



## Golden Ocean Group Limited

### Results for the Quarter ended March 31, 2010

Golden Ocean Group Limited (the “Company” or “Golden Ocean”) reports profit of \$23.8 million and earnings per share of \$0.05 for the first quarter of 2010. This compares with profit and earnings per share of \$16.6 million and \$0.06 respectively for the first quarter of 2009. Total operating revenues for the first quarter were \$102.4 million, total operating expenses were \$75.3 million and net other loss was \$0.5 million.

Cash and cash equivalents increased by \$0.4 million during the quarter. The Company generated cash from operating activities of \$38.8 million and used \$82.8 million in investing activities. Investing activities include part payments on new buildings of \$83.2 million. The Company generated \$44.7 million from financing activities during the quarter. This includes proceeds from the long term debt of \$51.4 million and the repayment of debt of \$4.8 million.

At March 31, 2010 the total number of shares outstanding in Golden Ocean was 456,990,107 of \$0.10 par value each.

On May 28, 2010 the Board has declared a dividend of \$0.025 per share. The record date for the dividend is June 15, 2010, ex dividend date is June 11, 2010 and the dividend will be paid on or about June 21, 2010.

### Corporate and Finance

February 2010 - The Company announced that Trustworth Shipping PTE Limited, Singapore failed to honor its obligations as charterer of a ten year time charter contract on a newbuilding Capesize vessel named M/V Golden Future. The vessel was chartered on 2 February 2008 by Golden Ocean to Trustworth at a rate of \$40,500 per day. Golden Ocean will make every effort to pursue and secure its claim for damages through legal proceedings. The Company has in order to mitigate losses fixed the vessel out on a three year time charter contract. The agreed daily time charter rate is \$31,500 less 5% total commission.

February 2010 - The Company announced that it has fixed out on time charter the Panamax vessel M/V Ocean Minerva. The vessel has been fixed out for three years at a daily time charter rate of \$21,800 less 5% total commission. The vessel is on long term time charter contract to Golden Ocean at \$9,975 per day. The agreed time charter agreement further reduces the Company’s cash break even costs for its open tonnage and secures in excess of \$11 million in additional net income over the charter period.

February 2010 - Reference is made to the press release dated 22 April 2008 regarding the time charter contract for one of the Capesize vessels under construction at Jinhaiwan Shipyard. In order to secure the cash flow from the time charter contract and to reduce the counterparty risk the Company has restructured the time charter contract. The new agreement includes \$6 million in cash paid upfront by the charterer and in return a 25% reduction in the time charter rate. The new agreement includes a fixed time charter rate of \$33,050 per day. In addition to the fixed time charter rate, the Company has agreed on a profit share structure where significant upside exists for Golden Ocean in case of a continued strong market.

March 2010 - The Company announced the secondary listing of Golden Ocean at Singapore Stock Exchange (SGX).

March 2010 - The Company announced that one of its Jinhaiwan cape size newbuildings has been fixed out on a time charter contract for a period of four years. The agreed daily time charter rate is \$29,900 less 5% total commission. The vessel is expected to be delivered to the charter during second half of this year.

May 2010 - The Company is pleased to announce that it has succeeded in the restructuring of the newbuilding program at Pipavav Shipyard in India. Golden Ocean has agreed to construct four vessels at a price of \$31 million each, resulting in a discount of \$4.6 million per vessel compared to the original construction price. The vessels will be delivered from the yard during the period from December 2010 to December 2011. The two remaining construction contracts with the yard has been converted into purchase options.

May 2010 – The Company has extended the time charter period for the vessel Golden Lyderhorn for 3.5 years from the third quarter of 2010. The daily time charter rate is \$26, 500 per day for the first 28 months and \$21.300 for the remaining period.

May 2010 – Golden Ocean reached an agreement with the Company’s banks in order to change the covenant structure in the loan agreements. The new agreements create increased flexibility and open up for future dividend payments.

## Market

The World Economy started 2010 on a strong note supported by stimulus packages which many believe have established the basis for self sustainable economic growth. There are however big differences between regions and continents. The EU and Japan fail to show same performance as US and both areas are still behind production figures prior to the financial crisis. China, which is accounting for about 40 per cent of dry bulk imports, is still growing at a high pace. GDP rose 11.9 per cent year on year during the first quarter. Consumption continues to demonstrate remarkable resilience as employment and consumer confidence improves further.

Some key figures related to Chinese dry bulk demand are as follows:

In million tons annual rate	Q1 2009	Q4 2009	Q1 2010 Preliminary
Iron ore imports	520mt	628mt	613mt
Domestic Prod of Iron Ore	669mt	1036mt	816mt
Steel Production	509mt	587mt	631mt
Iron Ore Stock Building	7mt	164mt	6mt
Coal Imports	53mt	155mt	168mt

On average a Panamax vessel earned \$29,600 per day during the first quarter of 2010, while a Capesize vessel earned \$34,275 per day for the similar period (average time charter earnings reported by Baltic). This is a small spread in a historic perspective and we have even witnessed Panamax earnings well ahead of Capesizes earnings during several weeks last quarter. The main reason is the high influx of Capesize newbuilding deliveries compared to Panamaxes. The Capesize fleet growth in March 2010 was 20 per cent higher than in March 2009, while the Panamax fleet “only” grew by six per cent compared to March previous year. At the same time sourcing of iron ore to China was comparatively lower from Brazil than from India, which is negative for Capesizes and supports the smaller segments.

Congestion in major ports is still supporting utilization of the dry bulk fleet. More than 15 per cent of the Capesize fleet has on average been tied up in congestion during the first quarter of 2010 and around seven per cent of the total dry bulk fleet has been affected.

During 2009 59 per cent of the “official order book” for the year was actually delivered. So far in 2010 the trend remains the same. 33.7 million dwt was supposed to be delivered through the month of April while 21.6 million dwt was actually delivered. The fleet growth in the first quarter was 3.8 per cent compared to the fourth quarter and about 12.5 per cent compared to the first quarter of 2009.

Supported by solid demand for long term time charters yielding decent returns, asset values rose by almost 10 per cent during the first three months of the year. Sale and purchase shipbrokers estimated the value of a five year old Panamax vessel to be \$37 million by the end of March 2010 and \$62 million for a similarly aged Capesize vessel.

Most analysts are still having a bullish outlook for dry bulk transportation demand. Our industry is increasingly dependent of sustainable Chinese growth. It is however interesting to observe the growth in imports of coal to India, another fast growing economy. The imports of coking coal and steam coal in combination is expected to grow by more than 15 per cent this year.

During the last couple of weeks the global financial markets have reacted negatively to the serious situation in the Greek Economy. If EU is not able to isolate the problem which could lead to a chain reaction to other Southern European Economies, this will have a negative effect on global trade.

As previously stated a combination of slippage (delays), cancellations and maybe a slightly over exaggerated official order book have given a better balance between demand and supply compared to what most forecasters predicted. Unfortunately new orders have been placed during the first four months of the year. Consequently we still need a shortfall in deliveries of almost 40 per cent over the next two years to keep the utilization at present levels in a fairly optimistic demand scenario.

## Strategy

The short term physical trading in Golden Ocean Trading Limited is contributing positively to the Company's operating result. The niche trade in certain geographical areas has recently involved vessels in smaller segments (Handysize and Handymax). Golden Ocean is presently considering a more active role in operating vessels below 60,000 dwt and is not ruling out that this could lead to investments in smaller size vessels or operations.

The Board has previously expressed its concern for the growth in fleet supply and as a consequence the chartering strategy has been conservative. Additional long term charters with good quality counterparts have been secured the last couple of months. Golden Ocean has only about 25 per cent open Panamax capacity in 2010 followed by 35 per cent and 42 per cent for 2011 and 2012 respectively. For the Capesize segment there is no open capacity in 2010 followed by limited open capacity the following two years dependent of ongoing discussions with the Yards.

## Outlook

The positive cash contribution expected from operation through 2012 has improved further since last quarter. In a zero market environment for the open Capesize and Panamax tonnage, the Company will still generate about \$80 million in net positive cash flow.

The Company is expected to take delivery of eight newbuildings over the next 12 months. All of them are financed and six of the units have secured long term time charter employment.

The Company's Balance Sheet is robust and available cash has increased with approximately \$40 million from the beginning of the year until to date.

The Board is of the opinion that Golden Ocean today is properly capitalized and has available resources for growth. However, the Board is continuously considering different alternative ways to finance and to further grow the Company.

Golden Ocean's modern fleet in combination with operational excellence is the right foundation to build the Company further to be one of the leading dry bulk Owners and Operators this decade.

The operating results for remainder of the year should based on current outlook be in line with the results for the first quarter. The Board is pleased by the fact that the Company in this quarter has been able to reinstate the quarterly dividends. The quarterly dividends should be an important part in our overall return to shareholders going forward.

## Forward Looking Statements

This press release contains forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including Golden Ocean's management's examination of historical operating trends. Although Golden Ocean believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, Golden Ocean cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in this press release include the strength of world economies and currencies, general market conditions including fluctuations in charter hire rates and vessel values, changes in demand in the dry bulk market, changes in the Company's operating expenses including bunker prices, dry-docking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports filed by the Company.

May 28, 2010  
The Board of Directors  
Golden Ocean Group Limited  
Hamilton, Bermuda

Questions should be directed to:  
Herman Billung: CEO Golden Ocean Management AS  
+47 22 01 73 40

Geir Karlsen: CFO Golden Ocean Management AS  
+47 22 01 73 53

Golden Ocean Group Limited

Interim financial information  
(Unaudited)

1<sup>st</sup> Quarter 2010

# Golden Ocean Group Limited

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## Consolidated Comprehensive Income Statement

(in thousands of \$, except per share data which are in \$)

	Notes	2 010 Jan-Mar	2 009 Jan-Mar
Operating revenue			
Revenue		102 900	69 501
Other operating income/(loss)		(527)	(497)
<b>Total operating revenue</b>		<b>102 373</b>	<b>69 004</b>
Operating expenses			
Voyage expenses and commission		17 445	12 789
Vessel operating expenses		5 847	4 454
Charter hire expenses		42 835	24 113
Administrative expenses		2 603	2 134
Depreciation and amortisation	2,3	6 568	5 056
<b>Total operating expenses</b>		<b>75 298</b>	<b>48 546</b>
Other gain/losses net			
Profit on sale of assets		-	1 460
Other gain/(losses) net		(507)	5
<b>Total other gain/(losses) net</b>		<b>(507)</b>	<b>1 465</b>
Operating profit		26 568	21 923
Finance income		159	52
Finance costs		(2 852)	(4 110)
Other financial items	11	(59)	(1 311)
<b>Net financial items</b>		<b>(2 752)</b>	<b>(5 369)</b>
<b>Profit before income tax</b>		<b>23 816</b>	<b>16 554</b>
<b>Income tax</b>		<b>-</b>	<b>-</b>
<b>Profit for the period</b>		<b>23 816</b>	<b>16 554</b>
Profit attributable to:			
Owners of the parent		23 350	16 300
Minority interest		466	254
<b>Profit for the period</b>		<b>23 816</b>	<b>16 554</b>
Other comprehensive income			
Reduction in value of marketable securities		-	(4 537)
<b>Total comprehensive income for the period</b>		<b>23 816</b>	<b>12 017</b>
Comprehensive income attributable to:			
Owners of the parent		23 350	11 763
Minority interest		466	254
<b>Total comprehensive income for the period</b>		<b>23 816</b>	<b>12 017</b>
Fully diluted earnings per share		\$0.05	\$0.06

See accompanying notes that are an integral part of these financial statements

Golden Ocean Group Limited  
Consolidated Balance Sheet

<i>(in thousands of \$)</i>	Notes	2010 Mar 31	2009 Dec 31
<b>ASSETS</b>			
Non current assets			
Vessels and equipment, net	2	488 510	355 279
Vessels held under finance leases, net	3	102 353	103 194
Vessels under construction	4	426 506	480 454
Other long term receivables		6 663	6 552
Investment in associated companies		150	150
<b>Intangible assets</b>		<b>9 850</b>	<b>11 267</b>
<b>Total non-current assets</b>		<b>1 034 032</b>	<b>956 897</b>
Current assets			
Cash and cash equivalents	12	93 159	92 728
Trade and other receivables	5	46 719	32 725
Inventories		5 917	4 388
<b>Total current assets</b>		<b>145 795</b>	<b>129 840</b>
<b>Non-current assets held for sale</b>		<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>1 179 827</b>	<b>1 086 737</b>

**EQUITY AND LIABILITIES**

Equity attributable to equity holders of the parent

Share capital		45 699	45 699
Additional paid in capital		104 801	104 801
Other reserves		16 635	16 635
Retained earnings		379 733	356 263
		546 868	523 398
<b>Minority interest</b>		<b>4 504</b>	<b>4 038</b>
<b>Total Equity</b>		<b>551 372</b>	<b>527 436</b>

Non-Current Liabilities

Long term debt	6	444 692	414 856
Obligations under finance leases	7	56 932	58 340
<b>Total non-current liabilities</b>		<b>501 624</b>	<b>473 196</b>

Current Liabilities

Long-term debt - current portion	6	73 924	57 729
Obligations under finance leases – current portion	7	6 222	6 333
Amount due to related parties		4 421	2 040
Trade payables and other current liabilities	8	42 263	20 003
<b>Total current liabilities</b>		<b>126 831</b>	<b>86 105</b>
<b>Total liabilities and shareholders' equity</b>		<b>1 179 827</b>	<b>1 086 737</b>

*See accompanying notes that are an integral part of these financial statements*

Golden Ocean Group Limited  
Consolidated Cash Flow Statement

(in thousands of \$)

	Notes	2010 Jan-Mar	2009 Jan-Mar
<b>OPERATING ACTIVITIES</b>			
Profit for the period		23 816	16 554
Adjustments to reconcile profit for the period to net cash provided by operating activities:			
Share options		121	69
Profit on sale of assets		-	(1 460)
Interest income		(159)	(52)
Depreciation and amortisation	2,3	6 568	5 056
Amortisation of deferred charges		24	161
Long term receivables adjustment		(112)	-
Unrealized gain/loss on foreign exchange forwards		302	
Net change in:			
Amount due to related parties		2 382	1 768
Trade and other receivables		(13 993)	46 823
Inventories		(1 529)	(4 245)
Provisions		-	(9 431)
Trade payables and other current liabilities		21 358	(4 612)
Net cash provided by operating activities		38 776	50 631
<b>INVESTING ACTIVITIES</b>			
Net maturity of restricted cash		259	509
Interest received		159	52
Payments on vessels	2,3,4	(83 209)	(21 529)
Net proceeds from the sale of vessels, including exercise of purchase options		-	18 467
Net cash used in investing activities		(82 791)	(2 501)
<b>FINANCING ACTIVITIES</b>			
Payment of financing charges		(33)	(115)
Repayment of obligations under finance leases		(1 915)	(2 281)
Repayment of long term debt		(4 792)	(67 447)
Proceeds from long term debt		51 445	-
Net cash (used in) / provided by financing activities		44 705	(69 843)
Net change in cash and cash equivalents		690	(21 713)
Cash and cash equivalents at beginning of period		80 893	50 868
Cash and cash equivalents at end of period	12	81 583	29 155

Supplementary cash flow information:

See accompanying notes that are an integral part of these financial statements

Golden Ocean Group Limited  
Consolidated Statement of  
Changes in Equity

Total Attributable to equity holders of the parent

*(in thousands of \$)*

	Share Capital	Additional paid in capital	Other Reserves	Retained Earnings	Total	Minority interest	Total Equity
Balance at January 1, 2009	27 699	14 798	(6 258)	139 004	175 243	2 427	177 670
Comprehensive income for the period	-	-	22 893	216 988	239 882	1 015	240 897
Share issue for cash	18 000	90 003	-	-	108 003	-	108 003
Value of services under stock options scheme	-	-	-	270	270	-	270
Changes in ownership interest in subsidiaries that do not result in loss of control:							
Minority interest	-	-	-	-	-	596	596
Balance at December 31, 2009	45 699	104 801	16 635	356 263	523 398	4 038	527 436
Comprehensive income for the period	-	-	-	23 350	23 350	466	23 816
Value of services under stock options scheme	-	-	-	121	121	-	121
Balance at March 31, 2010	45 699	104 801	16 635	379 733	546 868	4 504	551 372

## 1. ACCOUNTING PRINCIPLES

The accounts have been prepared in accordance to IAS 34 Interim Financial Reporting. A description of the accounting principles applied in preparing the accounts of the Group is found in the annual report for 2009. The annual - and interim accounts are prepared according to IFRS.

IFRS 3 (revised) “Business Combinations” amended certain provisions of IAS 16 “Property Plant and Equipment” and clarified the accounting for favourable lease contracts when the company is the lessor. As a consequence, the Company has changed its presentation of amortisation of intangible assets. Amortisation of favourable lease contracts acquired previously recognised as a reduction of revenue in the comprehensive income statement, is from January 1, 2010 classified within depreciation and amortisation. Comparatives have been adjusted accordingly.

## 2. VESSELS AND EQUIPMENT, NET

The Group has the following owned vessels at March 31, 2010.

Vessel	Built	DWT	Flag
Channel Alliance	1996	171 978	Philippines
Channel Navigator	1997	172 058	Philippines
Golden Shadow	2005	73 732	Hong Kong
Golden Saguenay	2008	75 500	Hong Kong
Golden Opportunity	2008	75 500	Hong Kong
Golden Ice	2008	75 845	Hong Kong
Golden Feng	2009	170 500	Marshall Island
Golden Strenght	2009	75 745	Hong Kong
Golden Shui	2009	170 500	Marshall Island
Golden Beijing (delivered in 1st quarter)	2010	176 000	Hong Kong
Golden Future (delivered in 1st quarter)	2010	175 860	Hong Kong

<i>(in thousands of \$)</i>	<i>Vessels</i>	<i>Drydocking</i>	<i>Fixtures and Equipment</i>	<i>Total</i>
Cost:				
At January 1, 2009	197 087	1 884	381	199 352
Additions	1 517			1 517
Transferred from vessels under construction (note 4)	191 924	-	96	192 020
Disposals				-
<b>At December 31, 2009</b>	<b>390 529</b>	<b>1 884</b>	<b>477</b>	<b>392 890</b>
At January 1, 2010	390 529	1 884	477	392 890
Additions	9			9
Transferred from vessels under construction (note 4)	137 492	-		137 492
<b>At March 31, 2010</b>	<b>528 030</b>	<b>1 884</b>	<b>477</b>	<b>530 391</b>
Accumulated depreciation:				
At January 1, 2009	23 896	754	189	24 839
Charge for the year	12 331	377	64	12 772
<b>At December 31, 2009</b>	<b>36 227</b>	<b>1 131</b>	<b>253</b>	<b>37 611</b>
At January 1, 2010	36 227	1 131	253	37 611
Charge for the year	4 160	94	16	4 270
<b>At March 31, 2010</b>	<b>40 387</b>	<b>1 225</b>	<b>269</b>	<b>41 881</b>
Carrying amount:				
<b>At March 31, 2010</b>	<b>487 643</b>	<b>659</b>	<b>208</b>	<b>488 510</b>
<b>At December 31, 2009</b>	<b>354 302</b>	<b>753</b>	<b>224</b>	<b>355 279</b>

The Group has pledged all its vessels to secure various banking facilities (note 6).

### 3. VESSELS HELD UNDER FINANCE LEASES, NET

The Group has the following vessels on financial lease at March 31, 2010.

Vessel	Built	DWT	Flag
Golden Lyderhorn	1999	74 242	Hong Kong
Ocean Minerva	2007	75 698	Panama
Golden Heiwa	2007	76 662	Panama
<i>(in thousands of \$)</i>			
Cost:			
At January 1, 2009			137 956
Additions			246
Transferred to non-current assets held for sale			(20 905)
At December 31, 2009			117 297
At January 1, 2010			117 297
Additions			41
Transferred to non-current assets held for sale			-
At March 31, 2010			117 338
Accumulated depreciation:			
At January 1, 2009			10 688
Charge for the year			4 267
Transferred to non-current assets held for sale			(852)
At December 31, 2009			14 103
At January 1, 2010			14 103
Charge for the year			882
Transferred to non-current assets held for sale			-
At March 31, 2010			14 985
Carrying amount:			
At March 31, 2010			102 353
At December 31, 2009			103 194

Vessels held under finance leases are depreciated on the same basis as owned vessels.

#### 4. VESSELS UNDER CONSTRUCTION

<i>Cost and net book value (in thousands of \$)</i>	<i>New Buildings</i>
At January 1, 2009	496 425
Additions	176 049
Transferred to vessels and equipment (note 2)	(192 020)
<u>At December 31, 2009</u>	<u>480 454</u>
At January 1, 2010	480 454
Additions	83 544
Transferred to vessels and equipment (note 2)	(137 492)
<u>At March 31, 2010</u>	<u>426 506</u>

The Group has pledged all vessels under construction to secure various banking facilities (note 6).

Two Capesize vessels have been delivered to the Group in February 2010 from Jinhaiwan Shipyard, M/V Golden Beijing and M/V Golden Future. Additions includes installment on newbuildings and reallocation of deferred charges.

#### 5. TRADE AND OTHER RECEIVABLES

<i>(in thousands of \$)</i>	<i>3/31/2010</i>	<i>12/31/2009</i>
Trade receivables	23 468	13 817
Other receivables	19 338	18 561
Prepayments	10 372	4 738
Accrued income	204	2 162
	<u>53 382</u>	<u>39 277</u>
Less non-current portion: other receivables	(6 663)	(6 552)
<u>Current portion</u>	<u>46 719</u>	<u>32 725</u>

#### 6. LONG-TERM DEBT

<i>(in thousands of \$)</i>	<i>3/31/2010</i>	<i>12/31/2009</i>
Within one year	73 924	57 729
Between one and two years	45 178	39 875
Between two and five years	197 982	180 839
After five years	204 083	197 058
<u>Total debt</u>	<u>521 167</u>	<u>475 501</u>
Current portion	(73 924)	(57 729)
Long-term debt, nominal value	447 243	417 772
Deferred transaction costs	(2 551)	(2 916)
<u>Long-term debt, net</u>	<u>444 692</u>	<u>414 856</u>

Of the total debt, \$511,346,000 (December 31, 2009 -\$465,358,000) is secured by mortgages over sailing vessels and vessels under construction. The remaining debt of \$7,270,000 (December 31, 2009-\$7,227,000) relates to the liability component of unsecured convertible bonds issued in December 2007.

Long-term debt and finance lease liabilities:

<i>(in thousands of \$)</i>	3/31/2010	12/31/2009
Non-current		
Bank borrowings	437 422	407 629
Convertible bond	7 270	7 227
Finance lease liabilities	56 932	58 340

All debt is denominated in US Dollars and has an interest rate at LIBOR plus a fixed margin of 2.75. The interest rate is repriced on a monthly basis.

## 7. OBLIGATIONS UNDER FINANCE LEASES

<i>(in thousands of \$)</i>	Within one year		2-5 years		Total	
	3/31/2010	12/31/2009	3/31/2010	12/31/2009	3/31/2010	12/31/2009
<b>Minimum Lease Payments</b>						
Interest	4 690	4 768	7 317	6 146	12 007	10 914
Instalments	6 222	6 333	56 932	58 340	63 154	64 673
<b>Total Minimum Lease Payments</b>	<b>10 912</b>	<b>11 101</b>	<b>64 249</b>	<b>64 486</b>	<b>75 161</b>	<b>75 587</b>
Present Value of Lease Obligations					63 154	64 673
Current portion					6 222	6 333
Non-current portion					56 932	58 340

The Group has recorded finance leases on three vessels at March 31, 2010 (December 31, 2009 – three vessels). The Group has a purchase option and the exercise price of the option changes based upon the date the option is exercised. The table below lays out the approximate exercisable dates and purchase option amounts, based on the date the purchase options are first exercisable, and the first lease renewal date.

<i>(in thousands of \$)</i>	Purchase option first exercisable date	Purchase option amount	Lease renewal date
Golden Lyderhorn	September 2009	26 350	September 2016
Ocean Minerva	January 2010	23 952	January 2015
Golden Heiwa	March 2011	23 031	March 2015

All lease payments are denominated in US Dollars.

The Group's finance lease obligations are secured by the lessor's title to the leased assets.

## 8. TRADE PAYABLES AND OTHER CURRENT LIABILITES

<i>(in thousands of \$)</i>	3/31/2010	12/31/2009
Trade payables	2 857	2 722
Accruals	7 696	6 392
Income received in advance	24 407	7 270
Other current liabilities	7 303	3 619
	<u>42 263</u>	<u>20 003</u>

Income received in advance relates to time charter revenue received in advance for future periods and has therefore been deferred.

## 9. CAPITAL COMMITMENTS

<i>(in thousands of \$)</i>	Within one year		2-5 years		Total	
	3/31/2010	12/31/2009	3/31/2010	12/31/2009	3/31/2010	12/31/2009
Vessels under construction	279 781	283 074	364 724	446 788	644 505	729 862

The unfinanced portion of the total commitment was \$253.6 million at the end of the quarter, whereas \$190.4 million relates to six Kamsarmax in single purpose companies without any guarantees given from the Group.

## 10. OPERATING LEASES

### Rental expense

The future minimum rental payments under the Group's non-cancellable operating leases as of March 31, 2010 are as follows:

<i>(in thousands of \$)</i>	3/31/2010	12/31/2009
Within one year	50 163	52 964
In the second to fifth years	35 180	35 429
Later than five years	-	-
Total minimum lease payments	<u>85 343</u>	<u>88 393</u>

Total rental expense for the quarter ended March 31, 2010 for operating leases was \$42,835,000 (December 31, 2009-\$123,008,000).

### Rental income

The minimum future revenue (including owned vessels) to be received under the Group's non-cancellable operating leases as of March 31, 2010 is as follows:

<i>(in thousands of \$)</i>	3/31/2010	12/31/2009
Within one year	143 029	181 472
In the second to fifth years	578 809	535 389
Later than five years	220 447	198 955
Total minimum lease revenue	<u>942 285</u>	<u>915 816</u>

Total rental income from operating leases was \$102,900,000 for the quarter ended March 31, 2010 (December 31, 2009-\$356,555,000).

Included in intangible assets is the fair value of six time charter contracts. The amortisation of the future revenue from these contracts of \$1,417,000 (March 31, 2009 -\$1,554,000) is recorded under depreciation and amortisation.

## 11. FINANCE COSTS

<i>(in thousands of \$)</i>	3/31/2010	3/31/2009
Interest on bank overdrafts and loans	4 879	7 200
Interest on obligations under finance leases	1 219	1 366
Total finance cost	6 098	8 566
Less amounts included in the cost of qualifying assets	(3 246)	(4 456)
	<u>2 852</u>	<u>4 110</u>

## 12. CASH AND CASH EQUIVALENTS

<i>(in thousands of \$)</i>	3/31/2010	12/31/2009
Current accounts	81 583	50 893
Short-term deposits	0	30 000
Cash and cash equivalents, none restricted	<u>81 583</u>	<u>80 893</u>
Restricted cash	<u>11 576</u>	<u>11 835</u>
At March 31, 2010	<u>93 159</u>	<u>92 728</u>

## 13. SUBSEQUENT EVENT

In May 2010 Golden Ocean announces that it has succeeded in the restructuring of the newbuilding program at Pipavav Shipyard in India. The Company has agreed to construct four vessels at a price of \$31 million each, resulting in a discount of \$4.6 million per vessel compared to the original construction price. The vessels will be delivered from the yard during the period from December 2010 to December 2011. The two remaining construction contracts with the yard have been converted into purchase options.

In May 2010 Golden Ocean reached an agreement with the Company's banks in order to change the covenant structure in the loan agreements. The new agreements create increased flexibility and open up for future dividend payments.