. We are not incorporating by reference the website, the sources listed above or any material they include in this pricing supplement.

Investment Objective

The ETF seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the underlying index. The ETF’s investment objective and the underlying index may be changed without the approval of BFA’s shareholders.

The following table displays the top holdings and weightings by industry sector of the ETF. (Sector designations are determined by the ETF sponsor using criteria it has selected or developed. Index and ETF sponsors may use very different standards for determining sector designations. In addition, many companies operate in a number of sectors, but are listed in only one sector and the basis on which that sector is selected may also differ. As a result, sector comparisons between indices or ETFs with different sponsors may reflect differences in methodology as well as actual differences in the sector composition of the indices or ETFs.) We obtained the information in the tables below from the ETF website without independent verification.

Notwithstanding the ETF’s investment objective, the return on your notes will not reflect any dividends paid on the ETF shares, on the securities purchased by the ETF or on the securities that comprise the underlying index.

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iShares® MSCI EAFE ETF Top Ten Holdings as of November 14, 2018

<u>ETF Stock Issuer</u>	<u>Percentage (%)</u>
NESTLE SA	1.95%
NOVARTIS AG	1.42%
ROCHE HOLDING PAR AG	1.30%
HSBC HOLDINGS PLC	1.26%
ROYAL DUTCH SHELL PLC CLASS A	1.05%
TOTAL SA	1.01%
BP PLC	1.00%
TOYOTA MOTOR CORP	1.00%
ROYAL DUTCH SHELL PLC CLASS B	0.86%
ASTRAZENECA PLC	0.78%
Total	11.63%

iShares® MSCI EAFE ETF Weighting by Sector as of November 14, 2018*

<u>Sector</u>	<u>Percentage (%)</u>
Financials	19.77%
Consumer Discretionary	10.77%
Industrials	14.06%
Consumer Staples	11.52%
Health Care	11.41%
Materials	7.50%
Information Technology	5.93%
Telecommunications	5.37%
Energy	5.81%
Real Estate	3.50%
Utilities	3.50%
Cash and/or Derivatives	0.81%
Total	99.95%

* Percentages may not sum to 100% due to rounding.

The Global Industry Classification Structure, which MSCI utilizes to classify the constituents of the MSCI EAFE Index was updated in September 2018. Please see below for additional information about these updates.

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iShares® MSCI EAFE ETF Weighting by Country as of November 14, 2018*

<u>Country</u>	<u>Percentage (%)</u>
Japan	24.13%
United Kingdom	17.51%
France	10.96%
Germany	8.94%
Switzerland	8.50%
Australia	6.78%
Hong Kong	3.53%
Netherlands	3.46%
Spain	3.05%
Sweden	2.61%
Italy	2.25%
Denmark	1.70%
Singapore	1.27%
Finland	1.04%
Cash and/or Derivatives	0.81%
Other	3.42%
Total	99.96%

* Percentages may not sum to 100% due to rounding.

Representative Sampling

BFA uses a representative sampling indexing strategy to manage the ETF. This strategy involves investing in a representative sample of securities that collectively has an investment profile similar to that of the underlying index. The securities selected are expected to have, in the aggregate, investment characteristics (based on factors such as market capitalization and industry weightings), fundamental characteristics (such as return variability and yield) and liquidity measures similar to those of the underlying index.

The ETF generally invests at least 90% of its assets in the securities of the underlying index and in depositary receipts representing securities of the underlying index. The ETF may invest the remainder of its assets in certain futures, options and swap contracts, cash and cash equivalents, including shares of money market funds advised by BFA or its affiliates, as well as in securities not included in the underlying index, but which BFA believes will help the ETF track the underlying index. Also, the ETF may lend securities representing up to one-third of the value of the ETF's total assets (including the value of the collateral received).

Tracking Error

The performance of the ETF and the underlying index may vary due to a variety of factors, including differences between the securities and other instruments held in the ETF's portfolio and those included in the underlying index, pricing differences (including differences between a security's price at the local market close and the ETF's valuation of a security at the time of calculation of the ETF's net asset value), differences in transaction costs, the ETF's holding of uninvested cash, differences in timing of the accrual of or the valuation of dividends or interest, tax gains or losses, changes to the underlying index or the costs to the ETF of complying with various new or existing regulatory requirements. Tracking error also may result because the ETF incurs fees and expenses, while the underlying index does not. BFA expects that, over time, the ETF's tracking error will not exceed 5%. The ETF's use of a representative sampling indexing strategy can be expected to produce a larger tracking error than would result if the ETF used a replication indexing strategy in which an ETF invests in substantially all of the securities in its index in approximately the same proportions as in the underlying index.

As of October 31, 2018, iShares® reported the following average annual returns on the market price of the ETF's shares and the MSCI EAFE Index. The market price of the ETF's shares takes into account distributions on the shares and the returns shown account for changes in the mid-point of the bid and ask prices at 4:00 p.m., Eastern time on the relevant date. ETF shares: 1 year, -7.44%; 3 years, 3.68%; 5 years, 1.86%; 10 years, 6.56%; since inception, 4.85%; MSCI EAFE Index: 1 year, -6.85%; 3 years, 3.62%; 5 years, 2.02%; 10 years, 6.89%; since ETF inception, 4.93%.

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Industry Concentration Policy

The ETF will concentrate its investments (i.e., hold 25% or more of its total assets) in a particular industry or group of industries to approximately the same extent that the underlying index is concentrated.

The MSCI EAFE Index

The MSCI EAFE Index (the underlying index) is a stock index calculated, published and disseminated daily by MSCI Inc., which we refer to as “MSCI”, through numerous data vendors, on the MSCI website and in real time on Bloomberg Financial Markets and Reuters Limited.

Net Total Return Methodology

The ETF tracks the net total return version of the underlying index. A net total return index represents the total return earned in a portfolio that tracks the price return version of the index and reinvests dividend income, net of certain withholding taxes, in the overall index, not in the specific stock paying the dividend. The difference between the price return calculation and the net total return calculation of an index is that, with respect to the price return calculation, changes in the index level reflect changes in stock prices, whereas with respect to the net total return calculation of the index, changes in the index level reflect both movements in stock prices and the reinvestment of dividend income net of certain withholding taxes.

MSCI’s net total return methodology reinvests net cash dividends in the index the day the security is quoted ex-dividend, or on the ex-date (converted to U.S. dollars, as applicable). Certain dividends, including special/extraordinary dividends and commemorative dividends, are reinvested in the index if, a day prior to the ex-date, the dividend impact on price is less than 5%. If the impact is 5% or more, the dividend will be reflected in the index through a price adjustment. A specific price adjustment is always applied for stock dividends that are issued at no cost to the shareholders, an extraordinary capital repayment or a dividend paid in the shares of another company. Cash payments related to corporate events, such as mergers and acquisitions, are considered on a case-by-case basis. Notwithstanding the ETF’s investment objective, the return on your notes will not reflect any dividends paid on the ETF shares, on the securities purchased by the ETF or on the securities that comprise the underlying index.

As of the close of business on September 21, 2018, MSCI and S&P Dow Jones Indices LLC updated the Global Industry Classification Sector structure. Among other things, the update broadened the Telecommunications Services sector and renamed it the Communication Services sector. The renamed sector includes the previously existing Telecommunication Services Industry group, as well as the Media Industry group, which was moved from the Consumer Discretionary sector and renamed the Media & Entertainment Industry group. The Media & Entertainment Industry group contains three industries: Media, Entertainment and Interactive Media & Services. The Media industry continues to consist of the Advertising, Broadcasting, Cable & Satellite and Publishing sub-industries. The Entertainment industry contains the Movies & Entertainment sub-industry (which includes online entertainment streaming companies in addition to companies previously classified in such industry prior to September 21, 2018) and the Interactive Home Entertainment sub-industry (which includes companies previously classified in the Home Entertainment Software sub-industry prior to September 21, 2018 (when the Home Entertainment Software sub-industry was a sub-industry in the Information Technology sector)), as well as producers of interactive gaming products, including mobile gaming applications). The Interactive Media & Services industry and sub-industry includes companies engaged in content and information creation or distribution through proprietary platforms, where revenues are derived primarily through pay-per-click advertisements, and includes search engines, social media and networking platforms, online classifieds and online review companies. The Global Classification Sector structure changes will be implemented in the MSCI EAFE Index in connection with the November 2018 semi-annual index review.

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The above information supplements the description of the underlying index found in the accompanying general terms supplement no. 1,734. For more details about the underlying index, the underlying index sponsor and license agreement between the underlying index sponsor and the issuer, see “The Underliers — MSCI Indices” on page S-46 of the accompanying general terms supplement no. 1,734. Additional information about the underlying index is available on the following website: msci.com/index-methodology. We are not incorporating by reference the website or any material it includes in this pricing supplement.

The MSCI indices are the exclusive property of MSCI Inc. (“MSCI”). MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and are licensed for use for certain purposes by GS Finance Corp. and its affiliates. These securities, based on such index, have not been passed on by MSCI as to their legality or suitability, and are not issued, sponsored, endorsed, sold or promoted by MSCI, and MSCI bears no liability with respect to any such securities. No purchaser, seller or holder of the securities, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote the securities without first contacting MSCI to determine whether MSCI’s permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI. The general terms supplement contains a more detailed description of the limited relationship MSCI has with GS Finance Corp. and any related securities.

The iShares® MSCI Emerging Markets ETF

The shares of the iShares® MSCI Emerging Markets ETF are issued by iShares, Inc., a registered investment company. The iShares® MSCI Emerging Markets ETF seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI Emerging Markets Index. The iShares® MSCI Emerging Markets ETF trades on the NYSE Arca under the ticker symbol “EEM”. BlackRock Fund Advisors (“BFA”) serves as the investment advisor to the iShares® MSCI Emerging Markets ETF.

The following tables display the top holdings and weighting by sector and country of the iShares® MSCI Emerging Markets ETF. A list of constituent stocks can be found at us.iShares.com/product_info/fund/overview/EEM.htm. We are not incorporating by reference the website or any material it includes in this pricing supplement. This information has been obtained from the iShares® website without independent verification.

iShares® MSCI Emerging Markets ETF Top Ten Holdings as of November 29, 2018

<u>ETF Stock Issuer</u>	<u>Percentage</u> <u>(%)</u>
TENCENT HOLDINGS LTD	4.59%
SAMSUNG ELECTRONICS LTD	3.72%
TAIWAN SEMICONDUCTOR MANUFACTURING	3.67%
ALIBABA GOUP HOLDING ADR REPRESENTEN	3.65%
NASPERS LIMITED N LTD	1.83%
CHINA CONSTRUCTION BANK CORP H	1.64%
CHINA MOBILE LTD	1.21%
BAIDU ADR REPTG INC CLASS A	1.03%
PING AN INSURANCE (GROUP) CO OF CH	1.01%
INDUSTRIAL AND COMMERCIAL BANK OF	0.98%
Total	23.33%

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iShares® MSCI Emerging Markets ETF Weighting by Country as of November 29, 2018*

<u>Country</u>	<u>Percentage (%)</u>
China	30.48%
Korea (South)	13.87%
Taiwan	11.16%
India	9.01%
Brazil	7.49%
South Africa	6.37%
Russian Federation	3.77%
Mexico	2.62%
Thailand	2.37%
Malaysia	2.35%
Indonesia	2.23%
Poland	1.24%
Chile	1.11%
Philippines	1.05%
Qatar	1.05%
Cash and/or Derivatives	0.69%
Other	3.11%
Total	99.97%

* Percentages may not sum to 100% due to rounding.

iShares® MSCI Emerging Markets ETF Weighting by Sector as of November 29, 2018*

<u>Sector</u>	<u>Percentage (%)</u>
Financials	24.57%
Information Technology	14.58%
Communication	13.96%
Consumer Discretionary	10.24%
Energy	8.16%
Materials	7.41%
Consumer Staples	6.54%
Industrials	5.47%
Real Estate	2.92%
Health Care	2.88%
Utilities	2.59%
Cash and/or Derivatives	0.69%
Total	100.01%

* Percentages may not sum to 100% due to rounding.

The Global Industry Classification Structure, which MSCI utilizes to classify the constituents of the MSCI Emerging Markets Index was updated in September 2018. Please see below for additional information about these updates.

As of October 31, 2018, iShares® reported the following average annual returns on the market price of the ETF's shares and the MSCI Emerging Markets Index. The market price of the ETF's shares takes into account distributions on the shares and the returns shown account for changes in the mid-point of the bid and ask prices at 4:00 p.m., Eastern time on the relevant date. ETF shares: 1 year, -13.51%; 3 years, 6.06%; 5 years, 0.36%; 10 years, 6.45%; since inception, 10.17%; MSCI Emerging Markets Index: 1 year, -12.52%; 3 years, 6.52%; 5 years, 0.78%; 10 years, 7.84%; since ETF inception, 10.67%.

Notwithstanding the iShares® MSCI Emerging Markets ETF's investment objective, the return on your notes will not reflect any dividends paid on the shares of the iShares® MSCI Emerging Markets ETF, on the securities purchased by the iShares® MSCI Emerging Markets ETF or on the securities that comprise the MSCI Emerging Markets Index.

As of the close on May 31, 2018, MSCI began a multi-step process to include, in the MSCI Emerging Markets Index, large cap China A shares that are not in trading suspension. As part of the first step of the

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inclusion process, which resulted from the May 2018 quarterly index review, MSCI added such large cap China A shares to the MSCI Emerging Markets Index at 2.5% of their foreign inclusion factor-adjusted market capitalization. In connection with the August 2018 quarterly index review, MSCI implemented the second step of the inclusion process by increasing the foreign inclusion factor-adjusted market capitalization of those existing China A share constituents from 2.5% to 5%. With the implementation of this second step, and the inclusion of additional China A shares in connection with the August 2018 quarterly index review, China A shares were initially expected to represent approximately 0.75% of the MSCI Emerging Markets Index.

MSCI has announced that, beginning in June 2019, it expects to include the MSCI Saudi Arabia Index in the MSCI Emerging Markets Index, representing on a pro forma basis a weight of approximately 2.6% of the MSCI Emerging Markets Index with 32 securities, following a two-step inclusion process. The first inclusion step is expected to coincide with the May 2019 semi-annual review and the second inclusion step is expected to take place as part of the August 2019 quarterly index review. In addition, MSCI has announced the reclassification of the MSCI Argentina Index from a “frontier market” to an “emerging market”, and the MSCI Argentina Index is expected to be included in the MSCI Emerging Markets Index coinciding with the May 2019 semi-annual index review. MSCI expects to continue to restrict the inclusion in the MSCI Argentina Index to only foreign listings of Argentinian companies, such as American depositary receipts.

As of the close of business on September 21, 2018, MSCI and S&P Dow Jones Indices LLC updated the Global Industry Classification Sector structure. Among other things, the update broadened the Telecommunications Services sector and renamed it the Communication Services sector. The renamed sector includes the previously existing Telecommunication Services Industry group, as well as the Media Industry group, which was moved from the Consumer Discretionary sector and renamed the Media & Entertainment Industry group. The Media & Entertainment Industry group contains three industries: Media, Entertainment and Interactive Media & Services. The Media industry continues to consist of the Advertising, Broadcasting, Cable & Satellite and Publishing sub-industries. The Entertainment industry contains the Movies & Entertainment sub-industry (which includes online entertainment streaming companies in addition to companies previously classified in such industry prior to September 21, 2018) and the Interactive Home Entertainment sub-industry (which includes companies previously classified in the Home Entertainment Software sub-industry prior to September 21, 2018 (when the Home Entertainment Software sub-industry was a sub-industry in the Information Technology sector)), as well as producers of interactive gaming products, including mobile gaming applications). The Interactive Media & Services industry and sub-industry includes companies engaged in content and information creation or distribution through proprietary platforms, where revenues are derived primarily through pay-per-click advertisements, and includes search engines, social media and networking platforms, online classifieds and online review companies. The Global Classification Sector structure changes will be implemented in the MSCI Emerging Markets Index in connection with the November 2018 semi-annual index review. The above information supplements the description of the iShares® MSCI Emerging Markets ETF found in the accompanying general terms supplement no. 1,734. This information was derived from information prepared by the investment advisor, however, the percentages we have listed above are approximate and may not match the information available on the investment advisor's website due to subsequent corporation actions or other activity relating to a particular stock. For more details about the iShares® MSCI Emerging Markets ETF, the investment advisor and license agreement between the investment advisor and the issuer, see “The Underliers — The iShares® MSCI Emerging Markets ETF” on page S-91 of the accompanying general terms supplement no. 1,734.

iShares® is a registered trademark of BlackRock Institutional Trust Company, N.A. (“BITC”). The securities are not sponsored, endorsed, sold, or promoted by BITC. BITC makes no representations or warranties to the owners of the securities or any member of the public regarding the advisability of investing in the securities. BITC has no obligation or liability in connection with the operation, marketing, trading or sale of the securities.

The MSCI Indexes are the exclusive property of MSCI Inc. (“MSCI”). The securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such securities.

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Historical Closing Levels of the Underliers

The closing levels of the underliers have fluctuated in the past and may, in the future, experience significant fluctuations. Any historical upward or downward trend in the closing level of any underlier during the period shown below is not an indication that such underlier is more or less likely to increase or decrease at any time during the life of your notes.

You should not take the historical closing levels of an underlier as an indication of the future performance of an underlier. We cannot give you any assurance that the future performance of any underlier or the underlier stocks will result in you receiving the outstanding face amount of your notes on the stated maturity date.

Neither we nor any of our affiliates make any representation to you as to the performance of the underliers. Before investing in the offered notes, you should consult publicly available information to determine the relevant underlier levels between the date of this pricing supplement and the date of your purchase of the offered notes. The actual performance of an underlier over the life of the offered notes, as well as the cash settlement amount at maturity may bear little relation to the historical levels shown below.

The graphs below show the daily historical closing levels of each underlier from November 30, 2008 through November 30, 2018. We obtained the levels in the graphs below from Bloomberg Financial Services, without independent verification.

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Historical Performance of the iShares® MSCI EAFE ETF

Historical Performance of the iShares® MSCI Emerging Markets ETF

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SUPPLEMENTAL DISCUSSION OF U.S. FEDERAL INCOME TAX CONSEQUENCES

The following section supplements the discussion of U.S. federal income taxation in the accompanying prospectus supplement.

The following section is the opinion of Sidley Austin llp, counsel to GS Finance Corp. and The Goldman Sachs Group, Inc. In addition, it is the opinion of Sidley Austin llp that the characterization of the notes for U.S. federal income tax purposes that will be required under the terms of the notes, as discussed below, is a reasonable interpretation of current law.

This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank;
- a life insurance company;
- a tax exempt organization;
- a partnership;
- a regulated investment company;
- an accrual method taxpayer subject to special tax accounting rules as a result of its use of financial statements;
- a person that owns a note as a hedge or that is hedged against interest rate risks;
- a person that owns a note as part of a straddle or conversion transaction for tax purposes; or
- a United States holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

Although this section is based on the U.S. Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as currently in effect, no statutory, judicial or administrative authority directly addresses how your notes should be treated for U.S. federal income tax purposes, and as a result, the U.S. federal income tax consequences of your investment in your notes are uncertain. Moreover, these laws are subject to change, possibly on a retroactive basis.

You should consult your tax advisor concerning the U.S. federal income tax and any other applicable tax consequences of your investments in the notes, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.

United States Holders

This section applies to you only if you are a United States holder that holds your notes as a capital asset for tax purposes. You are a United States holder if you are a beneficial owner of each of your notes and you are:

- a citizen or resident of the United States;
- a domestic corporation;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

Tax Treatment. You will be obligated pursuant to the terms of the notes — in the absence of a change in law, an administrative determination or a judicial ruling to the contrary — to characterize your notes for all tax purposes as pre-paid derivative contracts in respect of the underliers. Except as otherwise stated below, the discussion herein assumes that the notes will be so treated.

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Upon the sale, exchange or maturity of your notes, you should recognize capital gain or loss equal to the difference, if any, between the amount of cash you receive at such time and your tax basis in your notes. Your tax basis in the notes will generally be equal to the amount that you paid for the notes. If you hold your notes for more than one year, the gain or loss generally will be long-term capital gain or loss. If you hold your notes for one year or less, the gain or loss generally will be short-term capital gain or loss. Short-term capital gains are generally subject to tax at the marginal tax rates applicable to ordinary income.

In addition, the constructive ownership rules of Section 1260 of the Internal Revenue Code could possibly apply to your notes. If your notes were subject to the constructive ownership rules, then any long-term capital gain that you realize upon the sale, exchange or maturity of your notes would be re-characterized as ordinary income (and you would be subject to an interest charge on deferred tax liability with respect to such re-characterized capital gain) to the extent that such capital gain exceeds the amount of “net underlying long-term capital gain” (as defined in Section 1260 of the Internal Revenue Code). Because the application of the constructive ownership rules is unclear you are strongly urged to consult your tax advisor with respect to the possible application of the constructive ownership rules to your investment in the notes.

No statutory, judicial or administrative authority directly discusses how your notes should be treated for U.S. federal income tax purposes. As a result, the U.S. federal income tax consequences of your investment in the notes are uncertain and alternative characterizations are possible. Accordingly, we urge you to consult your tax advisor in determining the tax consequences of an investment in your notes in your particular circumstances, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.

Alternative Treatments. There is no judicial or administrative authority discussing how your notes should be treated for U.S. federal income tax purposes. Therefore, the Internal Revenue Service might assert that a treatment other than that described above is more appropriate. For example, the Internal Revenue Service could treat your notes as a single debt instrument subject to special rules governing contingent payment debt instruments. Under those rules, the amount of interest you are required to take into account for each accrual period would be determined by constructing a projected payment schedule for the notes and applying rules similar to those for accruing original issue discount on a hypothetical noncontingent debt instrument with that projected payment schedule. This method is applied by first determining the comparable yield – i.e., the yield at which we would issue a noncontingent fixed rate debt instrument with terms and conditions similar to your notes – and then determining a payment schedule as of the issue date that would produce the comparable yield. These rules may have the effect of requiring you to include interest in income in respect of your notes prior to your receipt of cash attributable to that income.

If the rules governing contingent payment debt instruments apply, any gain you recognize upon the sale, exchange or maturity of your notes would be treated as ordinary interest income. Any loss you recognize at that time would be ordinary loss to the extent of interest you included as income in the current or previous taxable years in respect of your notes, and, thereafter, capital loss.

If the rules governing contingent payment debt instruments apply, special rules would apply to a person who purchases notes at a price other than the adjusted issue price as determined for tax purposes.

It is also possible that your notes could be treated in the manner described above, except that any gain or loss that you recognize at maturity would be treated as ordinary gain or loss. You should consult your tax advisor as to the tax consequences of such characterization and any possible alternative characterizations of your notes for U.S. federal income tax purposes.

It is possible that the Internal Revenue Service could seek to characterize your notes in a manner that results in tax consequences to you that are different from those described above. You should consult your tax advisor as to the tax consequences of any possible alternative characterizations of your notes for U.S. federal income tax purposes.

Possible Change in Law

On December 7, 2007, the Internal Revenue Service released a notice stating that the Internal Revenue Service and the Treasury Department are actively considering issuing guidance regarding the proper U.S. federal income tax treatment of an instrument such as the offered notes, including whether holders should be required to accrue ordinary income on a current basis and whether gain or loss should be ordinary or capital. It is not possible to determine what guidance they will ultimately issue, if any. It is possible, however, that under such guidance, holders of the notes will ultimately be required to accrue income currently and this could be applied on a retroactive basis. The Internal Revenue Service

and the Treasury Department are also considering other relevant issues, including whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals and whether the special “constructive ownership rules” of Section 1260 of the Internal Revenue Code might be applied to such instruments. Holders are urged to consult their tax advisors concerning the significance, and the potential impact, of

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the above considerations. Except to the extent otherwise provided by law, we intend to continue treating the notes for U.S. federal income tax purposes in accordance with the treatment described above under “Tax Treatment” unless and until such time as Congress, the Treasury Department or the Internal Revenue Service determine that some other treatment is more appropriate. You are urged to consult your tax advisor as to the possibility that any legislative or administrative action may adversely affect the tax treatment and the value of your notes.

Furthermore, in 2007, legislation was introduced in Congress that, if enacted, would have required holders that acquired instruments such as your notes after the bill was enacted to accrue interest income over the term of such instruments even though there will be no interest payments over the term of such instruments. It is not possible to predict whether a similar or identical bill will be enacted in the future, or whether any such bill would affect the tax treatment of your notes.

It is impossible to predict what any such legislation or administrative or regulatory guidance might provide, and whether the effective date of any legislation or guidance will affect notes that were issued before the date that such legislation or guidance is issued. You are urged to consult your tax advisor as to the possibility that any legislative or administrative action may adversely affect the tax treatment of your notes.

Backup Withholding and Information Reporting

Please see the discussion under “United States Taxation — Taxation of Debt Securities — Backup Withholding and Information Reporting—United States Holders” in the accompanying prospectus for a description of the applicability of the backup withholding and information reporting rules to payments made on your notes.

United States Alien Holders

This section applies to you only if you are a United States alien holder. You are a United States alien holder if you are the beneficial owner of notes and are, for U.S. federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation; or
- an estate or trust that in either case is not subject to U.S. federal income tax on a net income basis on income or gain from the notes.

You will be subject to generally applicable information reporting and backup withholding requirements as discussed in the accompanying prospectus under “United States Taxation — Taxation of Debt Securities — Backup Withholding and Information Reporting — United States Alien Holders” with respect to payments on your notes at maturity and, notwithstanding that we do not intend to treat the notes as debt for tax purposes, we intend to backup withhold on such payments with respect to your notes unless you comply with the requirements necessary to avoid backup withholding on debt instruments (in which case you will not be subject to such backup withholding) as set forth under “United States Taxation — Taxation of Debt Securities — United States Alien Holders” in the accompanying prospectus.

As discussed above, alternative characterizations of the notes for U.S. federal income tax purposes are possible. Should an alternative characterization of the notes, by reason of a change or clarification of the law, by regulation or otherwise, cause payments at maturity with respect to the notes to become subject to withholding tax, we will withhold tax at the applicable statutory rate and we will not make payments of any additional amounts. Prospective United States alien holders of the notes should consult their tax advisors in this regard.

Furthermore, on December 7, 2007, the Internal Revenue Service released Notice 2008-2 soliciting comments from the public on various issues, including whether instruments such as your notes should be subject to withholding. It is therefore possible that rules will be issued in the future, possibly with retroactive effect, that would cause payments on your notes at maturity to be subject to withholding, even if you comply with certification requirements as to your foreign status.

In addition, the Treasury Department has issued regulations under which amounts paid or deemed paid on certain financial instruments (“871(m) financial instruments”) that are treated as attributable to U.S.-source dividends could be treated, in whole or in part depending on the circumstances, as a “dividend equivalent” payment that is subject to tax at a rate of 30% (or a lower rate under an applicable treaty), which in the case of any amounts you receive upon sale, exchange or maturity of your notes, could be collected via withholding. If these regulations were to apply to the notes, we may be required to withhold such taxes if any U.S.-source dividends are paid on the underliers during the term of the notes. We could also require you to make certifications (e.g., an applicable Internal Revenue Service Form W-8) prior to the maturity of the notes in order to avoid or minimize withholding obligations, and we could withhold

accordingly (subject to your potential right to claim a refund from the Internal Revenue Service) if such certifications were not received or were not satisfactory. If withholding was required, we would not be required to pay

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any additional amounts with respect to amounts so withheld. These regulations generally will apply to 871(m) financial instruments (or a combination of financial instruments treated as having been entered into in connection with each other) issued (or significantly modified and treated as retired and reissued) on or after January 1, 2021, but will also apply to certain 871(m) financial instruments (or a combination of financial instruments treated as having been entered into in connection with each other) that have a delta (as defined in the applicable Treasury regulations) of one and are issued (or significantly modified and treated as retired and reissued) on or after January 1, 2017. In addition, these regulations will not apply to financial instruments that reference a “qualified index” (as defined in the regulations). We have determined that, as of the issue date of your notes, your notes will not be subject to withholding under these rules. In certain limited circumstances, however, you should be aware that it is possible for United States alien holders to be liable for tax under these rules with respect to a combination of transactions treated as having been entered into in connection with each other even when no withholding is required. You should consult your tax advisor concerning these regulations, subsequent official guidance and regarding any other possible alternative characterizations of your notes for U.S. federal income tax purposes.

Foreign Account Tax Compliance Act (FATCA) Withholding

Pursuant to Treasury regulations, Foreign Account Tax Compliance Act (FATCA) withholding (as described in “United States Taxation—Taxation of Debt Securities—Foreign Account Tax Compliance Act (FATCA) Withholding” in the accompanying prospectus) will generally apply to obligations that are issued on or after July 1, 2014; therefore, the notes will generally be subject to FATCA withholding. However, according to published guidance, the withholding tax described above will not apply to payments of gross proceeds from the sale, exchange or other disposition of the notes made before January 1, 2019.

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VALIDITY OF THE NOTES AND GUARANTEE

In the opinion of Sidley Austin LLP, as counsel to GS Finance Corp. and The Goldman Sachs Group, Inc., when the notes offered by this pricing supplement have been executed and issued by GS Finance Corp., the related guarantee offered by this pricing supplement has been executed and issued by The Goldman Sachs Group, Inc., and such notes have been authenticated by the trustee pursuant to the indenture, and such notes and the guarantee have been delivered against payment as contemplated herein, (a) such notes will be valid and binding obligations of GS Finance Corp., enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that such counsel expresses no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above and (b) such related guarantee will be a valid and binding obligation of The Goldman Sachs Group, Inc., enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that such counsel expresses no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above. This opinion is given as of the date hereof and is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware as in effect on the date hereof. In addition, this opinion is subject to customary assumptions about the trustee's authorization, execution and delivery of the indenture and the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated July 10, 2017, which has been filed as Exhibit 5.6 to the registration statement on Form S-3 filed with the Securities and Exchange Commission by GS Finance Corp. and The Goldman Sachs Group, Inc. on July 10, 2017.

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We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this pricing supplement, the accompanying general terms supplement no. 1,734, the accompanying prospectus supplement or the accompanying prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This pricing supplement, the accompanying general terms supplement no. 1,734, the accompanying prospectus supplement and the accompanying prospectus is an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this pricing supplement, the accompanying general terms supplement no. 1,734, the accompanying prospectus supplement and the accompanying prospectus is current only as of the respective dates of such documents.

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\$587,000

GS Finance Corp.

ETF-Linked Notes due 2022

guaranteed by
The Goldman Sachs
Group, Inc.

Goldman Sachs & Co. LLC
