

4Q 2024

Earnings Conference Call

January 30, 2025



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 adverse economic conditions, industry competition and other competitive factors, adverse weather conditions such as high water, low water, tropical storms, hurricanes, tsunamis, fog and ice, tornados, marine accidents, lock delays, fuel costs, interest rates, construction of new equipment by competitors, government and environmental laws and regulations, and the timing, magnitude and number of acquisitions made by the Company. 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, 2023.

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. 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.



4Q 2024 Overview

Financial Summary

\$ millions except earnings (loss) per share	4Q 2024	4Q 2023	Variance	%	3Q 2024	Variance	%
Revenues	\$ 802.3	\$ 799.2	\$ 3.1	0%	\$ 831.1	\$ (28.8)	-3%
Operating income	50.1	92.8	(42.7)	-46%	126.9	(76.8)	-61%
Net earnings attributable to Kirby	42.8	61.9	(19.1)	-31%	90.0	(47.2)	-52%
Earnings per share	0.74	1.04	(0.30)	-29%	1.55	(0.81)	-52%
Excluding one-time items:							
Operating income ¹	106.4	92.8	13.6	15%	126.9	(20.5)	-16%
Net earnings attributable to Kirby ¹	74.9	61.9	13.0	21%	90.0	(15.1)	-17%
Earnings per share ¹	1.29	1.04	0.25	24%	1.55	(0.26)	-17%

- Weather and navigational challenges for marine and seasonal slowness for distribution and services were offset by solid execution
- Adjusted earnings per share up 24% year-over-year
- Further strengthened balance sheet with \$105 million reduction in debt and bought back \$33 million of stock
- Free cash flow of \$151 million
- Expect strong growth in 2025

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 4Q 2024 operating income, net earnings attributable to Kirby, and earnings per share exclude the following items:
 –\$56.3 million before tax, \$43.0 million after-tax, or \$0.74 per share of one-time charge associated with impairment of assets
 –Offset by \$10.9 million after tax, or \$0.19 per share of one-time credit associated with Louisiana tax law change

FY 2024 Overview

Financial Summary

(\$ millions except earnings per share)	2024	2023	Variance	%
Revenues	\$ 3,265.9	\$ 3,091.6	\$ 174.3	6%
Operating income	399.1	335.1	64.0	19%
Net earnings attributable to Kirby	286.7	222.9	63.8	29%
Earnings per share	4.91	3.72	1.19	32%
Excluding one-time items:				
Operating income ^{1,2}	455.4	338.1	117.3	35%
Net earnings attributable to Kirby ^{1,2}	318.8	223.1	95.7	43%
Earnings per share ^{1,2}	5.46	3.72	1.74	47%

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 2024 operating income, net earnings attributable to Kirby, and earnings per share exclude the following items:
 - \$56.3 million before tax, \$43.0 million after-tax, or \$0.74 per share of one-time charge associated with impairment of assets
 - Offset by \$10.9 million after tax, or \$0.19 per share of one-time credit associated with Louisiana tax law change
- 2 2023 operating income, net earnings attributable to Kirby, and earnings per share exclude the following items:
 - \$3.0 million before tax, \$2.4 million after-tax, or \$0.04 per share of one-time charges associated with strategic review and shareholder engagement activities
 - Offset by \$2.7 million before tax, \$2.2 million after tax, or \$0.04 per share of one-time income associated with interest on IRS refund



Marine Transportation – 4Q Overview

Normal headwinds from poor operating conditions due to weather and lock delays

Inland

- Refinery activity dropped at the start of the quarter but began to improve at the end of the quarter; barge utilization in the 90% range
- Spot market rates were flat to slightly down sequentially and increased in the high single-digit range year-over-year
- Term contracts renewed up in the high-single digits year-over-year
- Operating margins ~20%



Coastal

- Stable customer demand combined with continued limited availability of large capacity vessels
- Barge utilization in the mid to high-90% range
- Term contracts renewed in the mid to high 20% range
- High planned shipyards in the quarter pushed margins to low teens

Distribution & Services – 4Q Overview

Mixed demand across end markets

Power Generation

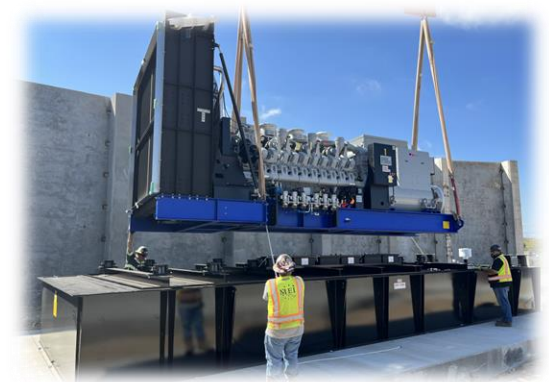
- Strong pace of orders with several large project wins in backup power and other industrial customers adding to our backlog
- 16% sequential revenue growth and 36% growth year-over-year

Commercial and Industrial

- 7% year-over-year lower revenues due to softness in on-highway truck service and repair
- Operating income up 28% year-over-year due to favorable product mix and ongoing cost control

Oil and Gas

- Revenues down 38% year-over-year as conventional frac market remains very slow
- Growth in the e-frac business



Marine Transportation

4Q 2024 Financial Summary

\$ millions	4Q 2024	4Q 2023	Variance	%	3Q 2024	Variance	%
Revenue	\$ 466.8	\$ 452.6	\$ 14.2	3%	\$ 486.1	\$ (19.3)	-4%
Operating income	86.0	68.2	17.8	26%	99.5	(13.5)	-14%
Operating margin	18.4%	15.1%	3.3%		20.5%	-2.1%	

	Inland		Coastal	
	Y/Y %	Q/Q %	Y/Y %	Q/Q %
Term increase	6%-9%		24%-27%	
Spot increase	6%-9%	(2)%-0%	13%-16%	6%-9%

■ Inland

- Contributed 82% of marine transportation revenues with average barge utilization in the 90% range
- Term contracts represented ~65% of revenue with ~63% attributed to time charters
- Operating margin ~20%, an improvement from high teens a year ago

■ Coastal

- Contributed 18% of marine transportation revenues with average barge utilization in the mid to high-90% range
- Term contracts represented ~100% of revenue with ~99% attributed to time charters
- Operating margin in the low-teens range, an improvement from low single digit margins a year ago

Barge Construction and Retirements

4Q 2024 Update and FY 2025 Outlook

Inland	4Q 2024		FY 2024		FY 2025 ^(estimated)	
	Barges	Barrels	Barges	Barrels	Barges	Barrels
(barrels in millions)						
Beginning of period	1,095	24.2	1,076	23.7	1,094	24.2
Additions:						
Reactivations/new builds/acquisitions	4	0.1	26	0.7	10	0.3
Reductions:						
Retirements	(5)	(0.1)	(8)	(0.2)	(6)	(0.2)
End of period	1,094	24.2	1,094	24.2	1,098	24.3

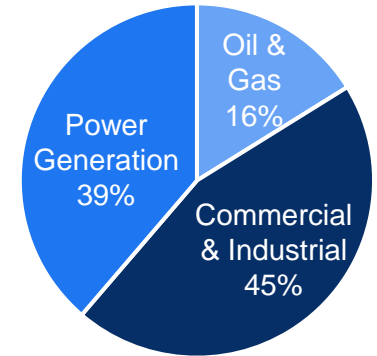
Coastal	4Q 2024		FY 2024		FY 2025 ^(estimated)	
	Barges	Barrels	Barges	Barrels	Barges	Barrels
(barrels in millions)						
Beginning of period	28	2.9	28	2.9	28	2.9
Reductions:						
Retirements	-	-	-	-	-	-
End of period	28	2.9	28	2.9	28	2.9

Distribution & Services

4Q 2024 Financial Summary

\$ millions	4Q 2024	4Q 2023	Variance	%	3Q 2024	Variance	%
Revenue	\$ 335.5	\$ 346.6	\$ (11.1)	-3%	\$ 345.1	\$ (9.6)	-3%
Operating income	26.8	28.7	(1.9)	-7%	30.4	(3.6)	-12%
Operating margin	8.0%	8.3%	-0.3%		8.8%	-0.8%	

2024 Q4 Revenue



Power generation

- Revenues up 36% year-over-year and up 16% sequentially as some of the delayed deliveries to oil and gas market caught up and as sales to the commercial markets remain strong with significant new orders
- Operating margin in the high-single digits

Commercial and Industrial

- Revenues down 7% year-on-year and sequentially due to slowness in on-highway truck activity, partially offset by steady marine repair activity
- Operating income up 28% year-over-year with operating margins in the high single digits

Oil and Gas

- Revenues down 38% year-on-year and 24% sequentially due to continued softness in legacy conventional frac equipment as lower fracking activity tempered demand for new equipment and parts
- Operating margin in the mid to high-single digits

Balance Sheet, Capital Expenditures, and Liquidity

As of December 31, 2024

Total
Debt

\$875M

Cash and
Cash Equivalents

\$74M

Available
Liquidity

\$583M

■ 4Q 2024 Results

- Net cash flow provided by operating activities: \$247 million
- Proceeds from retired asset sales: \$7 million
- Repurchased 286,697 shares at an average price of \$116.16 for \$33 million and reduced debt by \$105 million
- Capital expenditures: \$97 million

■ 2025 Guidance

- 2025 capital expenditures: \$280 to \$320 million

Free cash flow* generation of \$414 million for all of 2024

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



Marine Transportation – 2025 Outlook

Strong outlook with near-term headwinds, seasonal weather and coastal shipyard activity

■ Inland

- Positive market dynamics due to limited new barge construction
- Barge utilization expected to be in the low to mid 90% range
- Continued improvements on spot and term contracts. Mariner shortage and increasing cost of equipment continue to put upward pressure on spot prices
- First quarter revenues and margins impacted by normal seasonal conditions
- Full year revenue growth in mid to high single digit range
- Operating margins on average 200-300 bps higher for the full year compared to 2024 with the first quarter being the lowest

■ Coastal

- Balanced supply and demand driving favorable market conditions
- Steady customer demand with barge utilization expected to be mid-90% range
- Full year revenues are expected to be up high single to low double digits year-over-year
- Operating margins are expected to be in the mid-teens range on a full year basis with first quarter being the lowest due to shipyards



Distribution & Services – 2025 Outlook

Growth in power generation to mostly offset softness in other areas

- **Power generation**
 - Continued strong growth in orders as demand in data center and backup power markets remains solid
 - Extended lead times for certain OEM products will contribute to volatile delivery schedule in the first quarter and through out 2025
 - Expected to be ~40% of segment revenues
- **Commercial and industrial**
 - Steady marine repair demand. Softer on-highway demand but close to the bottom
 - Expected to be ~40-45% of segment revenues
- **Oil and gas**
 - Shift from conventional frac to e-frac continues to slowly take place
 - Revenues are expected to be down low single digits to low double-digit range
 - Expected to be ~15-20% of segment revenues
- **Segment Outlook**
 - Full year revenues expected to be flat to slightly down year-over-year
 - Operating margins expected to be in the high-single digits but slightly lower year-over-year



