2Q 2022

Earnings Conference Call
July 28, 2022
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, 2021.

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.
2Q 2022 Overview

Financial Summary

<table>
<thead>
<tr>
<th>$ millions except earnings per share</th>
<th>2Q 2022</th>
<th>2Q 2021</th>
<th>Variance</th>
<th>%</th>
<th>1Q 2022</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 698.0</td>
<td>$ 559.6</td>
<td>$ 138.4</td>
<td>25%</td>
<td>$ 610.8</td>
<td>$ 87.2</td>
<td>14%</td>
</tr>
<tr>
<td>Operating income</td>
<td>46.5</td>
<td>24.0</td>
<td>22.5</td>
<td>94%</td>
<td>29.7</td>
<td>16.8</td>
<td>57%</td>
</tr>
<tr>
<td>Net earnings attributable to Kirby</td>
<td>28.5</td>
<td>10.2</td>
<td>18.3</td>
<td>179%</td>
<td>17.4</td>
<td>11.1</td>
<td>64%</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>0.47</td>
<td>0.17</td>
<td>0.30</td>
<td>176%</td>
<td>0.29</td>
<td>0.18</td>
<td>62%</td>
</tr>
</tbody>
</table>

Excluding one-time items:

<table>
<thead>
<tr>
<th>$ millions except earnings per share</th>
<th>2Q 2022</th>
<th>2Q 2021</th>
<th>Variance</th>
<th>%</th>
<th>1Q 2022</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income¹</td>
<td>48.0</td>
<td>24.0</td>
<td>24.0</td>
<td>100%</td>
<td>29.7</td>
<td>18.3</td>
<td>62%</td>
</tr>
<tr>
<td>Net earnings attributable to Kirby¹</td>
<td>29.8</td>
<td>10.2</td>
<td>19.6</td>
<td>192%</td>
<td>17.4</td>
<td>12.4</td>
<td>71%</td>
</tr>
<tr>
<td>Earnings per share¹</td>
<td>0.49</td>
<td>0.17</td>
<td>0.32</td>
<td>188%</td>
<td>0.29</td>
<td>0.20</td>
<td>69%</td>
</tr>
</tbody>
</table>

- Results reflected improved market fundamentals in marine transportation and distribution and services
- Marine transportation margins impacted by rising fuel costs and other inflationary pressures
  - Higher costs expected to gradually be recovered as term contract escalators reset throughout the year and into 2023
- Supply chain constraints delayed sales in distribution and services
- Cost inflation remained a headwind to margins for both marine transportation and distribution and services

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 Second quarter 2022 operating income, net earnings attributable to Kirby, and earnings per share exclude one-time non-recurring items related to severance expense.
Inland
- Improved market conditions
  - Spot market rates increased sequentially and year-on-year
  - Term contracts renewed higher
- Strong market with barge utilization in the low 90% range
- 2Q operating margins improved gradually to just under double digits

Coastal
- Market conditions were modestly improved
- Barge utilization in the low 90% range
- Improved coal shipments in the dry cargo business
- Returned to profitability with low single digit margins
Distribution & Services – 2Q Overview

Strong markets drive sequential and year-on-year growth in revenue and operating margin; supply chain headwinds continued

Oil and Gas
- Continued favorable commodity prices with increased rig count and completions activity
- Strong demand for new transmissions and parts in distribution
- Healthy manufacturing backlog with new orders for environmentally friendly pressure pumping and power generation equipment
- Supply chain issues delayed new equipment deliveries in manufacturing

Commercial and Industrial
- Solid demand across the commercial and industrial market
- Sequential and year-on-year growth in marine repair and on-highway
- Thermo King revenue and operating income increased sequentially and year-on-year but supply chain delays remained a headwind
### Inland
- Contributed 78% of marine transportation revenues with average barge utilization in low 90% range
- Term contracts represented ~60% of revenue with ~57% attributed to time charters
- Spot market rates increased in the low double digits sequentially and mid-teens year-on-year
- Term contracts renewed up on average in the mid-teens compared to a year ago
- Operating margin just under double digits and was impacted by inflationary cost pressures, and rapid fuel cost increases that could not be immediately passed on to term contract customers

### Coastal
- Contributed 22% of marine transportation revenues with average barge utilization in the low 90% range
- Term contracts represented ~80% of revenue with ~90% attributed to time charters
- Term contracts and spot market rates both increased in the low-double digits
- Operating margin in the low-single digits

<table>
<thead>
<tr>
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<th>2Q 2022</th>
<th>2Q 2021</th>
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<th>%</th>
<th>1Q 2022</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$405.7</td>
<td>$332.9</td>
<td>$72.8</td>
<td>22%</td>
<td>$355.5</td>
<td>$50.2</td>
<td>14%</td>
</tr>
<tr>
<td>Operating income</td>
<td>30.8</td>
<td>18.5</td>
<td>12.3</td>
<td>66%</td>
<td>16.9</td>
<td>13.9</td>
<td>82%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>7.6%</td>
<td>5.6%</td>
<td>2.0%</td>
<td></td>
<td>4.8%</td>
<td>2.8%</td>
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</table>
### Barge Construction and Retirements

#### 2Q 2022 Update and FY 2022 Outlook

**Inland**

<table>
<thead>
<tr>
<th></th>
<th>2Q 2022</th>
<th>FY 2022 (estimated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Barges</td>
<td>Barrels</td>
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<tr>
<td>Beginning of period</td>
<td>1,025</td>
<td>22.9</td>
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<tr>
<td>Additions:</td>
<td></td>
<td></td>
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<tr>
<td>Reactivations</td>
<td>9</td>
<td>0.1</td>
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<tr>
<td>Reductions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirements</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>End of period</td>
<td>1,034</td>
<td>23.0</td>
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</table>

**Coastal**

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<tr>
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<td>Barrels</td>
</tr>
<tr>
<td>Beginning of period</td>
<td>30</td>
<td>3.1</td>
</tr>
<tr>
<td>Reductions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirements</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>End of period</td>
<td>30</td>
<td>3.1</td>
</tr>
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Distribution & Services

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<th>1Q 2022</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 292.3</td>
<td>$ 226.7</td>
<td>$ 65.6</td>
<td>29%</td>
<td>$ 255.2</td>
<td>$ 37.1</td>
<td>15%</td>
</tr>
<tr>
<td>Operating income</td>
<td>16.7</td>
<td>6.2</td>
<td>10.5</td>
<td>169%</td>
<td>11.0</td>
<td>5.7</td>
<td>52%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>5.7%</td>
<td>2.7%</td>
<td>3.0%</td>
<td></td>
<td>4.3%</td>
<td>1.4%</td>
<td></td>
</tr>
</tbody>
</table>

- **Oil and Gas**
  - Revenues up 52% year-on-year and 21% sequentially due to increased demand for transmissions and parts in distribution, as well as increased manufacturing orders and deliveries of environmentally friendly pressure pumping and e-frac power generation equipment
  - Represented 45% of segment revenue
  - Operating margin in the low to mid-single digits

- **Commercial and Industrial**
  - Revenues up 15% year-on-year and 10% sequentially due to improved demand in marine repair and on-highway
  - Thermo King revenue up sequentially and year-on-year but faced headwinds from supply chain delays
  - Represented 55% of segment revenue
  - Operating margin in the high single digits
### 2Q 2022 Results
- Net cash provided by operating activities: $63 million
- Proceeds from retired asset sales: $9 million
- Capital expenditures: $44 million
- Debt reduction: ~$19 million
- Repurchased ~310,000 shares for $18 million

### 2022 Guidance
- 2022 cash flow from operations: $390 million to $450 million
- 2022 capital expenditures: $170 to $190 million
- Near term working capital build more than expected but look to recover as the year progresses and into 2023

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**Free cash flow** generation of $200 to $280 million expected in 2022

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*Free cash flow is defined as net cash provided by operating activities less capital expenditures*
A strong inland barge market is expected to drive improved financial results

- **Inland**
  - Strong market fundamentals driven by favorable refinery and chemical plant utilization, increased volumes, and minimal new barge construction
  - Barge utilization expected to remain above 90%
  - Improved spot market dynamics and pricing expected to continue
  - Term contracts are expected to continue to reset higher reflecting improved market conditions
  - Increased fuel costs resulting in higher rebill revenue with minimal associated operating margin
  - Inflationary pressures expected to be a near-term margin headwind until contractual escalation clauses reset later this year and into 2023
  - Full year revenue growth of 20% to 25%
  - In the absence of further inflationary headwinds, near-term operating margins expected to be in the low double digits with gradual improvement as the year progresses

- **Coastal**
  - Market expected to modestly improve going forward but remain challenged by underutilized industry capacity
  - Barge utilization expected to be in the low to mid-90% range
  - Full year revenues are expected to be flat to up low single digits due to Hawaii exit
  - Increased shipyard activity expected to continue through 4Q
  - Operating margins expected to be in the low single digits
Distribution & Services – FY 2022 Outlook

Anticipate strong markets will lead to material growth in revenue and operating income

- **Oil and Gas**
  - Favorable oil prices expected to drive continued improvement in U.S. rig and frac activity
  - Seeing robust demand for new transmissions, parts, and service
  - Strong manufacturing backlog driven by increased demand for new environmentally friendly equipment
  - Supply chain issues expected to continue and contribute to some equipment deliveries shifting between quarters and possibly into 2023
  - Expected to be ~50% of segment revenues

- **Commercial and Industrial**
  - Expect strong markets and revenue growth for on-highway, power generation, and marine repair
  - Full year revenue growth in the low double digit percentage range
  - Expected to be ~50% of segment revenues

- **Segment Outlook**
  - Full year revenue growth of 25% to 30%
  - Operating margins expected to be in the mid to high-single digits by end of 2022