

# 2Q 2025

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Earnings Conference Call

July 31, 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, 2024.

## 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: 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](http://www.kirbycorp.com) in the Investor Relations section under Financials.



# 2Q 2025 Overview

## Financial Summary

\$ millions except earnings (loss) per share	2Q 2025	2Q 2024	Variance	%	1Q 2025	Variance	%
Revenues	\$ 855.5	\$ 824.4	\$ 31.1	4%	\$ 785.7	\$ 69.8	9%
Operating income	131.8	120.5	11.3	9%	105.5	26.3	25%
Net earnings attributable to Kirby	94.3	83.9	10.4	12%	76.0	18.3	24%
Earnings per share	1.67	1.43	0.24	17%	1.33	0.34	26%

- Second quarter EPS up 17% year-over-year, supported by robust demand and solid execution
- Strong customer demand and continued price momentum in marine transportation
- Power generation revenue up 31% year-over-year and 35% sequentially, driven by strong demand from data centers and industrial customers
- Continued to repurchase stock with \$31 million of repurchases

# Marine Transportation – 2Q Overview

## Steady market conditions but moderately impacted by navigational and lock delays

### Inland

- Healthy customer demand with disciplined execution
- Sustained pricing growth
  - Spot prices increased in the low single digits sequentially and in the mid single digits year-over-year
  - Term contracts renewed up in the low to mid-single digits year-over-year
- Operating margins in the low 20% range



### Coastal

- Strong market fundamentals due to solid customer demand combined with limited availability of large capacity vessels
- Barge utilization in the mid to high-90% range
- Term contracts renewed higher in the mid-20% range
- Reduced planned shipyard maintenance enhanced asset availability and supported margin expansion

# Distribution & Services – 2Q Overview

## Solid performance across most of the end markets

### Power Generation

- 31% higher revenues year-over-year fueled by robust sales from data center and industrial customers
- Continued pace of orders with additional project wins for backup and critical power applications adding to our backlog

### Commercial and Industrial

- Revenues up 5% year-over-year due to growth in marine repair activity and moderately recovered on-highway market
- Operating income up 24% year-over-year due to favorable product mix and ongoing cost control

### Oil and Gas

- Ongoing softness in conventional activity drove 27% lower revenue year-over-year
- Operating income increased by 182% driven by e-frac and cost management



# Marine Transportation

## 2Q 2025 Financial Summary

\$ millions	2Q 2025	2Q 2024	Variance	%	1Q 2025	Variance	%
Revenue	\$ 492.6	\$ 484.8	\$ 7.8	2%	\$ 476.1	\$ 16.5	3%
Operating income	99.1	94.9	4.2	4%	86.6	12.5	14%
Operating margin	20.1%	19.6%	0.5%		18.2%	1.9%	

	Inland		Coastal	
	Y/Y %	Q/Q %	Y/Y %	Q/Q %
Term increase	2%-4%		24%-26%	
Spot increase	5%-7%	1%-3%		

### ■ Inland

- Contributed 81% of marine transportation revenues with average barge utilization in the low to mid-90% range
- Term contracts represented ~70% of revenue with ~60% attributed to time charters
- Operating margin in the low 20% range

### ■ Coastal

- Contributed 19% of marine transportation revenues with average barge utilization in the mid to high-90% range
- Term contracts represented ~100% of revenue with ~100% attributed to time charters
- Operating margin in the high teens range

# Barge Construction and Retirements

## 2Q 2025 Update and FY 2025 Outlook

<b>Inland</b>	<b>2Q 2025</b>		<b>FY 2025<sub>(estimated)</sub></b>	
(barrels in millions)	<b>Barges</b>	<b>Barrels</b>	<b>Barges</b>	<b>Barrels</b>
Beginning of period	1,111	24.6	1,094	24.2
Additions:				
Reactivations/new builds/acquisitions	-	-	21	0.5
Reductions:				
Retirements	(2)	(0.1)	(5)	(0.1)
End of period	1,109	24.5	1,110	24.6

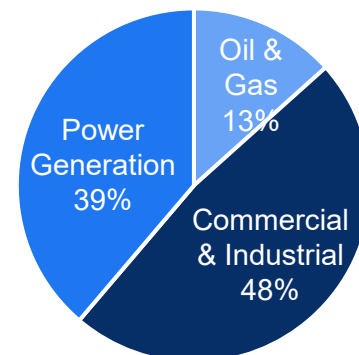
<b>Coastal</b>	<b>2Q 2025</b>		<b>FY 2025<sub>(estimated)</sub></b>	
(barrels in millions)	<b>Barges</b>	<b>Barrels</b>	<b>Barges</b>	<b>Barrels</b>
Beginning of period	28	2.9	28	2.9
Reductions:				
Retirements	-	-	-	-
End of period	28	2.9	28	2.9

# Distribution & Services

## 2Q 2025 Financial Summary

\$ millions	2Q 2025	2Q 2024	Variance	%	1Q 2025	Variance	%
Revenue	\$ 362.9	\$ 339.6	\$ 23.3	7%	\$ 309.5	\$ 53.4	17%
Operating income	35.4	29.4	6.0	20%	22.6	12.8	57%
Operating margin	9.8%	8.7%	1.1%		7.3%	2.5%	

## 2025 Q2 Revenue



### ■ Power generation

- Revenues up 31% year-over-year and 35% sequentially driven by robust sales to data center and industrial markets
- Operating margin in the mid to high-single digits

### ■ Commercial and Industrial

- Revenues up 5% year-over-year and 8% sequentially due to steady marine repair activity and moderately improved on-highway market conditions
- Operating income up 24% year-over-year with operating margins in the low double digits

### ■ Oil and Gas

- Revenues down 27% year-over-year but up 8% sequentially due to continued softness in legacy conventional frac equipment, partially offset by growth in e-frac equipment
- Operating margin in the low double digits driven by e-frac business and cost management





# Balance Sheet, Capital Expenditures, and Liquidity

As of June 30, 2025

Total  
Debt

**\$1.1B**

Cash and  
Cash Equivalents

**\$68M**

Available  
Liquidity

**\$332M**

## ■ 2Q 2025 Results

- Net cash flow provided by operating activities: \$94 million
- Proceeds from retired asset sales: \$11.6 million
- Repurchased 331,900 shares at an average price of \$94.01 for \$31.2 million
- Capital expenditures: \$71 million

## ■ 2025 Guidance

- Cash flow from operations: \$620 to \$720 million
- Capital expenditures: \$260 to \$290 million

# Marine Transportation – 2025 Outlook

## Strong outlook with price increases offsetting inflation

### ■ Inland

- Constructive market dynamics due to limited new barge construction
- Steady customer demand with barge utilization expected to be in the low 90% range in the third quarter
- Some signs of price moderation in the near-term, especially in the spot market
- Full year revenue growth in low to mid-single digit range
- Operating margins in the low 20% range on a full year basis

### ■ Coastal

- Favorable market conditions with constrained supply side environment driving pricing momentum
- Strong 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 to high-teens range on a full year basis



# Distribution & Services – 2025 Outlook

Strength in power generation growth to offset softness in conventional oil and gas market

- **Power generation**

- Strong sales and order growth from data center and backup power markets as demand remains robust
- Extended lead times for certain OEM products could lead to challenged delivery schedule for the rest of 2025
- Expected to be ~40% of segment revenues

- **Commercial and industrial**

- Stable marine repair demand while on-highway moderately improving
- Expected to be ~45-50% of segment revenues

- **Oil and gas**

- Transition to e-frac from conventional frac continues to slowly take place
- Customers continue to maintain considerable capital discipline
- Revenues are expected to be down high single digits to low double-digit range
- Expected to be ~10-15% of segment revenues

- **Segment Outlook**

- Full year revenues expected to be flat to slightly up year-over-year
- Operating margins expected to be in the high-single digits

