3Q 2021

Earnings Conference Call

October 28, 2021

Disclosures

Forward Looking Statements

Statements contained in this conference call with respect to the future are forward-looking statements. These statements reflect management's reasonable judgment with respect to future events. Forward-looking statements involve risks and uncertainties. Actual results could differ materially from those anticipated as a result of various factors, including cyclical or other downturns in demand, significant pricing competition, unanticipated additions to industry capacity, changes in the Jones Act or in U.S. maritime policy and practice, fuel costs, interest rates, weather conditions and timing, magnitude and number of acquisitions made by Kirby, and the impact of the COVID-19 pandemic and the related response of governments on global and regional market conditions. Forward-looking statements are based on currently available information and Kirby assumes no obligation to update any such statements. A list of additional risk factors can be found in Kirby's annual report on Form 10-K for the year ended December 31, 2020.

Non-GAAP Financial Measures

This conference call may refer to certain non-GAAP or adjusted financial measures. Kirby uses certain non-GAAP financial measures to review performance including: Adjusted EBITDA; operating income (excluding one-time items); earnings before taxes on income (excluding one-time items); net earnings attributable to Kirby (excluding one-time items); and diluted earnings per share (excluding one-time items). Management believes that the exclusion of certain one-time items from these financial measures enables it and investors to assess and understand operating performance, especially when comparing those results with previous and subsequent periods or forecasting performance for future periods, primarily because management views the excluded items to be outside of the company's normal operating results. Kirby also uses free cash flow, which is defined as net cash provided by operating activities less capital expenditures, to assess and forecast cash flow and to provide additional disclosures on the Company's liquidity as a result of uncertainty surrounding the impact of the COVID-19 pandemic on global and regional market conditions. Free cash flow does not imply the amount of residual cash flow available for discretionary expenditures as it excludes mandatory debt service requirements and other non-discretionary expenditures. These non-GAAP financial measures are not calculations based on generally accepted accounting principles and should not be considered as an alternative to, but should only be considered in conjunction with Kirby's GAAP financial information. Reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures are included in our earnings press release, and are also available on our website at www.kirbycorp.com in the Investor Relations section under Financials.

3Q 2021 Overview

Financial Summary

$ millions except earnings (loss) per share	3Q 2021	3Q 2020	Variance	%	2Q 2021	Variance	%
Revenues	$ 598.9	$ 496.6	$ 102.3	21%	$ 559.6	$ 39.3	7%
Operating income	(316.9)	29.9	(346.8)	-1160%	24.0	(340.9)	-1420%
Net earnings (loss) attributable to Kirby	(264.7)	27.5	(292.2)	-1063%	10.2	(274.9)	-2695%
Earnings (loss) per share	(4.41)	0.46	(4.87)	-1059%	0.17	(4.58)	-2694%
Excluding one-time items:							
Operating income[1]	23.8	29.9	(6.1)	-20%	24.0	(0.2)	-1%
Net earnings attributable to Kirby[1]	10.3	27.5	(17.2)	-63%	10.2	0.1	1%
Earnings per share[1]	0.17	0.46	(0.29)	-63%	0.17	-	0%

Note: For more information, see the Reconciliation of GAAP to Non-GAAP Financial Measures Excluding One-Time Items on Kirby's website at www.kirbycorp.com in the Investor Relations section under Financials.

1 Third quarter 2021 operating income, net earnings attributable to Kirby, and earnings per share exclude third quarter impairments of long-lived assets and goodwill related to coastal marine transportation totaling $340.7 million before-tax, $275.0 million after-tax, or $4.58 per share.

Marine Transportation – 3Q Overview

Inland

- COVID-19 delta variant negatively impacted operations
  - Lower demand for refined products and crude
  - Reduced barge volumes and utilization
  - Positive employee cases challenged vessel crewing
  - Increased costs for additional chartered horsepower
- Hurricane Ida significantly disrupted customers and barge operations (see slide 5 for more information)

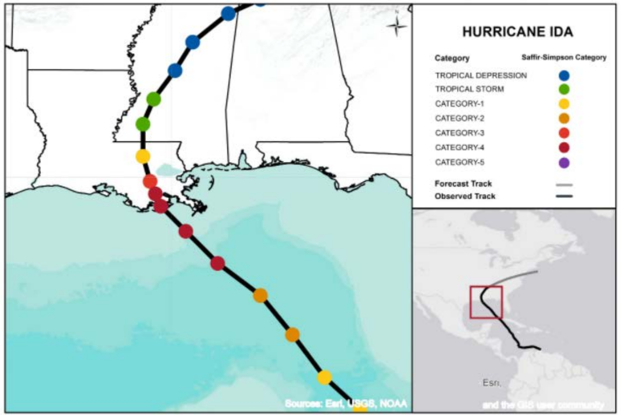
Coastal

- Challenging market conditions, but the spot market modestly improved
- Barge utilization increased into the mid-70% range
- Restructured the coastal business resulting in a one-time impairment charge (see slide 7 for more information)
  - Sold Hawaii marine assets
  - Retired underutilized wire barge and tugboat equipment
  - Long-term positives include reduced risk profile, reduced costs and future capital needs, and improved profitability

Hurricane Ida

Results in prolonged shutdown of many Louisiana refineries and chemical plants

- Hurricane Ida made landfall in SE Louisiana on August 29, 2021
  - Category 4 storm with sustained 150 mph winds
  - Storm surge caused the Mississippi River to flow backwards
  - Significant damage to refineries and chemical plants, industry barges, customer docks, and waterway infrastructure
- Refineries and chemical plants forced into extended emergency shutdowns
  - Over 2.0 mb/d of refinery capacity was taken offline
  - Gulf Coast refinery utilization declined to 79% in September
  - Southeast Louisiana ethylene operating rates declined from 89% in August to 25% in September with production declining ~75%
  - Coproduct supply declined ~67% between August and September
- One of Kirby's largest inland customers only resumed partial operations in mid-October
- Significant reductions in inland volumes in September and October
- Gulf Intracoastal Waterway remains closed near New Orleans, creating significant navigational delays and reducing operating efficiencies



Hurricane Ida impacted Kirby 3Q earnings by approximately $0.08 per share

Distribution & Services – 3Q Overview

Commercial and Industrial

- Power generation activity benefited from back-up power installations and increased utilization of the rental fleet during hurricane season
- Increased Thermo King product sales and summer service demand
- Marine repair impacted by reduced overhauls and temporary closures of Louisiana facilities following Hurricane Ida

Oil and Gas

- Increased U.S. rig counts and well completion activity
- Strong demand for new transmissions, parts, and service
- Supply chain issues contributed to sequential lower manufacturing revenue
- Manufacturing backlog significantly increased
- Positive operating income for first time since 2Q 2019

3Q 2021 One-Time Items

Coastal restructuring including the sale of Hawaii assets and retirement of wire equipment

- Charge relates to coastal marine transportation
  - Sale of 4 tank barges and 7 tugboats in Hawaii
    - Equipment will be chartered until existing contracts expire on December 31, 2021
    - Sale generated net cash proceeds of $17.2 million
  - Retirement of 12 wire tank barges and 4 tugboats with limited customer acceptance and low utilization
  - $121.7 million long-lived asset impairment
  - $219.0 million goodwill impairment
- Total noncash impairment charge of $340.7 million before-tax, $275.0 million after-tax, or $4.58 per share

Note: For more information, see the Reconciliation of GAAP to Non-GAAP Financial Measures Excluding One-Time Items on Kirby's website at www.kirbycorp.com in the Investor Relations section under Financials.

Marine Transportation

3Q 2021 Financial Summary

$ millions	3Q 2021	3Q 2020	Variance	%	2Q 2021	Variance	%
Revenue	$ 338.5	$ 320.6	$ 17.9	6%	$ 332.9	$ 5.6	2%
Operating income	16.9	32.4	(15.5)	-48%	18.5	(1.6)	-9%
Operating margin	5.0%	10.1%	-5.1%		5.6%	-0.6%	

- **Inland**
  - Contributed 76% of marine transportation revenues with average barge utilization in the low 80% range
  - Term contracts represented ~65% of revenue with ~56% attributed to time charters
  - Spot market rates unchanged sequentially and year-on-year
  - A few term contracts renewed lower in the low to mid-single digits on average
  - Operating margin in the mid-to high single digits impacted by lower term contract pricing, increased fuel rebills, and reduced operating efficiencies following Hurricane Ida

- **Coastal**
  - Contributed 24% of marine transportation revenues with average barge utilization in the mid-70% range
  - Term contracts represented ~80% of revenue with ~85% attributed to time charters
  - Term contracts and spot market rates stable
  - Negative low single digit operating margin

Barge Construction and Retirements

3Q 2021 Update and FY 2021 Outlook

Inland	3Q 2021		FY 2021	
(barrels in millions)	**Barges**	**Barrels**	**Barges**	**Barrels**
Beginning of period	1,046	23.4	1,066	24.1
Reductions:				
Retirements	(9)	(0.2)	(28)	(0.9)
Charters returned	(1)	-	(4)	(0.1)
End of period	1,036	23.2	1,034	23.1

Coastal	3Q 2021		FY 2021	
(barrels in millions)	**Barges**	**Barrels**	**Barges**	**Barrels**
Beginning of period	43	4.0	44	4.2
Reductions:				
Retirements	(8)	(0.6)	(9)	(0.8)
Sold (Hawaii)	(4)	(0.3)	(4)	(0.3)
Chartered (Hawaii)	4	0.3	-	-
End of period	35	3.4	31	3.1

Distribution & Services

3Q 2021 Financial Summary

$ millions	3Q 2021	3Q 2020	Variance	%	2Q 2021	Variance	%
Revenue	$ 260.4	$ 176.0	$ 84.4	48%	$ 226.7	$ 33.7	15%
Operating income	11.0	1.1	9.9	900%	6.2	4.8	77%
Operating margin	4.2%	0.6%	3.6%		2.7%	1.5%	

- **Commercial and industrial**
  - Improved demand for equipment, parts, and service in on-highway and power generation
  - Increased product sales and seasonal service activity in Thermo-King
  - Power generation benefited from increased rental fleet utilization following Hurricane Ida
  - Marine repair down due to reduced major overhauls and facility closures following Hurricane Ida
  - Represented 59% of segment revenue
  - Operating margin in the mid-single digits

- **Oil and gas**
  - Increased manufacturing deliveries of pressure pumping and frac based power generation equipment
  - Increased demand for new transmissions, parts, and service in distribution
  - Represented 41% of segment revenue
  - Operating margin in the low to mid-single digits

Balance Sheet, Capital Expenditures, and Liquidity

Strong Liquidity and Free Cash Flow Position

As of September 30, 2021

Total Debt	Cash and Cash Equivalents	Available Liquidity
$1.21B	**$54M**	**$908M**

- Third quarter results:
  - $83 million of net cash provided by operating activities
  - $34 million of capital expenditures
  - $70 million in debt repaid
- 2021 capital expenditures expected to be $120 to $130 million, a reduction of ~15% year-on-year
- 4Q 2021 tax rate expected to be ~29%

Free cash flow* generation of $250 to $290 million expected in 2021

* Free cash flow is defined as net cash provided by operating activities less capital expenditures

Marine Transportation – 4Q 2021 Outlook

Barge markets expected to continue to materially improve

- **Inland**
  - Expecting an improved inland barge market partially muted by continued Hurricane Ida disruptions
  - Barge volumes expected to benefit from economic growth, increased post-storm production, pent-up demand, and new chemical plants
  - Barge utilization expected to be in the high-80% to 90% range
  - Revenues expected to sequentially improve with operating margins around 10%
- **Coastal**
  - Modest market improvements and 3Q barge retirements will contribute to barge utilization around 90%
  - Planned shipyard activity on several large vessels will result in a sequential revenue reduction
  - Operating margins expected to be at or slightly below breakeven

Distribution & Services – 4Q 2021 Outlook

Near-term activity reductions due to normal seasonality and supply chain delays

- **Oil and gas**
  - Favorable oil prices expected to drive continued improvement in U.S. rig and frac activity
  - Robust demand for new transmissions, parts, and service
  - Strong manufacturing activity levels driven by increased demand for new environmentally friendly equipment
  - Increased remanufacturing of existing pressure pumping equipment
  - Supply chain issues expected to delay some sales into 2022 and contribute to sequential reductions in revenue and operating income
- **Commercial and industrial**
  - Normal seasonality leads to reduced activity and sequentially lower revenue and operating income in:
    - Marine repair during the inland dry cargo harvest
    - Thermo King following the summer peak
    - Power generation rental fleet following hurricane season
- Segment revenues expected to modestly decline (vs. 3Q) with operating margins in the low to mid-single digits

KIRBY