Marcon International, Inc.

Vessels and Barges for Sale or Charter Worldwide

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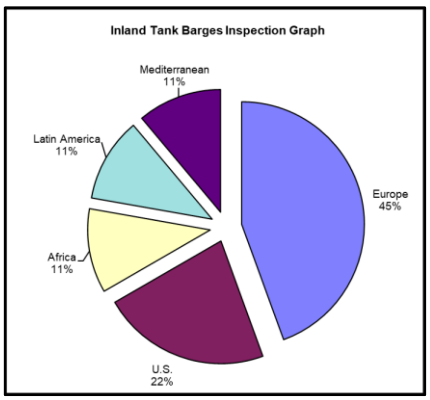
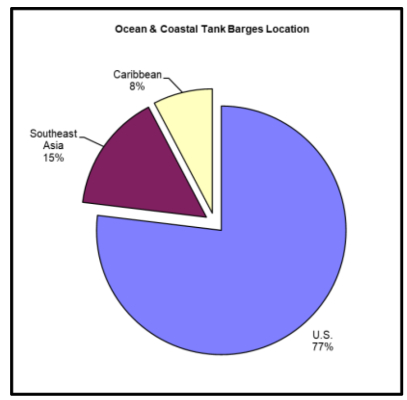
October 2024

Tank Barge Market Report

Of the 3,708 barges and 13,291 vessels we currently track, 679 are tank barges with nine (9) inland and thirteen (13) ocean or coastal barges officially on the market for sale. The nine inland tank barges were built between 1958 and 2007, with seven 77.8% 25 years of age or over. The oldest inland tank barge listed today is a 66 year old, 15,000BBL tank barge, which was rebuilt in 2016 and trades in the Mediterranean. This old lady is counterbalanced by a Nigerian-flagged 2007-built 39,775BBL capacity tank barge located in Africa. One year ago, 12 inland barges were available with an average age of 23 years and five years ago, 27 inland barges were available, also with an average age of 23 years. The inland barges currently available for sale average 39 years old.

Of the 13 ocean/coastal barges, none are less than 10 years old. Six or 46.2% of the ocean & coastal barges are at least 25 years old with the oldest one, a U.S.-flagged, 39,700BBL barge, built in 1962 operating in the U.S. Great Lakes. This is countered by a 2013 built Tuvalu-flagged 39,000BBL double hull barge. In October 2019, 48.0% of the 25 ocean and coastal barges listed for sale were 25 years of age or older. Today, 12 fewer ocean/coastal barges are officially available for sale compared to five years ago and nine less than one year ago. Average age of all ocean/coastal barges for sale today is 31 years old (1993), compared to 21 years last year (2002) and 25 years five years ago (1994).





Four inland tank barges which Marcon had listed for sale on the report date are located in Europe, followed by two in the U.S. and one each in Africa, Latin America and the Mediterranean. Ten ocean / coastwise barges listed for sale are in the U.S., followed by two in Southeast Asia and one in the Caribbean. Fifteen of the 22 tank barges listed for sale worldwide are double hull. Seven of these are U.S. flag of which five are 13 - 24 years old, one is 45 and the remaining one is 62 years of age. The eight foreign double-hull barges range from 11 years old in Southeast Asia, up to 66 years old in the Mediterranean.

<u>Marcon's Market Comments</u>

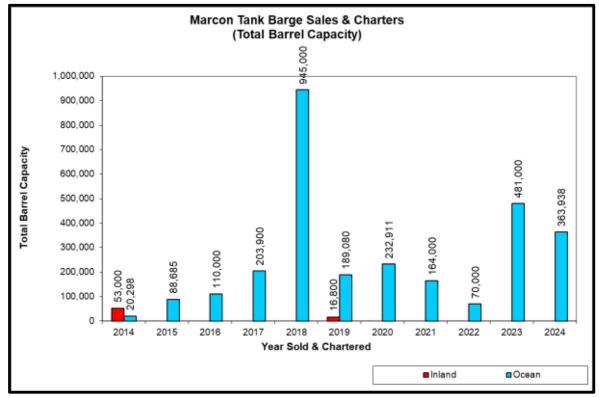
The tank barge market has demonstrated remarkable strength throughout 2024, with Marcon observing high utilization rates and favorable contract renewals. This trend aligns with reports from major operators like Kirby Corporation, which noted inland barge utilization around 90% and coastal barge utilization in the mid to high-90% range. The scarcity of available barges for sale has become increasingly apparent, as quality units are swiftly acquired by eager buyers. This reduction in secondhand tonnage availability has led to significant price increases, with term contract renewals seeing increases in the low 20% range and spot market prices experiencing rises in the low 30% range. These figures surpass the already impressive increases reported by industry leaders, such as Kirby's high-single digit increases for inland term contracts and high-20% range increases for coastal contracts.

The robust demand for inland transportation services, coupled with limited new supply entering the market, has further tightened the barge market. This supply-demand imbalance has created a favorable environment for barge owners and operators, reflected in the strong financial performances reported by companies like Algoma Central Corporation and Genesis Energy. Looking ahead, Marcon anticipates that the trend of high utilization, rising prices, and limited availability of secondhand barges will persist into 2025. This outlook is supported by the ongoing growth in customer demand and the current market dynamics. However, industry participants should remain mindful of potential risk factors, including seasonal weather impacts, refinery utilization fluctuations, and broader economic uncertainties that could affect shipping volumes in the coming year.

Marcon International, Inc.

Tank Barge Market Report – October 2024

Marcon's Recent Sales and Charters



In 2024, Marcon has sold, chartered or delivered 23 vessels, comprised of three ocean deck barges, an inland deck barge, four ocean tank barges totaling 364,000BBL, seven tugs totaling 32,000BHP, three platform supply vessels, two anchor handling tug supply vessels totaling 10,700BHP, a pilot boat, a buoy tender and a pollution control vessel. In 2023, Marcon sold or chartered six ocean tank barge totaling 481,000BBL, four ocean deck barges, an inland deck barge, 12 tugs totaling 48,990BHP, a 3,000HP push boat, three anchor handling tug supply vessels totaling 29,028BHP, three platform supply vessels, a crew boat and a passenger day vessel. Since 1981, Marcon International has closely followed the tug, barge and offshore petroleum markets with over 1,601 vessels and barges sold or chartered worldwide. Sales include 116 ocean tank barges totaling 10.534 million BBL capacity, 64 inland tank barge total 1.048 million BBL capacity, 402 tugs (1,328,703BHP), 263 ocean & inland ocean deck barges (1,285,175dwt), 127 hopper barges, four tankers (7,794dwt) and one 2,995dwt LNG/LPG carrier.

Recently Listed Tank Barges & ATB Tugs Direct from Owners

Marcon currently has a total of 36 tankers and tank barges for sale worldwide of which 17 are double hull. Twenty-seven (27) are non-U.S. and nine U.S. flag. We also currently have four U.S. flag and two foreign flag ATB tugs for sale.

File: TB39000 Tank Barge - Ocean: 310.0' loa x 294.7' lbp x 60.0' beam x 19.3' depth x 15.70' loaded draft. Built in 1982 by St Louis shipyard. U.S. flag. GRT/NRT: 2,346. Class: ABS A1 Great Lakes Service. USCG COI Grades D&E Exp Feb 2024. DD expired Dec 2022. Laid-up. Dwt: 6,044lt. Rakes: Both. **Capacity: 39,000bbl**. Tanks: 10. **Coiled**. Pumps: 2 - Warren #70B Deepwell 2,500gpm @125PSI. 3,000lb Stockless anchors. Gensets: 2 - GM 8V-71. **Asphalt barge.** Double chine bow; long rake stern fitted with skegs and a 25ft notch for tug. Asphalt (7.9lbs/gal.): G.L. Summer 38,000Bbls. G.L. Winter 37,000Bbls. Vapor Liquid Phase Heater - 8.4million BTU/hr. Outlet Temp 370F. Deck insulated with 6" thick Pittsburgh Corning "Foamglas". Ice strengthened bow. 2 segregated piping systems. Laid-up since Jan 2024. Only operated in fresh water since newbuild. Originally built to Ocean Loadline. **U.S. Great Lakes.**

File: TB39746 Double Hull Tank Barge - Ocean: 270.1' loa x 60.1' beam x 25.2' depth x 18.90' loaded draft. Built in 1962 by Dravo Corporation. U.S. flag. GRT/NRT: 2,928. Class: ABS +A1 Oil Barge, Great Lakes Service Exp Apr 2025. USCG Grade "D" and "E" exp 03 Mar 2026. Dwt: 6,044lt. Rakes: Spoon bow. **Capacity: 39,746bbl**. **Coiled**. Pumps: Cargo: 2 x 1,500gpm. 3,000# stockless anchors. Wire/Chain: 585'. Wire/Chain Dia.: 2 1/4". Winch: Emerson-Walker hydraulic. Gensets: 1 - 125kW / GM6-71, 1 - 125kW / CAT 3306. Full spoon bow, steep raked stern fitted with skegs and notch for tug. Flush deck, double hull, forepeak. 4 coiled tank pairs and a coiled center tank, machinery space for heaters, etc. Vapor liquid phase heater. Capacity: 8,400,000BTU/hr. Heating system is designed and approved to operate at all times, even while underway, ensuring that the cargo is at the proper temperature for discharge. Capacities: No. 6 Fuel Oil 38,523BBLS; No. 2 Diesel Oil: 37,707.84BBLS; Asphalt (7.9#/gal) G.L. Summer: 37,636 (95%) BBLS and G.L. Winter: 37,636 (95%) BBLS. Two (2) segregations. Compliant with OPA 90 (no phase-out date). Working. Operated in Fresh water for last 35 years. **U.S. Great Lakes.**

File: TB90041 Double Hull Tank Barge - Ocean: 417.0' loa x 395.4' lbp x 76.3' beam x 31.2' depth x 25.00' loaded draft. Built in 2002 by Alabama Shipyard; Mobile, AL. U.S. flag. GRT: 7,592. NRT: 4,311. Class: ABS + A1 Oil Tank Barge DD-SS overdue Sept 3, 2022. USCG COI - Surrendered Sept. 2022. Dwt: 15,000T. Capacity: 90,000bbl. Tanks: 10. Coiled. Pumps: 2 - 5,000BPH. 87,000 bbl capacity at loadline draft. BCM 208'. Asphalt service. 2 - 10 million BTU ***Owner will only consider selling out of competition or transfer to non-US Registry and only 'en bloc' with TG45103***. **File: TG45103 Tug - Twin Screw:** 105.0' loa x 37.8' beam x 19.5' depth x 16.90' loaded draft. Built in 2007 by Seaboats Inc.; Fall River, MA. U.S. flag. GRT: 190. Class: ABS Loadline Exp. July 21, 2027. DD overdue - USCG COI Sub M - Exp. July 12, 2026. FO: 102,227g. FW: 7,480g. BW: 57,859g. Winch: Almon Johnson 250 Single Drum. Main Engines: 2 x CAT 3516B-HD **total 4,584BHP**. 2 - FP 107"x78" 4-blade SS props on 10" shafts. Gensets: 2 - 99kW / John Deere 6.8T. Quarters: 5 crew cabins. AirCon. Galley. Fitted with upper pilothouse. Shaft Brakes. Keel coolers. ITC - 494G / 148N. **U.S. Northeast.**

Newbuilding Barge News

Per the **U.S. Coast Guard Merchant Vessels of the U.S. database** as of 6 December 2024, thirty (30) newly built tank barges and two tankships were registered to date in 2024. This follows 28 tanks barges and eight tankships built and registered in 2023, 24 tank barges and one tank ship built and registered in 2022, 92 tank barges in 2021, and 204 tank barges in 2020.

2024 Registrations of Tank Barges with the U.S. Coast Guard as of 6 December 2024

VesselName	USCGNo	VesselService	Builder	Owner
CENAC 303	1341499	Tank Barge	WEST GULF MARINE LTD	BKF MARINE INVESTMENTS TEXAS LLC-W
WEB183S	1349765	Tank Barge	SOUTHWEST SHIPYARD LP	BLESSEY ENTERPRISES INC
BUFFALO 400	1342235	Tank Barge	WEST GULF MARINE LTD	BUFFALO MARINE SERVICE INC
BUFFALO 404	1342236	Tank Barge	WEST GULF MARINE LTD	BUFFALO MARINE SERVICE INC
CENAC 109	1343446	Tank Barge	WEST GULF MARINE LTD	CENAC MARINE SERVICES LLC
CENAC 110	1343447	Tank Barge	WEST GULF MARINE LTD	CENAC MARINE SERVICES LLC
CTOW 320	1344887	Tank Barge	CONRAD SHIPYARD LLC	COLONIAL TOWING INC
PROGRESS	1336421	Tank Barge	FINCANTIERI BAY SHIPBUILDING	CROWLEY LNG BARGE I LLC
DBL 323	1341451	Tank Barge	CONRAD ORANGE SHIPYARD INC	DEVALL COMMERCIAL BARGE LINE LLC
DBL 324	1341453	Tank Barge	CONRAD ORANGE SHIPYARD INC	DEVALL COMMERCIAL BARGE LINE LLC
DBL 325	1341455	Tank Barge	CONRAD ORANGE SHIPYARD INC	DEVALL COMMERCIAL BARGE LINE LLC
DBL 216	1343768	Tank Barge	VESSEL REPAIR	DEVALL COMMERCIAL BARGE LINE LLC
DBL 218	1345467	Tank Barge	VESSEL REPAIR	DEVALL COMMERCIAL BARGE LINE LLC
EMS 3055	1333506	Tank Barge	SOUTHWEST SHIPYARD LP	ENTERPRISE MARINE SERVICES LLC
EMS 3056	1341222	Tank Barge	SOUTHWEST SHIPYARD LP	ENTERPRISE MARINE SERVICES LLC
EMS 3057	1341223	Tank Barge	SOUTHWEST SHIPYARD LP	ENTERPRISE MARINE SERVICES LLC
EMS 530	1348318	Tank Barge	WEST GULF MARINE LTD	ENTERPRISE MARINE SERVICES LLC
EMS 531	1348319	Tank Barge	WEST GULF MARINE LTD	ENTERPRISE MARINE SERVICES LLC
HFL 463	1347199	Tank Barge	ARCOSA MARINE PRODUCTS INC	HINES FURLONG LINE INC
HFL 465	1347200	Tank Barge	ARCOSA MARINE PRODUCTS INC	HINES FURLONG LINE INC
HFL 467	1347201	Tank Barge	ARCOSA MARINE PRODUCTS INC	HINES FURLONG LINE INC
HFL 469	1347202	Tank Barge	ARCOSA MARINE PRODUCTS INC	HINES FURLONG LINE INC
KIRBY 11621	1341459	Tank Barge	SOUTHWEST SHIPYARD LP	KIRBY INLAND MARINE LP
KIRBY 28095	1344117	Tank Barge	WEST GULF MARINE LTD	KIRBY INLAND MARINE LP
KIRBY 28093	1344121	Tank Barge	WEST GULF MARINE LTD.	KIRBY INLAND MARINE LP
KIRBY 28094	1344136	Tank Barge	WEST GULF MARINE LTD	KIRBY INLAND MARINE LP
KIRBY 28092	1344495	Tank Barge	WEST GULF MARINE LTD	KIRBY INLAND MARINE LP
GONSOULIN 556	1344982	Tank Barge	BOURG DRY DOCK & SERVICE	LEBEOUF BROS TOWING LLC
DVM	1347326	Tank Barge	DSC DREDGE LLC	MUDDY WATER DREDGING LP
MISS MADELINE	1342161	Tank Barge	CONRAD SHIPYARD LLC	PERDUE AGRIBUSINESS LLC
PLM OFFICE	1352133	Public Tankship/Barge	TOPPER INDUSTRIES I LLC	PLM VESSELS LLC
PLM REST ROOM	1352141	Public Tankship/Barge	TOPPER INDUSTRIES I LLC	PLM VESSELS LLC

Company News

Martin Midstream Partners L.P.'s net loss for the third quarter of 2024 was $3.3 million compared to a net loss of $1.1 million for the same period in 2023. Revenues for the **Transportation segment** revenues increased $1.7 million. In the marine transportation division, inland revenues increased $1.8 million, primarily related to higher transportation rates and utilization. Offshore revenues increased $0.3 million, primarily related to higher transportation rates. Pass-through revenue (primarily fuel) decreased $0.4 million. In our land transportation division, freight revenue increased $1.1 million, primarily due to a 3% increase in total miles. Ancillary revenue decreased $1.1 million. The decrease in operating expenses is primarily a result of repairs and maintenance of $1.5 million and pass-through expenses (primarily fuel) of $1.4 million, offset by increases in lease expense of $0.9 million and insurance premiums of $0.7 million. The decrease in repairs and maintenance, as well as the increase in lease expense are related to the replacement of tractors and trailers in Martin's land transportation division.

Conrad Industries, Inc. announced its third quarter 2024 results. For the quarter ended September 30, 2024, Conrad had net income of $7.5 million compared to net loss of $3.2 million during the third quarter of 2023. The Company had net income of $11.2 million for the nine months ended September 30, 2024 compared to net loss of $14.1 million for the nine months ended September 30, 2023. The increase in net income in the third quarter and first nine months of 2024 is primarily due to improved gross profits in Conrad's new construction segment and collection of a judgment in a lawsuit. The receipt of the judgment amount is reflected in its financial results for the third quarter of 2024, and increased Other Income by $8.04 million and net income by approximately $5.8 million. During the first nine months of 2024, Conrad signed $218.4 million in contracts in its new construction segment compared to $203.7 million added to backlog during the first nine months of 2023. Conrad's backlog was $282.2 million at September 30, 2024, $253.8 million at December 31, 2023 and $289.7 million at September 30, 2023. Since the end of the third quarter, the Company has signed an additional $27.7 million in contracts.

Arcosa, Inc announced that third quarter ended September 30, 2024 revenues increased 89% to $640.4 million from the prior year quarter's $591.7 million. **Transportation Products** results were impacted by the divestiture of the steel components business. Revenues for the barge business increased 21% primarily due to higher tank barge deliveries. Adjusted Segment EBITDA Margin was 15.8% compared to 17.7% in the prior period, excluding the steel components business. The decrease was largely due to planned operating inefficiencies resulting from the changeover from hopper to tank barge production in one of Arcosa's facilities. During the quarter, Arcosa received barge orders totaling approximately $75 million for both tank and hopper barges representing a book-to-bill of 0.9. Backlog for inland barges at the end of the quarter was $244.7 million compared to $240.4 at the end of the third quarter of 2023. Arcosa expects to deliver approximately 32% of its current backlog in 2024. Commenting on the quarter's results, Antonio Carrillo, President and Chief Executive Officer, noted, *"We continue to successfully execute on our portfolio optimization strategy and are strengthening the foundation of our business by reducing the complexity and cyclicality while improving our margin profile. During the third quarter, we completed the divestiture of our steel components business and on October 1st we closed on the $1.2 billion acquisition of the aggregates-led construction materials business of Stavola, our largest transaction to date…. Order levels during the quarter remained healthy for our utility structures business while conversations with our customers for additional wind tower orders are focused on delivery in 2026 and beyond…. Severe weather has been a recurring event, with two hurricanes in the quarter and a third in early October, impacting areas where we have operations. We are thankful our people are safe and our plants were not significantly impacted, although we did experience some production interruptions as a result."*

Algoma Central Corporation reported its results for the three months ended September 30, 2024. Algoma reported third quarter revenues of $204,644, compared to revenues of $205,888 in 2023. Net earnings for the 2024 third quarter were $39,914 compared to net earnings of $35,745 for the same period in 2023. (All amounts reported are in thousands of Canadian dollars.) *"Following a challenging second quarter, it's encouraging to see stability in demand this quarter, along with promising signs of continued improvement as we approach year-end,"* said Gregg Ruhl, President and CEO of Algoma Central Corporation. *"Our **Product Tanker** segment is performing well, with the fleet at full utilization, including one vessel added to the domestic fleet this year. Our **Ocean Self-Unloader** segment has also seen stronger earnings, driven by increased on-hire days in the Pool and stable rates. In the **Domestic Dry-Bulk** segment, securing additional iron ore cargoes with a new customer helped offset the continuation of lower construction and salt volumes. Looking ahead to the end of 2024, customer demand remains stable although some weak spots persist. With a larger grain crop this year, grain volumes in the fourth quarter are expected to be very strong. As we move into the winter months, we remain optimistic that salt cargo demand will improve from our key customer in this sector,"* continued Mr. Ruhl.

Ocean Self-Unloaders segment revenue increased 8% to $45,803 compared to $42,469, as revenue days increased 10% as a result of having one vessel on dry-dock during the third quarter compared to two in 2023 and improved Pool performance. Operating earnings increased to $11,558 from $4,773 in 2023, driven by a 9% increase in operating days.

Revenue for **Product Tankers** increased 13% to $38,706 compared to $34,134 in 2023, mainly driven by higher rates on new vessels and a 12% increase in revenue days. The segment had operating earnings of $3,198 compared to earnings of $1,759 in 2023, reflecting fewer dry-dockings and an additional vessel operating within the domestic fleet compared to the prior year period.

Domestic Dry-Bulk segment revenue decreased 7% to $119,522 compared to $128,449 in 2023, as lower volumes drove a 12% decrease in revenue days. Operating earnings decreased 7% to $32,879 compared to $35,341 in 2023 primarily as a result of the decreased demand.

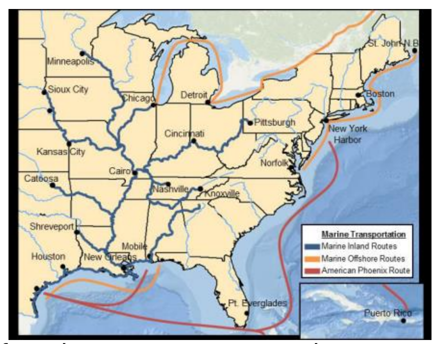
Global Short Sea Shipping segment equity earnings decreased 26% to $5,961 compared to $8,071 for the prior year period. Lower earnings were mainly attributable to lower rates in the mini-bulker fleet as well as higher operating costs and depreciation in the cement carrier fleet resulting from the larger fleet size this year.

The $966 gain on sale of vessel during the 2024 third quarter relates to the sale of the *"Liv Knutsen"* to FureBear's joint venture, where it has been renamed the *"Fure Spear"*. During the first quarter of 2023, the *"Algoma Hansa"* and the *"Algonorth"* were sold, resulting in a $4,588 gain that is reflected in the 2023 year-to-date earnings.

Outlook: In the **Domestic Dry-Bulk** segment, a large grain crop is expected to lead to improved utilization for the balance of the year, with spot business expected to fill any available domestic dry-bulk capacity for the balance of the current navigation season. Looking ahead to the first quarter of 2025, typical winter cargo volumes are expected for both salt and iron ore, assuming a return to normal winter conditions around the Great Lakes region. Algoma expects customer demand in the **Product Tanker** segment to remain steady in the fourth quarter and for fuel distribution patterns within Canada to support strong vessel utilization for the vessels trading under Canadian flag. The fleet is expected to be in full deployment through the remainder of the year, with all eight vessels in operations. Algoma continues to expect delivery of the first newbuild for the new Irving Oil contract in February, 2024 with the second ship to follow a month later. Eight new tankers remain on order for the FureBear joint venture, with deliveries expected between late 2024 and 2026. In late October, Algoma took delivery of the *"Fure Viskär"* and expects delivery of one more newbuild FureBear tanker in November, 2024. In the **Ocean Self-Unloaders** segment, Algoma is expecting vessel utilization to continue to improve with no dry-dock days scheduled until the end of the year. Volumes in the gypsum and coal industry are expected to be steady for the balance of the year, while volumes in the aggregate sector are expected to slow down. Progress continues on the Ocean new build project, with the first new vessel expected to join the Pool in the third quarter of 2025. Algoma anticipates steady earnings from the cement fleet, with the majority of assets committed to long-term time charter contracts. The handy-size segment is expected to remain stable, based on the current outlook for market conditions.

Genesis Energy, L.P. reported its results for third quarter of 2024. Net Loss Attributable to Genesis Energy, L.P. of $17.2 million for the third quarter of 2024 compared to Net Income Attributable to Genesis Energy, L.P. of $58.1 million for the same period in 2023. Grant Sims, CEO of Genesis Energy, said, *"we have consistently maintained, 2024 has always been expected to be a transition year as we move increasingly closer to the inflection point where we stop spending growth capital and start harvesting increasing amounts of Adjusted EBITDA starting in 2025. I am here today to reiterate my confidence in this central thesis and confirm that we believe we remain on schedule with this plan, despite some near-term challenges. While our performance in the third quarter was below our expectations, it is important to remember that a large portion of what has impacted us so far this year has been the result of one-time items or other factors outside of our reasonable control. None of the issues we have recently faced, in our opinion, represent any structural changes in the expected long-term performance of our market-leading businesses, although the timing and pace of our realization of significant amounts of free cash flow might arguably have shifted a little to the right. Our capital spend is going to stop as planned; that is one thing we can, and will, control….. "*

*"In our **offshore pipeline transportation** segment, unexpected delays at both Winterfell and Warrior, two new sub-sea developments, the prolonged producer mechanical issues we have previously referenced and a third that has just recently occurred, have and will continue to negatively impact our offshore results in 2024. Despite these unforeseen events, we remain highly confident in the long-term outlook of our offshore pipeline transportation segment. In fact, within the last several months, I have personally met with senior executives at most of our key producer/shipper customers. I can relay that all of them remain very excited about the expectations for their newly sanctioned projects, future developments, whether in-field or sub-sea opportunities, as well as the exploratory opportunities they have already identified under their existing, valid leases in the Gulf of Mexico. Our offshore expansion projects are still on schedule and expected to drive material growth in our offshore pipeline transportation segment margin starting in 2025, with both the SYNC lateral and the CHOPS expansion providing incremental capacity above and beyond the initially anticipated volumes, which can be utilized for additional production or future developments while requiring no additional capital from Genesis.*



*"Our **marine transportation segment** continues to perform in line with our expectations despite some scheduled drydockings of our offshore vessels taking longer than expected during the quarter. Market fundamentals remain very favorable with steady and robust demand for all classes of our vessels exceeding practical net supply of marine tonnage, which continues to be hindered by the combination of little to no new construction and the continued retirement of older equipment. Given the structural shortage in the market, we continue to operate with utilization rates at or near 100% of available capacity for all classes of our vessels with the progression of day rates being commensurate with these underlying fundamentals. Day rates likely must continue to increase from today's levels and be expected to sustain at those higher levels for an extended period of time before we see a meaningful amount of new construction of marine tonnage. We continue to anticipate sequential improvement next year in our marine transportation segment as the majority of our scheduled drydockings are complete and our existing portfolio of marine contracts continue to reset higher to current day rates."*

Marine transportation Segment Margin for the 2024 Quarter increased $3.9 million, or 15%, from the 2023 Quarter primarily due to higher day rates in our inland and offshore businesses, including the *"M/T American Phoenix"*, during the 2024 Quarter. The increase in day rates more than offset the impact to Segment Margin from the increased number of regulatory dry- docking days in Genesis' offshore fleet during the 2024 Quarter. Demand for its barge services to move intermediate and refined products remained high during the 2024 Quarter due to the continued strength of refinery utilization rates as well as the lack of new supply of similar type vessels (primarily due to higher construction costs and long lead times for construction) as well as the retirement of older vessels in the market.

Offshore pipeline transportation Segment Margin for the 2024 Quarter decreased $37.1 million, or 34%, from the 2023 Quarter primarily due to several factors including: (i) an economic step-down in the rate on a certain existing life-of-lease transportation dedication; (ii) producer underperformance at two of our major host platforms; and (iii) an increase in our operating costs

Kirby Corporation of Houston, Texas' reported net earnings attributable to Kirby for the third quarter ended September 30, 2024, of $90.0 million, compared with earnings of $63.0 million for the 2023 third quarter. Consolidated revenues for the 2024 third quarter were $831.1 million compared with $764.8 million reported for the 2023 third quarter. David Grzebinski, Kirby's Chief Executive Officer, commented, *"Our third quarter results reflected steady market fundamentals in both marine transportation and distribution and services, even though we experienced some modest weather and navigational challenges for marine and continued supply challenges in distribution and services. These headwinds were mostly offset by good execution in both marine and distribution and services during the quarter that led to strong financial performance, with total revenues up 9% and earnings per share up 48% year-over-year. In* ***inland marine transportation****, our third quarter results reflected further gains in pricing combined with a modest negative impact from poor navigational conditions due to weather and lock delays. From a demand standpoint, customer activity was steady with barge utilization rates running in the 90% range throughout the quarter. Spot prices increased in the low to mid-single digits sequentially and in the low double-digit range year-over-year. Term contract prices also renewed up higher with high-single digit increases versus a year ago. Overall, third quarter inland revenues increased 11% year-over-year and margins were in the low 20% range. In* ***coastal****, market fundamentals remained steady with our barge utilization levels running in the mid to high-90% range. During the quarter, strong customer demand and limited availability of large capacity vessels continued which resulted in high 20% increases on term contract renewals year-over-year and average spot market rates that increased in the low double-digit range year-over-year. Overall, third quarter coastal revenues increased 23% year-over-year and had an operating margin in the mid-teens range."*

Marine transportation revenues for the 2024 third quarter were $486.1 million compared with $429.9 million for the 2023 third quarter. Operating income for the 2024 third quarter was $99.5 million compared with $63.5 million for the 2023 third quarter. Segment operating margin for the 2024 third quarter was 20.5% compared with 14.8% for the 2023 third quarter. In the **inland** market, 2024 third quarter average barge utilization was in the 90% range compared to the high 80% range in the 2023 third quarter. During the quarter, average spot market rates increased in the low to mid-single digits sequentially and in the low double-digit range compared to the 2023 third quarter. Term contracts that renewed in the third quarter increased in the high-single digits on average compared to a year ago. Inland revenues increased 11% compared to the 2023 third quarter primarily due to pricing. The inland market represented 81% of segment revenues in the third quarter of 2024. Inland's operating margin was in the low 20% range for the quarter. In **coastal**, market conditions were strong during the quarter, with Kirby's barge utilization in the mid to high-90% range. During the quarter, average spot market rates increased in the low double-digit range compared to the 2023 third quarter. Term contracts that renewed in the third quarter increased in the high-20% range on average compared to a year ago. Coastal revenues increased 23% year-over-year driven by better pricing and fewer shipyards. Coastal represented 19% of marine transportation segment revenues during the third quarter and had an operating margin in the mid-teens range.

Commenting on the outlook for the remainder or 2024, Mr. Grzebinski said, *"Overall, solid execution and good market conditions led to a strong quarter for us and we have a favorable outlook as we look forward at next year. A lack of meaningful newbuild of equipment in marine has supply in check and we continue to receive new orders for power generation equipment as we work through supply issues.… In* ***inland*** *marine, our outlook for the fourth quarter of 2024 anticipates continued positive market dynamics with limited new barge construction in the industry. We expect to see normal seasonal weather impacts and steady demand with slightly lower refinery utilization. With these market conditions, we expect our barge utilization rates to remain around the 90% range throughout the remainder of the year. We also expect continued improvement in term contract pricing as renewals occur during the final quarter of the year. Overall, inland revenues are expected to be flat to slightly down sequentially given the onset of normal seasonal weather patterns and some expected equipment maintenance. The Company expects operating margins to be slightly down as compared to the 2024 third quarter. In* ***coastal****, market conditions remain very favorable with supply and demand in balance across the industry fleet. Steady customer demand is expected to continue in the fourth quarter with our barge utilization in the mid-90% range. As previously mentioned, we have a number of planned shipyards in the fourth quarter, and we expect margins to be in the mid-to-high single digits in the fourth quarter with coastal revenues expected to be down in the mid-single digits sequentially, as a result."*