

Goldman

Sachs Variable Insurance Trust

Goldman Sachs
Strategic Growth Fund

Semi-Annual Report
June 30, 2011



Principal Investment Strategies and Risks

Shares of the Goldman Sachs Variable Insurance Trust — Goldman Sachs Strategic Growth Fund are offered to separate accounts of participating life insurance companies for the purpose of funding variable annuity contracts and variable life insurance policies. Shares of the Fund are not offered directly to the general public. The variable annuity contracts and variable life insurance policies are described in the separate prospectuses issued by participating insurance companies. You should refer to those prospectuses for information about surrender charges, mortality and expense risk fees and other charges that may be assessed by participating insurance companies under the variable annuity contracts or variable life insurance policies. Such fees or charges, if any, may affect the return you realize with respect to your investments. Ask your representative for more complete information. Please consider the Fund's objective, risks and charges and expenses, and read the Prospectus carefully before investing. The Prospectus contains this and other information about the Fund.

The Goldman Sachs Strategic Growth Fund invests primarily in large-capitalization U.S. equity investments. The Fund's equity investments are subject to market risk, which means that the value of the securities in which it invests may go up or down in response to the prospects of individual companies, particular industry sectors and/or general economic conditions. The Fund may invest in foreign securities, including emerging country securities, which may be more volatile and less liquid than investments in U.S. securities and will be subject to the risks of currency fluctuations and sudden economic or political developments.

INVESTMENT OBJECTIVE

The Fund seeks long-term growth of capital.

Portfolio Management Discussion and Analysis

Below, the Goldman Sachs Growth Portfolio Management Team discusses the performance of the Goldman Sachs Variable Insurance Trust — Goldman Sachs Strategic Growth Fund (the “Fund”) and positioning for the six-month period ended June 30, 2011 (the “Reporting Period”).

How did the Fund perform during the Reporting Period?

During the Reporting Period, the Fund’s Institutional and Service Shares generated cumulative total returns of 3.58% and 3.42%, respectively. These returns compare to the 6.83% cumulative total return of the Fund’s benchmark, the Russell 1000® Growth Index* (with dividends reinvested) (the “Russell Index”), during the same time period.

What economic and market factors most influenced the equity markets as a whole during the Reporting Period?

U.S. equities continued their positive momentum from 2010 during the Reporting Period. However, most of the gains were generated during the first quarter of 2011, as improving trends in labor, housing, manufacturing and consumer confidence pointed to a continuation in the economic recovery. A positive trajectory in corporate earnings and cash flows and strong merger and acquisition activity further supported U.S. equity market performance. Indeed, despite great exogenous shocks in Middle East and North African turmoil, a series of disasters in Japan, political debate over collective bargaining rights in Wisconsin and the possible repeal of health care reform in Washington D.C., the U.S. equity markets rewarded investors with solid returns during the first quarter of 2011.

The broad U.S. equity markets experienced a much more volatile second quarter, rising to a three-year high in April before losing most of its early 2011 gains by mid-June and then recovering somewhat in the very last week of the Reporting Period. In early April, commodity prices declined and expectations ran high for strong corporate profit growth. However, while home construction rose modestly in May, housing and employment remained key weak spots in the U.S. economy. Concerns about Greece’s debt crisis also re-surfaced, the U.S. Congress wrangled over the U.S. debt ceiling, the Federal Reserve Board’s quantitative easing program was scheduled to expire on June 30, 2011, the impact of Japan’s natural and nuclear disasters worked its way through the global supply chain and deadly storms cut a wide swath of destruction across the midwestern and southern United States. In turn, the U.S. stock market felt pressured and lost ground. Toward the end of June, U.S. equity markets recovered from their May to mid-June decline on the heels of better than expected U.S. manufacturing activity, improved automobile sales and a short-term resolution of the sovereign debt crisis in Greece.

Despite this volatility, all sectors posted gains during the Reporting Period, with the exception of financials, which posted a negative return. Health care and energy led the way. Energy was, not surprisingly, impacted by the price of Brent crude oil, which peaked at more than \$126 per barrel in April on supply disruption fears in North Africa and the Middle East before falling in June on weaker U.S. economic data and concerns about the pace of growth in China’s economy. Still, Brent crude oil prices ended the Reporting Period at more than \$112 per barrel.

While all capitalization segments of the U.S. equity market advanced during the Reporting Period, mid-cap stocks, as measured by the Russell Midcap® Index, performed best, followed by large-cap and then small-cap stocks, as measured by the Russell 1000® Index and the Russell 2000® Index, respectively, which performed nearly in line with each other. Large-cap stocks were least successful relative to small-cap stocks in the information technology sector. Growth-oriented stocks outpaced value-oriented stocks across the capitalization spectrum.

What key factors were responsible for the Fund’s performance during the Reporting Period?

Stock selection overall detracted most from the Fund’s performance relative to the Russell Index during the Reporting Period.

* The Russell 1000 Growth Index is an unmanaged market capitalization weighted index of the 1000 largest U.S. companies with higher price-to-book ratios and higher forecasted growth values. The Index figures do not include any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.

Which equity market sectors most significantly affected Fund performance?

Effective stock selection in the information technology sector, an underweighted position in the lagging materials sector and an overweighted exposure to the strongly performing health care sector helped the Fund's performance most relative to the Russell Index during the Reporting Period. Detracting from the Fund's relative results most during the Reporting Period was stock selection in the consumer discretionary, financials and telecommunication services sectors, where company-specific issues weighed on certain holdings.

What were some of the Fund's best-performing individual stocks?

The Fund benefited relative to the Russell Index from positions in MasterCard, a global payment services company; Xilinx, a semiconductor chip company; and Biogen Idec, a biomedical company.

MasterCard's shares rose after the Federal Reserve Board (the "Fed") announced its final decision on debit interchange rates (i.e. charges on debit card transactions) as part of the Durbin amendment, which was more favorable for the company than the market had anticipated. At the end of the Reporting Period, we believed that the company's large payment network and robust global footprint would allow it to benefit from the secular growth in cashless payments over the long term.

A position in Xilinx, a leader in programmable logic devices (PLDs), also contributed to the Fund's relative performance. Shares of Xilinx rose after the company reported solid earnings growth and raised guidance for the next quarter. The PLD industry is a duopoly structure with high barriers to entry. As such, in our view, Xilinx should benefit from the long-term secular trends of PLDs taking share from application-specific integrated circuits (ASICs), an alternative semiconductor chip. We believe the addressable market for PLDs will likely continue to expand as they offer significant benefits over ASICs, such as lower development costs, shorter development time and upgradability.

Shares of Biogen Idec rose during the Reporting Period after the company reported strong earnings as well as positive results from a late-stage clinical trial of its experimental multiple sclerosis drug. We decided to exit the Fund's position in the company, as we believed our long-term thesis had played out, and, in our view, the stock price reflected the value of the company's drug pipeline at the time of sale.

Which stocks detracted significantly from the Fund's performance during the Reporting Period?

Detracting most from the Fund's results relative to its benchmark index were positions in office supply retailer Staples, derivatives exchange operator CME Group and fiduciary bank Northern Trust.

Shares of Staples declined during the Reporting Period after the company reported its second consecutive quarter of disappointing results. The company reported earnings that were below consensus estimates and lowered guidance for 2011. Staples' management indicated that the company has been facing margin pressure, an issue that we view as transitory. Indeed, at the end of the Reporting Period, we maintained the Fund's position in Staples because we believe the company is aggressively pricing some of its products in the U.S., which may enable it to gain market share. It is also our belief that recent actions taken by Staples' management may pressure competitors to lower their prices, which should, in our view, have the greatest impact on companies that have limited margin flexibility. In short, we believe Staples may be in a position to gain market share going forward if competitors are weakened and the industry becomes more consolidated.

CME Group, the world's largest futures and options exchange, detracted from the Fund's relative performance during the Reporting Period due to uncertainty over volumes following the end of QE2, the Fed's asset purchasing initiative referred to as quantitative easing. Despite these near-term headwinds, we believed at the end of the Reporting Period that CME Group will likely benefit from the migration of over-the-counter (OTC) derivatives markets to exchanges. Furthermore, we believe CME Group's interest rate OTC clearing platform may well be a long-term growth driver for the company as it meets its customers' demand for more transparency and less counterparty risk.

During the Reporting Period, shares of Northern Trust declined, as the company continued to be pressured by persistently low interest rates. Still, we maintained the Fund's position in the fiduciary bank at the end of the Reporting Period, as Northern Trust, in our view, remains focused on expanding its business in core markets. Also, given the company's solid balance sheet and cash position, we believe that Northern Trust's management should begin to redeploy capital through stock buybacks and dividend increases.

How did the Fund use derivatives and similar investments during the Reporting Period?

During the Reporting Period, we did not use derivatives as part of an active management strategy. However, we used futures contracts, on an opportunistic basis, to ensure the portfolio remained almost fully exposed to equities following cash inflows or stock sales.

Did the Fund make any significant purchases or sales during the Reporting Period?

We initiated a Fund position in American Express, a high quality global franchise with a strong brand name synonymous with credit cards and travel-related services. In our view, the stock was attractively valued at the time of purchase, as it was trading at a discount to its longer-term average multiple. Despite solid operating results, the stock had been pressured by uncertainty around the impact of financial regulation. We believed these conditions created an attractive entry point, as, in our view, American Express' business prospects are still quite strong with high leverage to a turnaround in corporate hiring.

We established a Fund position in Emerson Electric, a leading diversified global manufacturing and technology company that designs and supplies products and services to industrial, commercial and consumer markets. The company holds dominant market share in many of its business areas and has exposure to growth opportunities within its automation and energy segments and emerging markets. In our view, the company's position as a market leader is further enhanced by innovative research and development programs and its global low-cost footprint. Finally, in our view, Emerson Electric has an excellent management team with a history of strong execution, which may provide opportunities for expanding margins and potentially returning capital to shareholders.

We exited the Fund's position in semiconductor company Broadcom, as we had become concerned that it was falling behind competitors in key technology areas that would affect its placement in upcoming product launches. While we maintained our belief that Broadcom has a strong management team and the resources required to regain its competitive position, our concerns led us to sell out of the Fund's position.

We also eliminated the Fund's position in Internet data networking products supplier Cisco Systems during the Reporting Period. The company continued to face competitive pressures in its switching business and, as a result, experienced a decline in margins. While we expect Cisco Systems to continue to be a leader in its markets over the long term, we believed there were other opportunities for investment with more attractive risk/return profiles.

Were there any notable changes in the Fund's weightings during the Reporting Period?

In constructing the Fund's portfolio, we focus on picking stocks rather than on making industry or sector bets. We seek to outpace the benchmark index by overweighting stocks that we expect to outperform and underweighting those that we think may lag. Consequently, changes in the Fund's sector weights are generally the direct result of individual stock selection or of stock appreciation or depreciation. That said, during the Reporting Period, the Fund's exposure to financials, industrials and information technology increased compared to the Russell Index. The Fund's exposure compared to the benchmark index in consumer staples and health care decreased.

How was the Fund positioned relative to its benchmark index at the end of the Reporting Period?

As of June, 30 2011, the Fund had overweighted positions relative to the Russell Index in the financials, information technology and telecommunication services sectors. On the same date, the Fund had underweighted positions compared to the Russell Index in consumer staples, energy, industrials and materials and was rather neutrally weighted to the Russell Index in consumer discretionary, health care and utilities.

What is the Fund's tactical view and strategy for the months ahead?

At the end of the Reporting Period, we believe the most significant factor for the U.S. equity markets during the remainder of the year should likely be the fallout from the scheduled completion of the Fed's second round of quantitative easing at the end of June 2011. We believe the program has created a fertile environment for forward-looking stock pickers, as the momentum rally appears to have ended and we expect companies to begin to trade more in line with underlying fundamentals. In our view, the Fed's actions have led to rising commodity costs and, in turn, we believe certain companies will be challenged to maintain cost structure without sacrificing revenue growth. We believe companies with strong brands and pricing power should best be able to pass along inflationary pressures and maintain margins throughout the economic recovery.

Given this view, we believe the Fund was well positioned at the end of the Reporting Period. We intend going forward to maintain our focus on seeking to identify those companies that can provide a differentiated product or service and those that may benefit from secular tailwinds. Such factors, we believe, should enable these companies to sustain growth without sacrificing price. As always, deep research resources, a forward-looking investment process and truly actively managed portfolios are keys, in our view, to both preserving capital and outperforming the market over the long term.

Strategic Growth Fund

as of June 30, 2011

STANDARDIZED AVERAGE ANNUAL TOTAL RETURNS¹

For the period ended 6/30/11	One Year	Five Years	Ten Years	Since Inception	Inception Date
Institutional	25.54%	3.48%	1.34%	2.63%	4/30/98
Service	25.20	3.28	N/A	2.26	1/09/06

¹ The Standardized Average Annual Total Returns are average annual total returns as of the most recent calendar quarter-end. They assume reinvestment of all distributions at net asset value (“NAV”).

Total return figures in the above chart represent past performance and do not indicate future results, which will vary. The investment return and principal value of an investment will fluctuate and, therefore, an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the total return figures in the above chart. Please visit www.goldmansachsfunds.com/vit to obtain the most recent month-end returns. Performance reflects expense limitations in effect. In their absence, performance would be reduced.

EXPENSE RATIOS²

	Net Expense Ratio (Current)	Gross Expense Ratio (Before Waivers)
Institutional	0.82%	0.86%
Service	1.07%	1.11

² The expense ratios of the Fund, both current (net of any fee waivers or expense limitations) and before waivers (gross of any fee waivers or expense limitations) are as set forth above. The Fund’s waivers and/or expense limitations will remain in place through at least April 29, 2012, and prior to such date the investment adviser may not terminate the arrangements without the approval of the Fund’s Board of Trustees. The expense ratios set forth above may differ from the expense ratios disclosed in the Financial Highlights in this report.

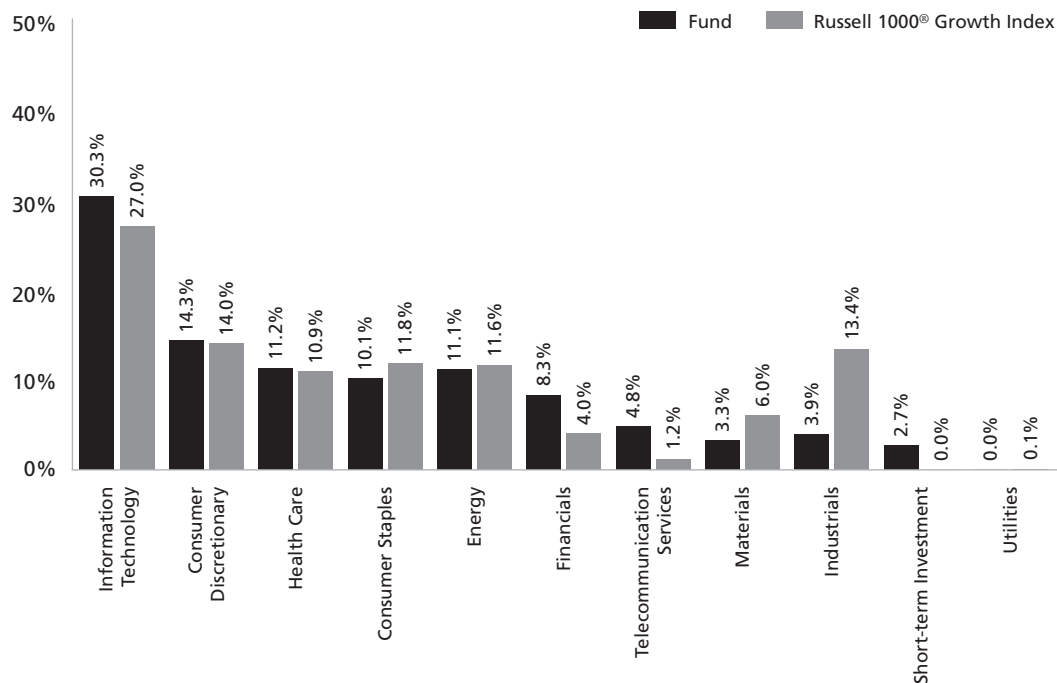
TOP TEN HOLDINGS AS OF 6/30/11³

Holding	% of Net Assets	Line of Business
Apple, Inc.	5.1%	Technology Hardware & Equipment
QUALCOMM, Inc.	4.6	Technology Hardware & Equipment
Schlumberger Ltd.	4.5	Energy
PepsiCo, Inc.	3.6	Food, Beverage & Tobacco
Oracle Corp.	3.0	Software & Services
Google, Inc. Class A	3.0	Software & Services
Xilinx, Inc.	3.0	Semiconductors & Semiconductor Equipment
American Tower Corp. Class A	2.9	Telecommunication Services
Lowe’s Companies, Inc.	2.6	Retailing
Costco Wholesale Corp.	2.6	Food & Staples Retailing

³ The top 10 holdings may not be representative of the Fund’s future investments.

FUND vs. BENCHMARK SECTOR ALLOCATIONS⁴

As of June 30, 2011



⁴ The Fund is actively managed and, as such, its composition may differ over time. The above graph categorizes investments using Global Industry Classification Standard (“GICS”), however, the sector classifications used by the portfolio management team may differ from GICS. Consequently, the Fund’s overall industry sector allocations may differ from percentages contained in the graph above. The percentage shown for each investment category reflects the value of investments in that category as a percentage of market value. Short-term investments represent investments in investment companies other than those that are exchange traded. The above graph depicts the Fund’s investments but may not represent the Fund’s market exposure due to the exclusion of derivatives, if any, as listed in the Additional Investment Information section of the Schedule of Investments.

Schedule of Investments

June 30, 2011 (Unaudited)

Shares	Description	Value
Common Stocks – 97.1%		
Capital Goods – 3.9%		
92,500	Danaher Corp.	\$ 4,901,575
90,166	Emerson Electric Co.	5,071,838
91,337	Raytheon Co.	4,553,149
		<u>14,526,562</u>
Consumer Durables & Apparel – 2.2%		
93,207	NIKE, Inc. Class B	8,386,766
Consumer Services – 2.3%		
52,952	Marriott International, Inc. Class A	1,879,267
58,279	McDonald's Corp.	4,914,085
36,300	Yum! Brands, Inc.	2,005,212
		<u>8,798,564</u>
Diversified Financials – 7.8%		
138,458	American Express Co.	7,158,279
24,708	CME Group, Inc.	7,204,606
14,396	IntercontinentalExchange, Inc.*	1,795,325
163,506	Morgan Stanley	3,762,273
112,800	Northern Trust Corp.	5,184,288
260,430	The Charles Schwab Corp.	4,284,073
		<u>29,388,844</u>
Energy – 11.1%		
59,061	Cameron International Corp.*	2,970,177
49,443	Devon Energy Corp.	3,896,603
138,155	Halliburton Co.	7,045,905
27,937	National Oilwell Varco, Inc.	2,184,953
40,146	Occidental Petroleum Corp.	4,176,790
194,622	Schlumberger Ltd.	16,815,341
108,134	Southwestern Energy Co.*	4,636,786
		<u>41,726,555</u>
Food & Staples Retailing – 2.6%		
120,346	Costco Wholesale Corp.	9,776,909
Food, Beverage & Tobacco – 4.7%		
190,500	PepsiCo, Inc.	13,416,915
60,700	The Coca-Cola Co.	4,084,503
		<u>17,501,418</u>
Health Care Equipment & Services – 3.1%		
68,583	Baxter International, Inc.	4,093,719
157,534	St. Jude Medical, Inc.	7,511,221
		<u>11,604,940</u>
Household & Personal Products – 2.8%		
244,458	Avon Products, Inc.	6,844,824
58,380	The Procter & Gamble Co.	3,711,217
		<u>10,556,041</u>
Materials – 3.3%		
53,493	Ecolab, Inc.	3,015,935
85,269	Praxair, Inc.	9,242,307
		<u>12,258,242</u>
Media – 1.6%		
121,574	Viacom, Inc. Class B	6,200,274

Shares	Description	Value
Common Stocks – (continued)		
Pharmaceuticals, Biotechnology & Life Sciences – 8.1%		
63,019	Amgen, Inc.*	\$ 3,677,159
105,753	Gilead Sciences, Inc.*	4,379,232
109,404	Johnson & Johnson	7,277,554
54,212	Merck & Co., Inc.	1,913,141
85,991	Teva Pharmaceutical Industries Ltd. ADR	4,146,486
141,080	Thermo Fisher Scientific, Inc.*	9,084,141
		<u>30,477,713</u>
Real Estate* – 0.5%		
75,218	CB Richard Ellis Group, Inc. Class A	1,888,724
Retailing – 8.1%		
105,200	Bed Bath & Beyond, Inc.*	6,140,524
422,774	Lowe's Companies, Inc.	9,854,862
476,032	Staples, Inc.	7,521,306
91,297	Target Corp.	4,282,742
93,943	Urban Outfitters, Inc.*	2,644,495
		<u>30,443,929</u>
Semiconductors & Semiconductor Equipment – 3.5%		
118,760	NVIDIA Corp.*	1,892,441
309,760	Xilinx, Inc.	11,296,947
		<u>13,189,388</u>
Software & Services – 13.8%		
34,468	Equinix, Inc.*	3,481,957
22,487	Google, Inc. Class A*	11,386,967
31,965	Mastercard, Inc. Class A	9,632,333
332,847	Microsoft Corp.	8,654,022
346,400	Oracle Corp.	11,400,024
20,903	Salesforce.com, Inc.*	3,114,129
218,791	The Western Union Co.	4,382,384
		<u>52,051,816</u>
Technology Hardware & Equipment – 12.9%		
86,871	Amphenol Corp. Class A	4,690,165
56,600	Apple, Inc.*	18,998,922
136,981	NetApp, Inc.*	7,229,857
306,868	QUALCOMM, Inc.	17,427,034
		<u>48,345,978</u>
Telecommunication Services* – 4.8%		
210,121	American Tower Corp. Class A	10,995,632
173,668	Crown Castle International Corp.	7,083,918
		<u>18,079,550</u>
TOTAL COMMON STOCKS		
(Cost \$302,735,017)		<u>\$365,202,213</u>

Schedule of Investments (continued)

June 30, 2011 (Unaudited)

Shares	Rate	Value
Short-term Investment^(a) – 2.7%		
JPMorgan U.S. Government Money Market Fund — Capital Shares		
10,055,413	0.010%	\$ 10,055,413
(Cost \$10,055,413)		
<hr/>		
TOTAL INVESTMENTS – 99.8%		
(Cost \$312,790,430)		\$375,257,626
<hr/>		
OTHER ASSETS IN EXCESS OF LIABILITIES – 0.2%		749,464
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NET ASSETS – 100.0%		\$376,007,090
<hr/>		

The percentage shown for each investment category reflects the value of investments in that category as a percentage of net assets.

* Non-income producing security.

(a) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2011.

Investment Abbreviation:

ADR—American Depositary Receipt

Statement of Assets and Liabilities

June 30, 2011 (Unaudited)

Assets:

Investments in securities, at value (identified cost \$312,790,430)	\$375,257,626
Receivables:	
Investment securities sold	990,441
Dividends	350,047
Fund shares sold	89,234
Other assets	2,156
Total assets	376,689,504

Liabilities:

Payables:	
Amounts owed to affiliates	282,430
Fund shares redeemed	276,538
Accrued expenses	123,446
Total liabilities	682,414

Net Assets:

Paid-in capital	381,583,759
Accumulated undistributed net investment income	692,023
Accumulated net realized loss from investment transactions	(68,735,888)
Net unrealized gain on investments	62,467,196
NET ASSETS	\$376,007,090
Net Assets:	
Institutional	\$117,749,345
Service	258,257,745
Total Net Assets	\$376,007,090
Shares of beneficial interest outstanding \$0.001 par value (unlimited shares authorized):	
Institutional	9,465,552
Service	20,810,816
Net asset value, offering and redemption price per share:	
Institutional	\$12.44
Service	12.41

Statement of Operations

For the Six Months Ended June 30, 2011 (Unaudited)

Investment income:	
Dividends	\$ 2,375,110
Expenses:	
Management fees	1,368,630
Distribution and Service fees — Service Class	308,463
Printing and mailing costs	55,008
Professional fees	39,729
Transfer Agent fees ^(a)	36,494
Custody and accounting fees	22,043
Trustee fees	7,886
Registration fees	615
Other	9,439
Total expenses	1,848,307
Less — expense reductions	(411)
Net expenses	1,847,896
NET INVESTMENT INCOME	527,214
Realized and unrealized gain from investment transactions:	
Net realized gain from:	
Investment transactions (including commissions recaptured of \$10,105)	3,820,648
Net change in unrealized gain on:	
Investments	8,140,124
Net realized and unrealized gain from investment transactions	11,960,772
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$12,487,986

(a) Institutional and Service Shares had Transfer Agent fees of \$11,819 and \$24,675, respectively.

Statements of Changes in Net Assets

	For the Six Months Ended June 30, 2011 (Unaudited)	For the Fiscal Year Ended December 31, 2010
From operations:		
Net investment income	\$ 527,214	\$ 1,088,321
Net realized gain from investment transactions	3,820,648	21,832,558
Net change in unrealized gain on investments	8,140,124	11,387,154
Net increase in net assets resulting from operations	12,487,986	34,308,033
Distributions to shareholders:		
From net investment income		
Institutional Shares	—	(490,173)
Service Shares	—	(435,824)
Total distributions to shareholders	—	(925,997)
From share transactions:		
Proceeds from sales of shares	30,450,840	37,422,641
Reinvestment of distributions	—	925,997
Cost of shares redeemed	(25,311,949)	(58,517,681)
Net increase (decrease) in net assets resulting from share transactions	5,138,891	(20,169,043)
TOTAL INCREASE	17,626,877	13,212,993
Net assets:		
Beginning of period	358,380,213	345,167,220
End of period	\$376,007,090	\$358,380,213
Accumulated undistributed net investment income	\$ 692,023	\$ 164,809

Financial Highlights

Selected Data for a Share Outstanding Throughout Each Period

Year - Share Class	Income (loss) from investment operations											
	Net asset value, beginning of period	Net investment income (loss) ^(a)	Net realized and unrealized gain (loss)	Total from investment operations	Distributions to shareholders from net investment income	Net asset value, end of period	Total return ^(b) (in 000s)	Net assets, end of period (in 000s)	Ratio of net expenses to average net assets	Ratio of total expenses to average net assets	Ratio of net investment income to average net assets	Portfolio turnover rate
FOR THE SIX MONTHS ENDED JUNE 30, (UNAUDITED)												
2011 - Institutional	\$12.01	\$ 0.03	\$ 0.40	\$ 0.43	\$ —	\$12.44	3.58%	\$117,749	0.84% ^(c)	0.84% ^(c)	0.45% ^(c)	15%
2011 - Service	12.00	0.01	0.40	0.41	—	12.41	3.42	258,258	1.09 ^(c)	1.09 ^(c)	0.21 ^(c)	15
FOR THE FISCAL YEARS ENDED DECEMBER 31,												
2010 - Institutional	10.89	0.05	1.12	1.17	(0.05)	12.01	10.74	120,027	0.86	0.86	0.49	38
2010 - Service	10.88	0.03	1.11	1.14	(0.02)	12.00	10.50	238,353	1.11	1.11	0.24	38
2009 - Institutional	7.40	0.03	3.50	3.53	(0.04) ^(d)	10.89	47.75	125,258	0.85	0.85	0.35	64
2009 - Service	7.39	0.01	3.50	3.51	(0.02) ^(d)	10.88	47.50	219,909	1.10	1.10	0.10	64
2008 - Institutional	12.73	0.02	(5.34)	(5.32)	(0.01)	7.40	(41.67)	95,218	0.81	0.81	0.20	44
2008 - Service	12.73	(0.01)	(5.33)	(5.34)	—	7.39	(41.86)	167,930	1.06	1.06	(0.05)	44
2007 - Institutional	11.58	0.02 ^(e)	1.15	1.17	(0.02)	12.73	10.13	172,418	0.86 ^(f)	0.86 ^(f)	0.18 ^{(e)(f)}	53
2007 - Service	11.58	0.01 ^(e)	1.15	1.16	(0.01)	12.73	10.01	343,100	0.96 ^(f)	1.11 ^(f)	0.08 ^{(e)(f)}	53
2006 - Institutional	10.68	0.01	0.90	0.91	(0.01)	11.58	8.56	165,877	0.84	0.85	0.12	70
2006 - Service (Commenced January 9, 2006)	11.03	— ^(g)	0.55	0.55	— ^(g)	11.58	5.01	386,526	0.94 ^(c)	1.10 ^(c)	0.03 ^(c)	70

(a) Calculated based on the average shares outstanding methodology.

(b) Assumes investment at the net asset value at the beginning of the period, reinvestment of all distributions and a complete redemption of the investment at the net asset value at the end of the period. Total returns for periods less than one full year are not annualized.

(c) Annualized.

(d) Includes a return of capital amounting to less than \$0.005 per share.

(e) Reflects income recognized from non-recurring special dividends which amounted to \$0.01 per share and 0.09% of average net assets.

(f) Includes non-recurring expense for a special shareholder proxy meeting which amounted to approximately 0.02% of average net assets.

(g) Amount is less than \$0.005 per share.

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

Notes to Financial Statements

June 30, 2011 (Unaudited)

1. ORGANIZATION

Goldman Sachs Variable Insurance Trust (the “Trust” or “VIT”) is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “Act”), as an open-end management investment company. The Trust includes the Goldman Sachs Strategic Growth Fund (the “Fund”). The Fund is a diversified portfolio under the Act offering two classes of shares — Institutional and Service.

Goldman Sachs Asset Management, L.P. (“GSAM”), an affiliate of Goldman, Sachs & Co. (“Goldman Sachs”), serves as investment adviser to the Fund pursuant to a management agreement (the “Agreement”) with the Trust.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies consistently followed by the Fund. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that may affect the amounts and disclosures in the financial statements. Actual results could differ from those estimates and assumptions.

A. Investment Valuation — The investment valuation policy of the Fund is to value investments at market value. Investments in equity securities and investment companies traded on a United States (“U.S.”) securities exchange or the NASDAQ system are valued daily at their last sale price or official closing price on the principal exchange or system on which they are traded. If no sale occurs, such securities and investment companies are valued at the last bid price for long positions and at the last ask price for short positions. Debt securities for which market quotations are readily available are valued on the basis of quotations furnished by an independent pricing service approved by the trustees or provided by securities dealers. The pricing services may use valuation models or matrix pricing, which consider: (i) yield or price with respect to bonds that are considered comparable in characteristics such as rating, interest rate and maturity date or (ii) quotations from securities dealers to determine current value. If accurate quotations are not readily available, or if GSAM believes that such quotations do not accurately reflect fair value, the fair value of the Fund’s investments may be determined based on yield equivalents, a pricing matrix or other sources, under valuation procedures established by the trustees. Unlisted equity securities for which market quotations are available are valued at the last sale price on the valuation date, or if no sale occurs, at the last bid price. In the absence of market quotations, broker quotes will be utilized or the security will be fair valued. Investments in investment companies (other than those that are exchange traded) are valued at the net asset value per share (“NAV”) of the investment company on the valuation date. Short-term debt obligations that mature in sixty days or less and that do not exhibit signs of credit deterioration are valued at amortized cost, which approximates market value.

GSAM, consistent with its procedures and applicable regulatory guidance, may make an adjustment to the previous closing prices of either domestic or foreign securities in light of significant events to reflect what it believes to be the fair value of the securities at the time of determining the Fund’s NAV. Significant events that could affect a large number of securities in a particular market may include, but are not limited to: situations relating to one or more single issuers in a market sector; significant fluctuations in U.S. or foreign markets; market dislocations; market disruptions or market closings; equipment failures; natural or man-made disasters or acts of God; armed conflicts; government actions or other developments; as well as the same or similar events which may affect specific issuers or the securities markets even though not tied directly to the securities markets. Other significant events that could relate to a single issuer may include, but are not limited to: corporate actions such as reorganizations, mergers and buy-outs; corporate announcements, including those relating to earnings, products and regulatory news; significant litigation; low trading volume; and trading limits or suspensions.

B. Security and Fund Share Transactions, and Investment Income — Security and Fund share transactions are reflected for financial reporting purposes as of the trade date, which may cause the NAV as stated in the accompanying financial statements to be different than the NAV applied to Fund share transactions. Realized gains and losses on sales of portfolio securities are calculated using the identified cost basis. Dividend income is recognized on the ex-dividend date, net of foreign withholding taxes, if any, which are reduced by any amounts reclaimable by the Fund, where applicable. Certain dividends from foreign securities will be recorded when the Fund is informed of the dividend, if such information is obtained subsequent to the ex-dividend date.

Notes to Financial Statements (continued)

June 30, 2011 (Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest income is recorded on the basis of interest accrued, premium amortized and discount accreted. In addition, it is the Fund's policy to accrue for foreign capital gains taxes, if applicable, on certain foreign securities held by the Fund. An estimated foreign capital gains tax is recorded daily on net unrealized gains on these securities and is payable upon the sale of such securities when a gain is realized.

Investment income and unrealized and realized gains or losses are allocated daily to each class of shares of the Fund based upon the relative proportion of net assets of each class.

C. Expenses — Expenses incurred by the Fund, which may not specifically relate to the Fund, may be shared with other registered investment companies having management agreements with GSAM or its affiliates, as appropriate. These expenses are allocated to the Fund on a straight-line and/or pro-rata basis depending upon the nature of the expenses and are accrued daily. Non-class specific expenses are allocated daily to each share class of the respective Fund based upon the relative proportion of net assets of each class. Class specific expenses, where applicable, are borne by the respective share classes and include Distribution and Service, and Transfer Agent fees.

D. Federal Taxes and Distributions to Shareholders — It is the Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), applicable to regulated investment companies (mutual funds) and to distribute each year substantially all of its investment company taxable income and capital gains to its shareholders. Accordingly, the Fund is not required to make any provisions for the payment of federal income tax. Distributions to shareholders are recorded on the ex-dividend date. Income and capital gains distributions, if any, are declared and paid annually.

Net capital losses are carried forward to future fiscal years and may be used to the extent allowed by the Code to offset any future capital gains. Utilization of capital loss carryforwards will reduce the requirement of future capital gains distributions.

The characterization of distributions to shareholders for financial reporting purposes is determined in accordance with federal income tax rules, which may differ from GAAP. The source of the Fund's distributions may be shown in the accompanying financial statements as either from net investment income, net realized gain or capital. Certain components of the Fund's net assets on the Statement of Assets and Liabilities reflect permanent GAAP/tax differences based on the appropriate tax character.

E. Commission Recapture — The Fund may direct portfolio trades, subject to obtaining best execution, to various brokers who have agreed to rebate a portion of the commissions generated. Such rebates are made directly to the Fund as cash payments and are included in net realized gain (loss) from investments on the Statement of Operations.

3. FAIR VALUE OF INVESTMENTS

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 — Quoted prices in markets that are not active or financial instruments for which significant inputs are observable (including, but not limited to, quoted prices for similar securities, interest rates, foreign exchange rates, volatility and credit spreads), either directly or indirectly;

Level 3 — Prices or valuations that require significant unobservable inputs (including GSAM's assumptions in determining fair value measurement).

3. FAIR VALUE OF INVESTMENTS (continued)

The following is a summary of the Fund's investments categorized in the fair value hierarchy as of June 30, 2011:

Investment Type	Level 1	Level 2	Level 3
Assets			
Common Stock and/or Other Equity Investments	\$365,202,213	\$—	\$—
Short-term Investment	10,055,413	—	—
Total	\$375,257,626	\$—	\$—

4. AGREEMENTS AND AFFILIATED TRANSACTIONS

A. Management Agreement — Under the Agreement, GSAM manages the Fund, subject to the general supervision of the trustees.

As compensation for the services rendered pursuant to the Agreement, the assumption of the expenses related thereto and administration of the Fund's business affairs, including providing facilities, GSAM is entitled to a management fee, accrued daily and paid monthly, equal to an annual percentage rate of the Fund's average daily net assets.

For the six months ended June 30, 2011, contractual and effective net management fees with GSAM were at the following rates:

Contractual Management Rate					Effective Rate	Effective Net Management Rate
First \$1 billion	Next \$1 billion	Next \$3 billion	Next \$3 billion	Over \$8 billion		
0.75%	0.68%	0.65%	0.64%	0.63%	0.75%	0.75%*

* Effective June 30, 2011, GSAM agreed to waive a portion of its management fee in order to achieve an effective net management rate of 0.71% through at least April 29, 2012. Prior to such date GSAM may not terminate the arrangement without the approval of the trustees. For the six months ended June 30, 2011, GSAM waived approximately \$400 of the Fund's management fee.

B. Distribution and Service Plan — The Trust, on behalf of the Service Shares of the Fund, has adopted a Distribution and Service Plan (the "Plan"). Under the Plan, Goldman Sachs, which serves as distributor, is entitled to a fee accrued daily and paid monthly for distribution services, which may then be paid by Goldman Sachs to authorized dealers, equal to, on an annual basis, 0.25% of the Fund's average daily net assets attributable to Service Shares.

C. Transfer Agency Agreement — Goldman Sachs also serves as the transfer agent of the Fund for a fee pursuant to a Transfer Agency Agreement. The fees charged for such transfer agency services are accrued daily and paid monthly at an annual rate of 0.02% of the average daily net assets for Institutional and Service Shares.

D. Other Expense Agreements and Affiliated Transactions — GSAM has agreed to limit certain "Other Expense" of the Fund (excluding management fees, distribution and service fees, transfer agent fees and expenses, taxes, interest, brokerage fees and litigation, indemnification, shareholder meetings and other extraordinary expenses, exclusive of any custody and transfer agent fee credit reductions) to the extent such expenses exceed, on an annual basis, 0.114% of the average daily net assets of the Fund. Such Other Expense reimbursements, if any, are accrued daily and paid monthly. In addition, the Fund is not obligated to reimburse GSAM for prior fiscal year expense reimbursements, if any. These Other Expense reimbursements will remain in place through at least April 29, 2012, and prior to such date GSAM may not terminate the arrangements without the approval of the trustees. For the six months ended June 30, 2011, GSAM did not make any reimbursements to the Fund.

As of June 30, 2011, the amounts owed to affiliates were approximately \$225,000, \$51,400 and \$6,000 for management, distribution and service, and transfer agent fees, respectively.

E. Line of Credit Facility — As of June 30, 2011, the Fund participated in a \$580,000,000 committed, unsecured revolving line of credit facility (the "facility") together with other funds of the Trust and registered investment companies having management

Notes to Financial Statements (continued)

June 30, 2011 (Unaudited)

4. AGREEMENTS AND AFFILIATED TRANSACTIONS (continued)

agreements with GSAM or its affiliates. Pursuant to the terms of the facility, the Fund and other borrowers could increase the credit amount by an additional \$340,000,000, for a total of up to \$920,000,000. This facility is to be used solely for temporary or emergency purposes. The interest rate on borrowings is based on the federal funds rate. The facility also requires a fee to be paid by the Fund based on the amount of the commitment that has not been utilized. For the six months ended June 30, 2011, the Fund did not have any borrowings under the facility.

5. PORTFOLIO SECURITIES TRANSACTIONS

The cost of purchases and proceeds from sales and maturities of long-term securities for the six months ended June 30, 2011, were \$57,691,573 and \$53,832,577, respectively.

6. TAX INFORMATION

As of the Fund's most recent fiscal year end, December 31, 2010, the Fund's capital loss carryforwards on a tax-basis were as follows:

Capital loss carryforward: ⁽¹⁾	
Expiring 2011	\$ (1,064,803)
Expiring 2016	(23,475,963)
Expiring 2017	(43,614,413)
<hr/>	
Total capital loss carryforward	<hr/> \$(68,155,179) <hr/>

(1) Expiration occurs on December 31 of the year indicated.

As of June 30, 2011, the Fund's aggregate security unrealized gains and losses based on cost for U.S. federal income tax purposes were as follows:

Tax cost	\$317,191,787
<hr/>	
Gross unrealized gain	70,360,526
Gross unrealized loss	(12,294,687)
<hr/>	
Net unrealized security gain	<hr/> \$ 58,065,839 <hr/>

The difference between GAAP-basis and tax-basis unrealized gains (losses), as of the most recent fiscal year end, is attributable primarily to wash sales.

GSAM has reviewed the Fund's tax positions for all open tax years (the current and prior three years, as applicable) and has concluded that no provision for income tax is required in the Fund's financial statements. Such open tax years remain subject to examination and adjustment by tax authorities.

Under the recently enacted Regulated Investment Company Modernization Act of 2010, the Fund will be permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law.

7. OTHER RISKS

Fund's Shareholder Concentration Risk — Certain participating insurance companies, accounts, or Goldman Sachs affiliates may from time to time own (beneficially or of record) or control a significant percentage of the Fund's shares. Redemptions by these entities of their holdings in the Fund may impact the Fund's liquidity and NAV. These redemptions may also force the Fund to sell securities.

Liquidity Risk — The Fund may make investments that may be illiquid or that may become less liquid in response to market developments or adverse investor perceptions. Liquidity risk may also refer to the risk that a Fund will not be able to pay redemption proceeds within the allowable time period because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. To meet redemption requests, a Fund may be forced to sell investments at an unfavorable time and/or under unfavorable conditions.

Market and Credit Risks — In the normal course of business, the Fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk). Additionally, the Fund may also be exposed to credit risk in the event that an issuer fails to perform or that an institution or entity with which the Fund has unsettled or open transaction defaults.

8. INDEMNIFICATIONS

Under the Trust's organizational documents, its trustees, officers, employees and agents are indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, GSAM believes the risk of loss under these arrangements to be remote.

9. SUBSEQUENT EVENTS

Subsequent events after the balance sheet date have been evaluated through the date the financial statements were issued. GSAM has concluded that there is no impact requiring adjustment or disclosure in the financial statements.

Notes to Financial Statements (continued)

June 30, 2011 (Unaudited)

10. SUMMARY OF SHARE TRANSACTIONS

Share activity is as follows:

	For the Six Months Ended June 30, 2011 (Unaudited)		For the Fiscal Year Ended December 31, 2010	
	Shares	Dollars	Shares	Dollars
Institutional Shares				
Shares sold	307,680	\$ 3,785,477	589,735	\$ 6,437,104
Reinvestment of distributions	—	—	40,882	490,173
Shares redeemed	(833,910)	(10,226,388)	(2,141,448)	(23,457,107)
	(526,230)	(6,440,911)	(1,510,831)	(16,529,830)
Service Shares				
Shares sold	2,179,173	26,665,363	2,823,030	30,985,537
Reinvestment of distributions	—	—	36,379	435,824
Shares redeemed	(1,233,931)	(15,085,561)	(3,207,332)	(35,060,574)
	945,242	11,579,802	(347,923)	(3,639,213)
NET INCREASE (DECREASE)	419,012	\$ 5,138,891	(1,858,754)	\$(20,169,043)

Statement Regarding Basis for Approval of Management Agreement (Unaudited)

Background

The Goldman Sachs Strategic Growth Fund (the “Fund”) is an investment portfolio of Goldman Sachs Variable Insurance Trust (the “Trust”). The Board of Trustees oversees the management of the Trust and reviews the investment performance and expenses of the Fund at regularly scheduled meetings held during the year. In addition, the Board of Trustees determines annually whether to approve the continuance of the Trust’s investment management agreement (the “Management Agreement”) with Goldman Sachs Asset Management, L.P. (the “Investment Adviser”) on behalf of the Fund.

The Management Agreement was most recently approved for continuation until June 30, 2012 by the Board of Trustees, including those Trustees who are not parties to the Management Agreement or “interested persons” (as defined in the Investment Company Act of 1940, as amended) of any party thereto (the “Independent Trustees”), at a meeting held on June 15-16, 2011 (the “Annual Meeting”).

The review process undertaken by the Trustees spans the course of the year and culminates with the Annual Meeting. To assist the Trustees in their deliberations, the Trustees have established a Contract Review Committee (the “Committee”), comprised of the Independent Trustees. The Committee held three meetings over the course of the year since the Management Agreement was last approved. At those Committee meetings, regularly scheduled Board meetings and/or the Annual Meeting, the Board, or the Independent Trustees, as applicable, considered matters relating to the Management Agreement, including:

- (a) the nature and quality of the advisory, administrative and other services provided to the Fund by the Investment Adviser and its affiliates, including information about:
 - (i) the structure, staff and capabilities of the Investment Adviser and its portfolio management teams;
 - (ii) the groups within the Investment Adviser and its affiliates that support the portfolio management teams or provide other types of necessary services, including fund services groups (*e.g.*, accounting and financial reporting, tax, shareholder services and operations), controls and risk management groups (*e.g.*, legal, compliance, valuation oversight, credit risk management, internal audit, market risk analysis, finance and strategy and central funding), sales and distribution support groups and others (*e.g.*, information technology and training);
 - (iii) trends in headcount;
 - (iv) the Investment Adviser’s financial resources and ability to hire and retain talented personnel and strengthen its operations; and
 - (v) the parent company’s support of the Investment Adviser and its mutual fund business, as expressed by the firm’s senior management;
- (b) information on the investment performance of the Fund, including comparisons to the performance of similar mutual funds, as provided by a third party mutual fund data provider engaged as part of the contract review process (the “Outside Data Provider”), its benchmark performance index, a comparable institutional composite managed by the Investment Adviser, and general investment outlooks in the markets in which the Fund invests;
- (c) the terms of the Management Agreement and agreements with affiliated service providers entered into by the Trust on behalf of the Fund;
- (d) expense information for the Fund, including:
 - (i) the relative management fee and expense level of the Fund as compared to those of comparable funds managed by other advisers, as provided by the Outside Data Provider;
 - (ii) the Fund’s expense trends over time; and
 - (iii) to the extent the Investment Adviser manages institutional accounts or collective investment vehicles having investment objectives and policies similar to those of the Fund, comparative information on the advisory fees charged and services provided to those accounts by the Investment Adviser;
- (e) with respect to the extensive investment performance and expense comparison data provided by the Outside Data Provider, its processes in producing that data for the Fund;
- (f) the undertakings of the Investment Adviser to waive certain fees and reimburse certain expenses of the Fund that exceed a specified level, and a summary of contractual fee reductions made by the Investment Adviser and its affiliates over the past several years with respect to the Fund;
- (g) information relating to the profitability of the Management Agreement and the transfer agency and distribution and service arrangements of the Fund and the Trust as a whole to the Investment Adviser and its affiliates;
- (h) whether the Fund’s existing management fee schedule adequately addressed any economies of scale;
- (i) a summary of the “fall-out” benefits derived by the Investment Adviser and its affiliates from their relationships with the Fund, including the fees received by the Investment Adviser’s affiliates from the Fund for transfer agency, portfolio brokerage, distribution and other services;
- (j) a summary of potential benefits derived by the Fund as a result of its relationship with the Investment Adviser;

Statement Regarding Basis for Approval of Management Agreement (Unaudited) (continued)

- (k) information regarding commissions paid by the Fund, an update on the Investment Adviser's soft dollars practices, other information regarding portfolio trading and how the Investment Adviser carries out its duty to seek best execution;
- (l) the manner in which portfolio manager compensation is determined, and the number and types of accounts managed by the portfolio managers;
- (m) the nature and quality of the services provided to the Fund by its unaffiliated service providers, and the Investment Adviser's general oversight and evaluation (including reports on due diligence) of those service providers as part of the administration services provided under the Management Agreement; and
- (n) the Investment Adviser's processes and policies addressing various types of potential conflicts of interest; its approach to risk management; the annual review of the effectiveness of the Fund's compliance program; and compliance reports.

The Trustees also received an overview of the Fund's distribution arrangements. They received information regarding the Fund's assets, share purchase and redemption activity and the payment of Rule 12b-1 distribution and service fees by the Fund's Service Shares. Information was also provided to the Trustees relating to revenue sharing payments made by and services provided by the Investment Adviser and its affiliates to intermediaries that promote the sale, distribution and/or servicing of Fund shares.

The presentations made at the Board and Committee meetings and at the Annual Meeting encompassed the Fund and other mutual fund portfolios for which the Board of Trustees has responsibility. In evaluating the Management Agreement at the Annual Meeting, the Trustees relied upon their knowledge, resulting from their meetings and other interactions throughout the year, of the Investment Adviser, its affiliates, their services and the Fund. In conjunction with these meetings, the Trustees received written materials and oral presentations on the topics covered, and were advised by their independent legal counsel regarding their responsibilities and other regulatory requirements related to the approval and continuation of mutual fund investment management agreements under applicable law. In addition, the Investment Adviser and its affiliates provided the Independent Trustees with a written response to a formal request for information sent on behalf of the Independent Trustees by their independent legal counsel. During the course of their deliberations, the Independent Trustees met in executive sessions with their independent legal counsel, without representatives of the Investment Adviser or its affiliates present. The Independent Trustees also discussed the broad range of other investment choices that are available to Fund investors, including the availability of comparable funds managed by other advisers.

Nature, Extent and Quality of the Services Provided Under the Management Agreement

As part of their review, the Trustees considered the nature, extent and quality of the services provided by the Investment Adviser. In this regard, the Trustees considered both the investment advisory services, and the other, non-advisory services, that are provided to the Fund by the Investment Adviser and its affiliates. The Trustees noted the transition in the leadership and changes in personnel of various portfolio management teams that had occurred in recent periods, the potential benefit to the Fund of recent increases in headcount at the Investment Adviser and the ongoing recruitment efforts aimed at bringing high quality investment talent to the Investment Adviser. The Independent Trustees concluded that the Investment Adviser had committed substantial financial and operational resources to the Fund and expressed confidence that the Investment Adviser would continue to do so in the future. The Trustees also observed that the Investment Adviser had made significant commitments to address regulatory compliance requirements applicable to the Fund and the Investment Adviser.

Investment Performance

The Trustees also considered the investment performance of the Fund and the Investment Adviser. In this regard, they compared the Fund to its peers using performance rankings and ratings compiled by the Outside Data Provider as of December 31, 2010, and updated performance information prepared by the Investment Adviser using the peer groups identified by the Outside Data provider. The information on each Fund's investment performance was provided for the one-, three-, five- and ten-year periods ending on the applicable dates. The Trustees also reviewed the Fund's investment performance over time on a year-by-year basis relative to its performance benchmark. In addition, they considered the investment performance trends of the Fund over time, and reviewed the investment performance of the Fund in light of its investment objective and policies, and market conditions. The Trustees also received information comparing the Fund's performance to that of a comparable institutional composite managed by the Investment Adviser. The Trustees considered whether the Fund had operated within its investment policies and had complied with its investment limitations.

In addition, the Trustees considered materials prepared and presentations made by the Investment Adviser's senior management and portfolio management personnel, in which Fund performance was assessed. The Trustees also considered the Investment Adviser's periodic reports with respect to the Fund's risk profile, and how the Investment Adviser's approach to risk monitoring and management influences portfolio management.

Statement Regarding Basis for Approval of Management Agreement (Unaudited) (continued)

The Independent Trustees noted that for the one-year period ended May 31, 2011, the Fund ranked in the bottom half of its peer group. They also noted that the Fund had underperformed its benchmark index during that period. The Independent Trustees observed that they had communicated their concerns regarding the performance of the Fund to GSAM senior management and had received assurances that measures would continue to be taken to address the Fund's performance.

Costs of Services Provided and Competitive Information

The Trustees considered the contractual fee rates payable by the Fund under the Management Agreement. In this regard, the Trustees considered information on the services rendered by the Investment Adviser to the Fund, which included both advisory and administrative services that were directed to the needs and operations of the Fund as a registered mutual fund.

In particular, the Trustees reviewed analyses prepared by the Outside Data Provider regarding the expense rankings of the Fund. The analyses provided a comparison of the Fund's management fees and breakpoints to those of a relevant peer group and category universe; an expense analysis which compared the Fund's expenses to a peer group and a category universe; and a five-year history comparing the Fund's expenses to the peer and category medians. The analyses also compared the Fund's transfer agency fees, custody and accounting fees, distribution fees, other expenses and fee waivers/reimbursements to those of other funds in the peer group and the peer group median. The Trustees concluded that the comparisons provided by the Outside Data Provider were useful in evaluating the reasonableness of the management fees and total expenses paid by the Fund.

In addition, the Trustees considered the Investment Adviser's undertakings to waive a portion of its management fee and limit the Fund's "other expenses" ratio (excluding certain expenses) to a certain specified level. They also considered, to the extent that the Investment Adviser manages institutional accounts or collective investment vehicles having investment objectives and policies similar to those of the Fund, comparative fee information for services provided by the Investment Adviser to those accounts, and information that indicated that services provided to the Fund differed in various significant respects from the services provided to institutional accounts, which generally operated under less stringent legal and regulatory structures, required fewer services from the Investment Adviser to a smaller number of client contact points, were less time-intensive and paid lower fees. By contrast, the Trustees noted that the Investment Adviser provides substantial administrative services to the Fund under the terms of the Management Agreement.

In addition, the Trustees noted that shareholders are able to redeem their Fund shares at any time if they believe that the Fund fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

Profitability

The Trustees reviewed the Investment Adviser's revenues and pre-tax profit margins with respect to the Trust and the Fund. In this regard the Trustees noted that they had received, among other things, profitability analyses and summaries, revenue and expense schedules by Fund and by function (*i.e.*, investment management, transfer agency and distribution and service) and the Investment Adviser's expense allocation methodology. They observed that the profitability and expense figures are substantially similar to those used by the Investment Adviser for many internal purposes, including compensation decisions among various business groups, and are thus subject to a vigorous internal debate about how certain revenue and expenses should be allocated. The Trustees also reviewed the report of the internal audit group within the Goldman Sachs organization, which included an assessment of the reasonableness and consistency of the Investment Adviser's expense allocation methodology and an evaluation of the accuracy of the Investment Adviser's profitability analysis calculations. Profitability data for the Trust and the Fund were provided for 2010 and 2009, and the Trustees considered this information in relation to the Investment Adviser's overall profitability. The Trustees considered the Investment Adviser's revenues and pre-tax profit margins both in absolute terms and in comparison to information on the reported pre-tax profit margins earned by certain other asset management firms.

Economies of Scale

The Trustees considered the information that had been provided regarding the Investment Adviser's profitability and the rationale for the Fund's breakpoint structure. The Trustees also considered the breakpoints in the fee rate payable under the Management Agreement for the Fund at the following annual percentage rates of the average daily net assets of the Fund:

First \$1 billion	0.75%
Next \$1 billion	0.68
Next \$3 billion	0.65
Next \$3 billion	0.64
Over \$8 billion	0.63

Statement Regarding Basis for Approval of Management Agreement (Unaudited) (continued)

The Trustees noted that the breakpoints at the \$5 and \$8 billion asset levels had been proposed by the Investment Adviser and approved by the Trustees in 2008 to further share potential economies of scale, if any, with the Fund and its shareholders as assets under management reach those asset levels. The Trustees considered the amounts of assets in the Fund; the Fund's recent share purchase and redemption activity; the information provided by the Investment Adviser relating to the costs of the services provided by the Investment Adviser and its affiliates and their realized profits; information comparing fee rates charged by the Investment Adviser with fee rates charged to other funds in the peer group; and the Investment Adviser's undertakings to limit the Fund's fees and "other expenses" ratio (excluding certain expenses) to certain amounts. Upon reviewing these matters at the Annual Meeting, the Trustees concluded that the fee breakpoints represented a means of assuring that benefits of scalability would be passed along to shareholders at the specified asset levels.

Other Benefits to the Investment Adviser and Its Affiliates

The Trustees also considered the other benefits derived by the Investment Adviser and its affiliates from their relationship with the Fund as stated above, including: (a) transfer agency fees received by Goldman, Sachs & Co. ("Goldman Sachs"); (b) brokerage and futures commissions earned by Goldman Sachs for executing securities and futures transactions on behalf of the Fund; (c) research received by the Investment Adviser from broker-dealers in exchange for executing certain transactions on behalf of the Fund; (d) trading efficiencies resulting from aggregation of orders of the Fund with those for other funds or accounts managed by the Investment Adviser; (e) the Investment Adviser's ability to leverage the infrastructure designed to service the Fund on behalf of its other clients; (f) the Investment Adviser's ability to cross-market other products and services to Fund shareholders; (g) Goldman Sachs' retention of certain fees as Fund Distributor; (h) the Investment Adviser's ability to negotiate better pricing with custodians on behalf of its other clients, as a result of the relationship with the Fund; and (i) the possibility that the working relationship between the Investment Adviser and the Fund's third party service providers may cause those service providers to be open to doing business with other areas of Goldman Sachs. In the course of considering the foregoing, the Independent Trustees requested and received further information quantifying certain of the fall-out benefits.

Other Benefits to the Fund and Its Shareholders

The Trustees also noted that the Fund receives certain potential benefits as a result of its relationship with the Investment Adviser, including: (a) trading efficiencies resulting from aggregation of orders of the Fund with those of other funds or accounts managed by the Investment Adviser; (b) improved servicing and pricing from vendors because of the volume of business generated by the Investment Adviser and its affiliates; (c) improved servicing from broker-dealers because of the volume of business generated by the Investment Adviser and its affiliates; (d) the Investment Adviser's ability to negotiate favorable terms with derivatives counterparties as a result of the size and reputation of the Goldman Sachs organization; (e) the advantages gained from the Investment Adviser's knowledge and experience gained from managing other accounts and products; (f) the Investment Adviser's ability to hire and retain qualified personnel to provide services to the Fund because of the reputation of the Goldman Sachs organization; (g) the Fund's access, through the Investment Adviser, to certain firmwide resources (*e.g.*, proprietary databases); and (h) the Fund's access to certain affiliated distribution channels. The Trustees noted the competitive nature of the mutual fund marketplace, and noted further that many of the Fund's shareholders invested in the Fund in part because of the Fund's relationship with the Investment Adviser and that those shareholders have a general expectation that the relationship will continue.

Statement Regarding Basis for Approval of Management Agreement (Unaudited) (continued)**Conclusion**

In connection with their consideration of the Management Agreement, the Trustees gave weight to each of the factors described above, but did not identify any particular factor as controlling their decision. After deliberation and consideration of all of the information provided, including the factors described above, the Trustees concluded, in the exercise of their business judgment, that the management fees paid by the Fund were reasonable in light of the services provided to it by the Investment Adviser, the Investment Adviser's costs and the Fund's current and reasonably foreseeable asset levels. The Trustees unanimously concluded that the Investment Adviser's continued management likely would benefit the Fund and its shareholders and that the Management Agreement should be approved and continued with respect to the Fund until June 30, 2012.

Fund Expenses — Six Month Period Ended June 30, 2011 (Unaudited)

As a shareholder of Institutional or Service Shares of the Fund, you incur ongoing costs, including management fees, distribution and service (12b-1) fees (with respect to Service Shares) and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Institutional Shares and Service Shares of the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from January 1, 2011 through June 30, 2011.

Actual Expenses — The first line under each share class in the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000=8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes — The second line under each share class in the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual net expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. As a shareholder of the Fund, you do not incur any transaction costs, such as sales charges (loads), redemption fees, or exchange fees, but shareholders of other funds may incur such costs. The second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds whose shareholders may incur transaction costs.

Share Class	Beginning Account Value 1/01/11	Ending Account Value 6/30/11	Expenses Paid for the 6 Months Ended 6/30/11*
<u>Institutional</u>			
Actual	\$1,000	\$1,035.80	\$4.24
Hypothetical 5% return	1,000	1,020.63+	4.21
<u>Service</u>			
Actual	1,000	1,034.20	5.50
Hypothetical 5% return	1,000	1,019.39+	5.46

* Expenses for each share class are calculated using the Fund’s annualized net expense ratio for each class, which represents the ongoing expenses as a percentage of net assets for the six months ended June 30, 2011. Expenses are calculated by multiplying the annualized net expense ratio by the average account value for the period; then multiplying the result by the number of days in the most recent fiscal half year; and then dividing that result by the number of days in the fiscal year. The annualized net expense ratios for the period were 0.84% and 1.09% for Institutional and Service Shares, respectively.

+ Hypothetical expenses are based on the Fund’s actual annualized net expense ratios and an assumed rate of return of 5% per year before expenses.

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The reports concerning the Fund included in this shareholder report may contain certain forward-looking statements about the factors that may affect the performance of the Fund in the future. These statements are based on Fund management's predictions and expectations concerning certain future events and their expected impact on the Fund, such as performance of the economy as a whole and of specific industry sectors, changes in the levels of interest rates, the impact of developing world events, and other factors that may influence the future performance of the Fund. Management believes these forward-looking statements to be reasonable, although they are inherently uncertain and difficult to predict. Actual events may cause adjustments in portfolio management strategies from those currently expected to be employed.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available (i) without charge, upon request by calling 1-800-621-2550; and (ii) on the Securities and Exchange Commission ("SEC") website at <http://www.sec.gov>.

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC's website at <http://www.sec.gov> within 60 days after the Fund's first and third fiscal quarters. When available, the Fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. and information on the operation of the Public Reference Room may also be obtained by calling 1-800-SEC-0330. Forms N-Q may be obtained upon request and without charge by calling 1-800-621-2550.

Holdings and allocations shown may not be representative of current or future investments. Holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities.

Economic and market forecasts presented herein reflect our judgment as of the date of this presentation and are subject to change without notice. These forecasts do not take into account the specific investment objectives, restrictions, tax and financial situation or other needs of any specific client. Actual data will vary and may not be reflected here. These forecasts are subject to high levels of uncertainty that may affect actual performance. Accordingly, these forecasts should be viewed as merely representative of a broad range of possible outcomes. These forecasts are estimated, based on assumptions, and are subject to significant revision and may change materially as economic and market conditions change. Goldman Sachs has no obligation to provide updates or changes to these forecasts. Case studies and examples are for illustrative purposes only.

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The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk.

Shares of the Goldman Sachs VIT Funds are offered to separate accounts of participating life insurance companies for the purpose of funding variable annuity contracts and variable life insurance policies. Shares of the Fund are not offered directly to the general public. The variable annuity contracts and variable life insurance policies are described in the separate prospectuses issued by participating insurance companies. You should refer to those prospectuses for information about surrender charges, mortality and expense risk fees and other charges that may be assessed by participating insurance companies under the variable annuity contracts or variable life insurance policies. Such fees or charges, if any, may affect the return you may realize with respect to your investments. Ask your representative for more complete information. Please consider a fund's objectives, risks and charges and expenses, and read the prospectus carefully before investing. The prospectus contains this and other information about the Fund.

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