



Putting America's Waterways to Work

NYSE: KEX

November 2017

Forward Looking Statements

Non-GAAP Financial Measures

Statements contained in this presentation 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 the timing, magnitude and the number of acquisitions made by Kirby. Forward-looking statements are based on currently available information and Kirby assumes no obligation to update 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, 2016 filed with the Securities and Exchange Commission.

Kirby reports its financial results in accordance with generally accepted accounting principles (GAAP). However, Kirby believes that a certain Non-GAAP financial measure is useful in managing Kirby's businesses and evaluating Kirby's performance. This presentation contains a Non-GAAP financial measure, EBITDA. Please see the Appendix for a reconciliation of GAAP to the Non-GAAP financial measure, EBITDA.

Business Segments

Marine Transportation

The largest inland and coastwise tank barge fleets in the United States

66% of 2017YTD¹ Revenue



Distribution and Services

Nationwide service provider and distributor of engines, transmissions, parts, industrial equipment and oilfield service equipment

34% of 2017YTD¹ Revenue



Public Market Information

Share Price
on November 13, 2017 **\$62.80**

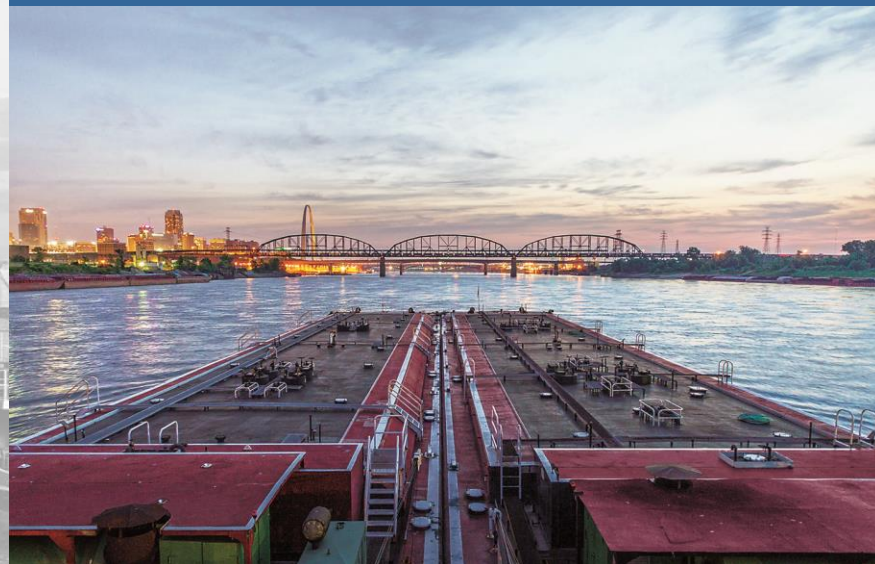
Shares Outstanding
(as of November 8, 2017) **59.7MM**

Market Capitalization **\$3,749MM**

Net Debt
(as of November 2, 2017) **\$1,031MM**

Enterprise Value **\$4,780MM**

NYSE: KEX





Company Overview



Marine Transportation

- **Largest combined inland and coastal tank barge operator**
 - 848 inland tank barges and 215 towboats
 - 67 coastal tank barges and 69 tugboats
 - 75% of inland revenues under term contracts, of which approximately 48% are under time charters
 - 80% of coastal revenues under term contracts, of which approximately 85% are under time charters

Distribution and Services

- **Nationwide distributor and service provider for engines, transmissions, reduction gears, and related equipment used in oilfield services, marine, power generation, on-highway, and other industrial applications**
- **Manufacturer, remanufacturer and service provider of oilfield service equipment**
- **Provider of rental equipment including generators, material-handling equipment, pumps, and compressors for use in a variety of industrial markets**

Return on Capital Driven Investment Decisions

Proven Acquisition Strategy

Successful integration of 33 marine and 19 distribution and services acquisitions

Marine Transportation Acquisitions

Shipper Owned (Red) Independent (Green) * Towboats Only

Date	Tank Barges	Description
1986	5	Alliance Marine
1989	35	Alamo Inland Marine Co.
1989	53	Brent Towing Company
1991	3	International Barge Lines, Inc.
1992	38	Sabine Towing & Transportation Co.
1992	26	Ole Man River Towing, Inc.
1992	29	Scott Chotin, Inc.
1992	*	South Texas Towing
1993	72	TPT, Division of Ashland
1993	*	Guidry Enterprises
1993	53	Chotin Transportation Company
1994	96	Dow Chemical (transportation assets)
1999	270	Hollywood Marine, Inc. – Stellman, Alamo Barge Lines, Ellis Towing, Arthur Smith, Koch Ellis, Mapco
2002	15	Cargo Carriers
2002	64	Coastal Towing, Inc. (barge management agreement for 54 barges)
2002	94	Dow/Union Carbide (transportation assets)

Date	Tank Barges	Description
2003	64	SeaRiver Maritime (ExxonMobil)
2005	10	American Commercial Lines (black oil fleet)
2006	*	Capital Towing
2007	37	Coastal Towing, Inc. (operated barges since 2002 under barge management agreement)
2007	11	Midland Marine Corporation (operated as leased barges)
2008	6	OFS Marine One (operated as leased barges)
2011	*	Kinder Morgan (Greens Bayou fleet)
2011	21	Enterprise Marine (ship bunkering)
2011	58	K-Sea Transportation (coastal operator)
2011	3	Seaboats, Inc. (coastal transportation assets)
2012	17	Lyondell Chemical Co. (transportation assets)
2012	10	Allied Transportation Co. (coastal transportation assets)
2012	18	Penn Maritime Inc. (coastal operator)
2015	6	Martin Midstream Partners (pressure barges)
2016	27	SEACOR Holdings Inc. (inland barge assets)
2016	4	Hollywood/Texas Olefins, Ltd. ("TPC") (unowned 50% partnership interest in pressure barges)
2017	13	Undisclosed Competitor (9 pressure barges, 4 30,000 barrel clean barges)



Distribution and Services Expansions

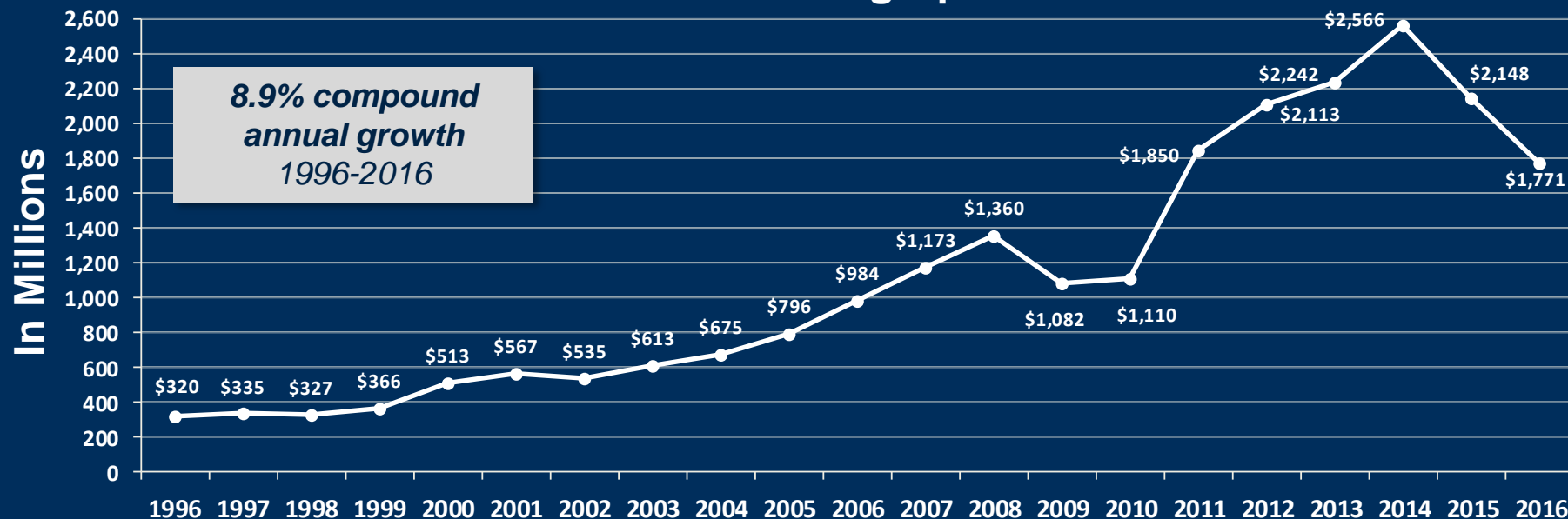
Acquisitions	
1987	National Marine
1991	Ewing Diesel
1995	Percle Enterprises
1996	MKW Power Systems
1997	Crowley (Power Assembly Shop)
2000	West Kentucky Machine Shop
2000	Powerway
2004	Walker Paducah Corp.
2005	TECO (Diesel Services Division)
2006	Global Power Holding Company
2006	Marine Engine Specialists
2007	NAK Engineering (Nordberg Engines)
2007	P&S Diesel Service
2007	Saunders Engine & Equipment Company
2008	Lake Charles Diesel, Inc.
2011	United Holdings LLC
2012	Flag Services & Maintenance, Inc.
2016	Valley Power Systems, Inc.
2017	Stewart & Stevenson LLC

Internal Growth	
1989	Midwest
1992	Seattle
2000	Cooper Nuclear



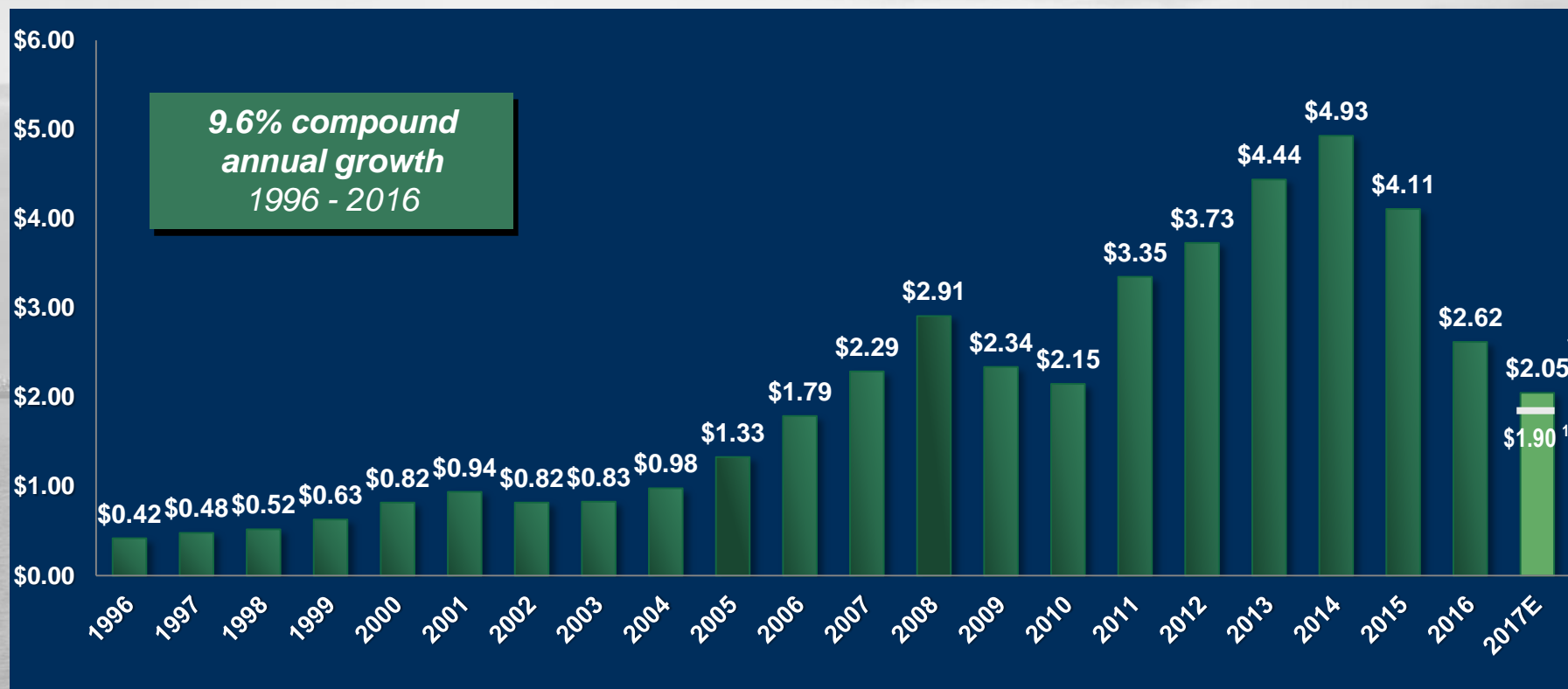
Historical Revenue Growth

Marine Transportation and Distribution and Services Revenue From Continuing Operations



Historical EPS Growth

Earnings Per Share From Continuing Operations Excluding Non-Recurring Items



See Appendix for reconciliation of GAAP to Non-GAAP earnings per share

Earnings per share have been revised to reflect 2-for-1 stock split effective May 31, 2006

⁽¹⁾ Based on Kirby's most recently published earnings guidance in the November 1, 2017 press release announcing Q3 2017 earnings. That guidance is shown for convenience only and does not constitute confirming or updating the guidance, which will only be done by public disclosure.



MARINE TRANSPORTATION



U.S. Inland and Coastal Waterway Systems





Barge Industry Facts

The U.S. barge industry serves the inland waterways, U.S. coastal ports, Alaska and Hawaii

- The inland barge fleet is comprised of approximately 18,000 dry cargo barges and 3,850 liquid tank barges
- The coastal market, including Alaska and Hawaii, encompasses approximately 295 tank barges that are 195,000 barrels or smaller

Kirby is principally in the liquid cargo transportation business

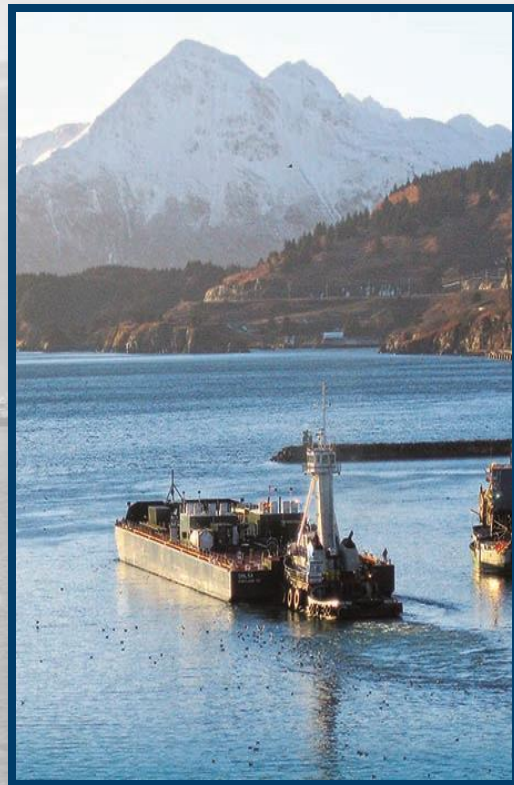
No competition from foreign companies due to a U.S. law known as the Jones Act

Equipment not subject to economic obsolescence because draft, lock and port restrictions limit the size of barges

Barges are mobile, carry wide range of cargoes and service different geographic markets

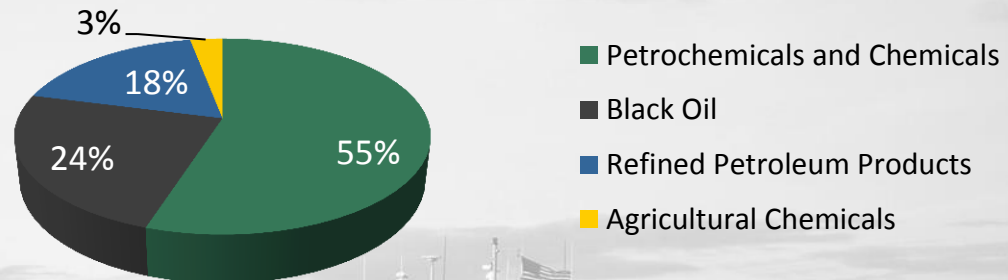
Water transportation plays a vital role in the U.S. economy











U.S. waterway systems are an environmentally friendly mode of transportation



Marine Transportation Demand Drivers

Revenue by Product¹



Markets and Products Moved	Products	Drivers
 Petrochemicals and Chemicals	Benzene, Styrene, Methanol, Naphtha, Acrylonitrile, Xylene, Caustic Soda, Butadiene, Propylene	 <div> 30%  Consumer Durables 70%  Consumer Non-Durables </div>
 Black Oil	Residual Fuel Oil, Coker Feedstock, Vacuum Gas Oil, Asphalt, Carbon Black Feedstock, Crude Oil, Ship Bunkers	 Fuel for Power Plants and Ships, Feedstock for Refineries, Road Construction
 Refined Petroleum Products	Gasoline, No. 2 Oil, Jet Fuel, Heating Oil, Diesel Fuel, Ethanol	 Vehicle Usage, Air Travel, Weather, Refinery Utilization
 Agricultural Chemicals	Anhydrous Ammonia, Nitrogen-based Liquid Fertilizer, Industrial Ammonia	 Corn, Cotton, Wheat Production, Chemical Feedstock Usage

Strong Emphasis on Safety

- **Safety is the first and foremost concern in everything we do**
- Our customers place a high value on safety
- **Safe operations are good for morale and benefit financial performance in the long run**
- Extensive company-owned and operated training facility (towboat simulator)



Pictured above is our towboat simulator where wheelhouse crew can gain repetitive practice navigating in extreme conditions and high-risk scenarios

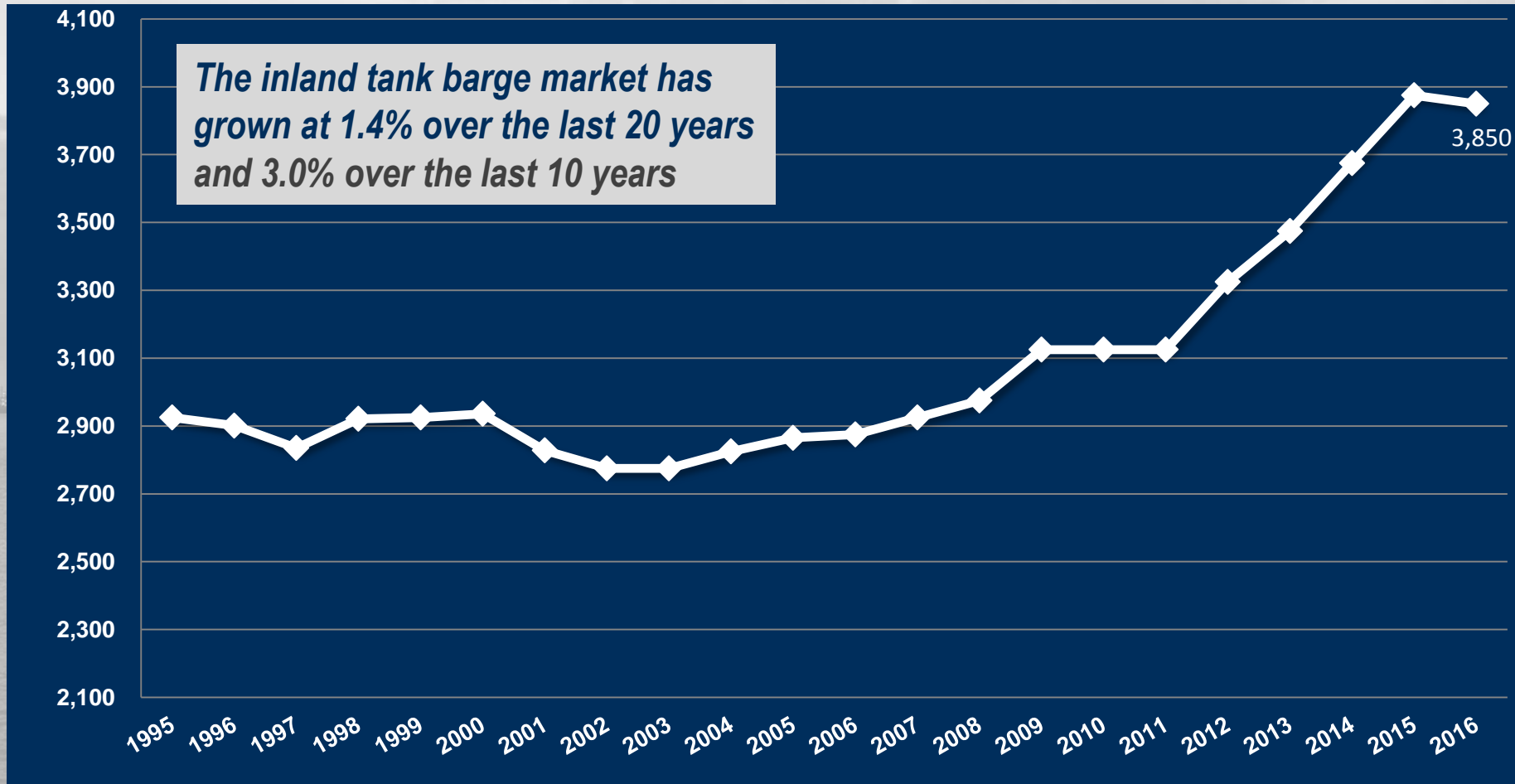


Inland Tank Barge Markets



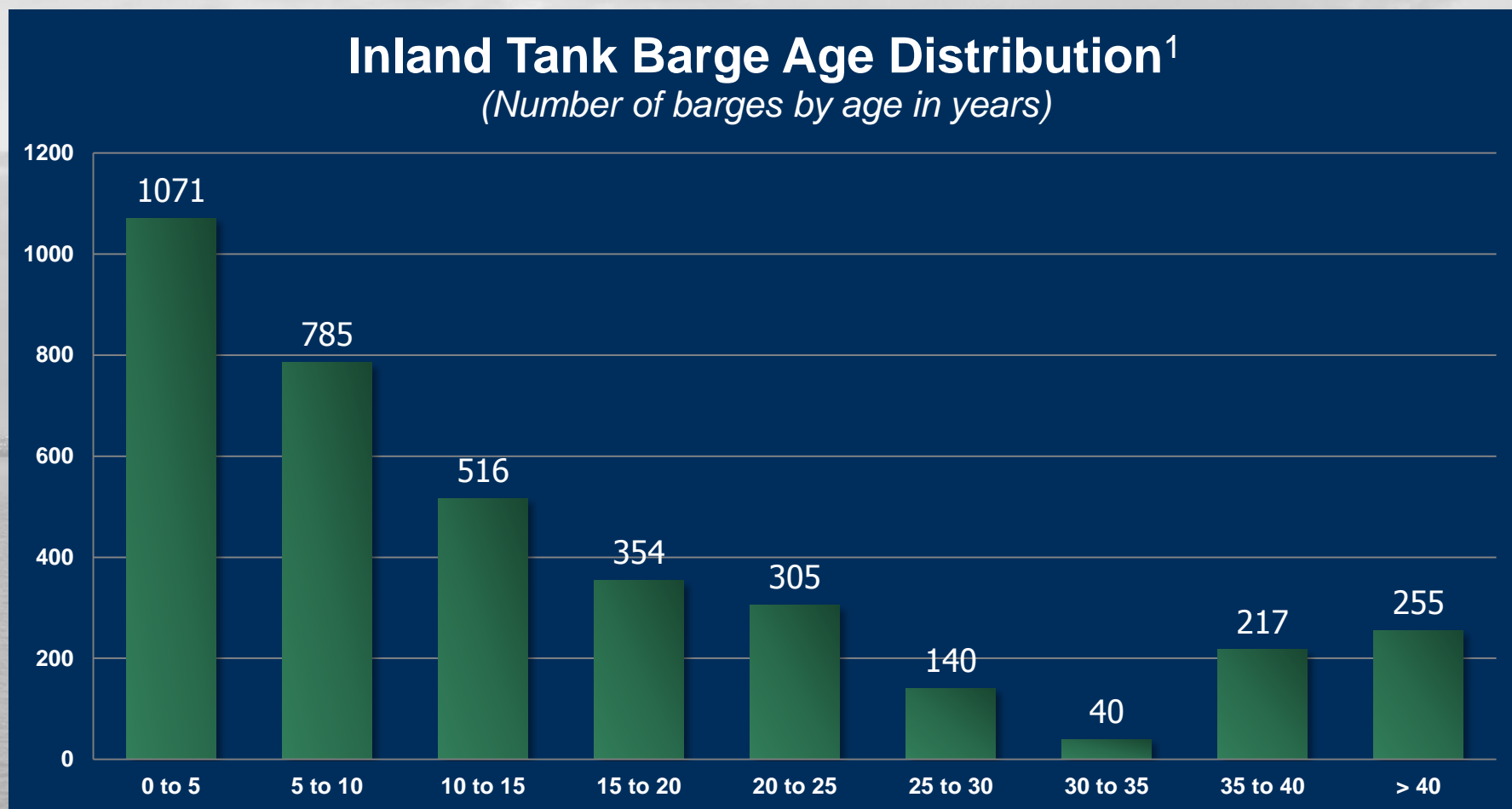
Number of Inland Tank Barges

Estimated for the years 1995 through 2016



Source: Informa Economics, Barge Fleet Profile, March 2017 - Adjusted

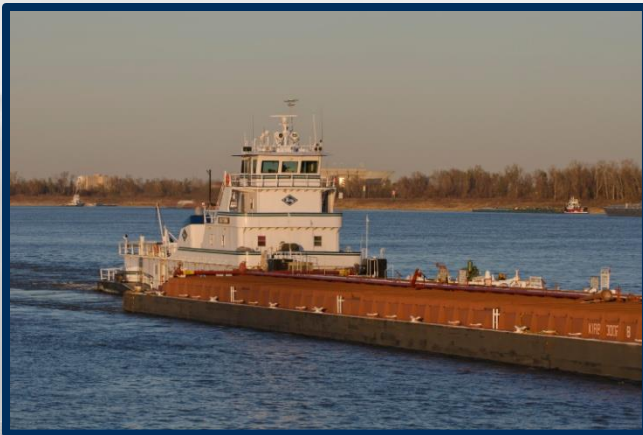
Inland Tank Barge Fleet Age Profile



(¹) The total of 3,683 barges in this chart is unadjusted from the Informa Economics, Barge Fleet Profile Source: Informa Economics, Barge Fleet Profile, March 2017

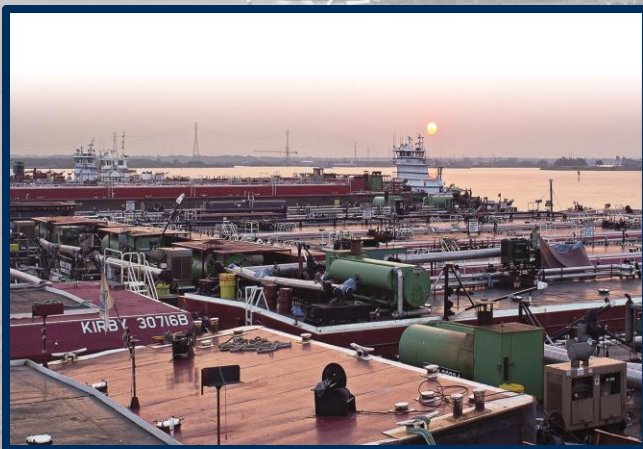
Inland Fleet Size and Flexibility

Better Asset Utilization



Tank Barge Fleet

- **Large fleet facilitates better asset utilization**
 - More backhaul opportunities
 - Faster barge turnarounds
 - Diversity of barge products and spot opportunities
 - Less cleaning



Towboat Fleet

- **Operated an average of 215 towboats during the 2017 third quarter of which 59 were chartered**
- **Chartered towboats used to balance horsepower with demand**

Kirby Inland Fleet by Barge Type*

663

Petrochemicals / Refined Products

-High capacity pumps -Specialty coated tanks

110

Black Oil & Bunkering

-Self-contained heating systems

61

Pressure

-Pressurized tanks

10

Anhydrous Ammonia

-Refrigeration tanks

4

Specialty

-Stainless steel tanks

Inland Barge Fleet by Operator

Shipper Owned Independent	Tank Barges Operated	Dry Cargo Barges Operated
Kirby Corporation	848	-
American Commercial Lines LLC	445	3,346
Canal Barge Company, Inc.	301	403
Ingram Barge Company	223	4,333
Florida Marine	219	218
MPLX ("Hardin St. Marine")	215	-
Higman Barge Lines, Inc.	186	-
Blessey Marine Services	169	-
Enterprise Products Partners	137	-
Magnolia Marine Transport Co.	88	-
American River Transportation Co.	82	1,781
LeBeouf Brothers Towing Co	81	-
Genesis Energy, L.P.	74	-
Southern Towing Company	69	-
Cenac Towing	65	-
Savage Inland Marine	63	-
PPG Industries, Inc.	56	-
Golding Barge Lines, Inc.	56	-
Devall Barge Line	53	-
Settoon Towing, LLC	51	-
Westlake Vinyl	44	-

	Tank Barges Operated	Dry Cargo Barges Operated
Chem Carriers, Inc.	42	-
John W. Stone Oil	37	-
Martin Midstream Partners	37	-
Buffalo Marine Service, Inc.	36	-
Accu Trans Marine	30	-
Targa	20	-
River City Towing Services	18	-
NGL Energy Partners	18	-
Rhodia, Inc.	18	-
Harley Marine Gulf	14	-
Progressive Barge Line	10	-
Apex Towing Company	9	-
Olin Corporation (Blue Cube)	9	-
Merichem Company	6	-
TW LaQuay Marine, LLC	4	-
Highland Marine	4	-
AgriChem Marine	2	-
Parker Towing Company	2	293
Oakley Barge Line	2	-
Campbell Transportation	1	698
Other dry cargo carriers	-	7,825
TOTAL	3,844	18,897



Coastal Tank Barge Markets





Coastal Tank Barge Markets

Largest operator of coastal tank barges and towing vessels participating in the regional distribution of refined petroleum products, black oil, and distribution of petrochemicals between PADDs

Fleet consists of 67 tank barges with 6.2 million barrels of capacity and 69 tugboats

Operates along the U.S. East, West and Gulf Coasts, and in Alaska and Hawaii

195,000 barrel and smaller tank barges, which represent all of Kirby's coastal fleet, have the flexibility to access ports inaccessible to larger vessels, while still delivering large volumes of product

Improving fleet reliability, with the following under construction:

Two 4900 horsepower tugboats with delivery expected in 2017

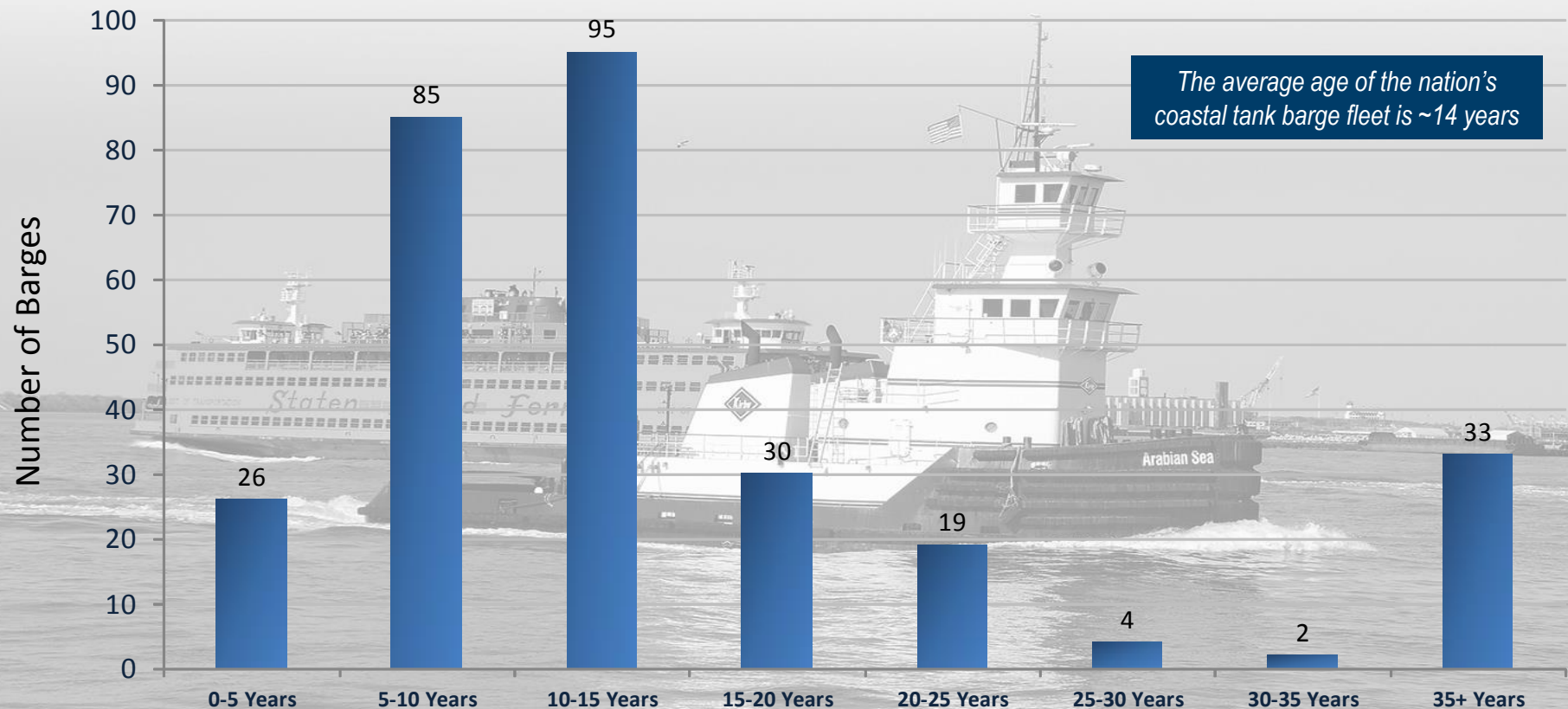
Six 5000 horsepower tugboats with deliveries expected between mid-2018 and late 2019



Coastal Tank Barge Age Profile

Coastal Barge Market Age Profile

Number of barges by age



Coastal Tank Barge Owners

Kirby is Well-Positioned in U.S. Coastal Markets

	Coastal Tank Barges Operated *	Estimated Barrel Capacity* (MM)
Vane Brothers	75	2.7
Kirby Corporation	67	6.2
Harley Marine	36	1.7
Reinauer Transportation	26	2.1
Bouchard Transportation ¹	23	2.4
Crowley Marine ²	14	2.4
Moran Towing	13	1.4
Saltchuk Resources (Foss Maritime)	10	0.3
Genesis Energy L.P.	9	0.9
Sause Brothers	8	0.7
U.S. Shipping Corporation	4	0.6
Martin Gas Marine	3	0.3
Kuehne Chemical	2	0.1
Poling & Cutler	2	0.1
Overseas Shipholding Group ³	1	0.2
Occidental Chemical Corporation	1	0.1
	<u>294</u>	<u>22.2</u>

(1) Excludes three vessels over 250,000 barrels

(2) Excludes the "750 class", three ATBs with capacity of 327,000 barrels/ea.

(3) Excludes nine ATBs with capacity of 200,000 barrels or greater

* Tank barges with 195,000 barrels capacity or less



Kirby Engine Systems



United Holdings



Stewart & Stevenson

DISTRIBUTION AND SERVICES



Distribution and Services

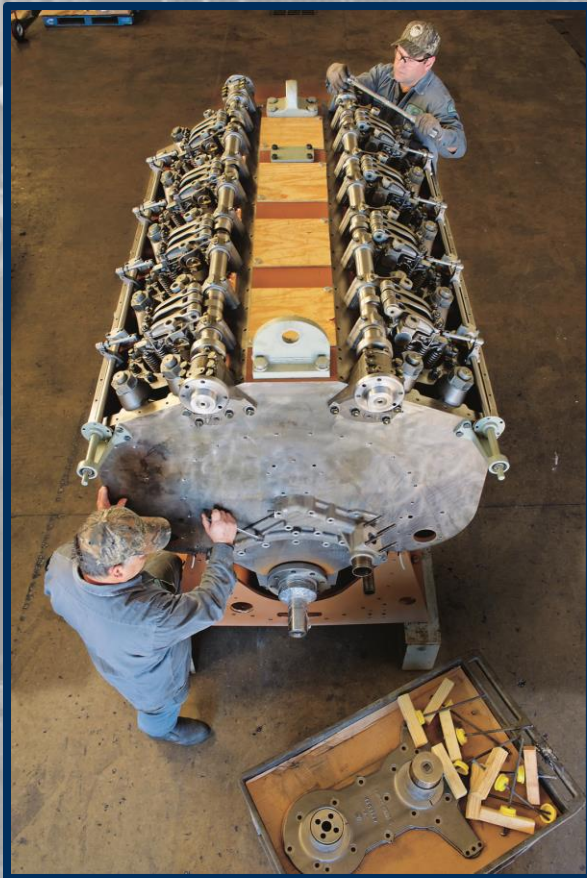
Revenue Distribution *	Markets	Services Offered	Customers and Market Drivers
76%	Land-Based	Distributes and services high-speed diesel engines and transmissions, and manufactures, remanufactures and services oilfield service equipment, including hydraulic fracturing equipment. Rents generators, material-handling equipment, pumps, and compressors for use in a variety of industrial markets.	<ul style="list-style-type: none"> • Oilfield Services • Oil & Gas Operators and Producers • Power Generation • Transportation
17%	Marine	Overhaul, repair and replacement parts provider for medium-speed and high-speed diesel engines, reduction gears, transmissions, starters, governors and marine clutches	<ul style="list-style-type: none"> • Inland, Coastal and Harbor Waterways Carriers – Dry and Liquid • Offshore Oil & Gas Services • Offshore Towing – Dry and Liquid • Harbor Towing • Dredging • Great Lakes Ore Carriers
7%	Power Generation, Nuclear and Industrial	Overhaul, repair and replacement parts provider for medium-speed diesel engines and provides diesel engine-generator set upgrades	<ul style="list-style-type: none"> • Standby Power Generation • Pumping Stations • Industrial Reduction Gears

* For the nine months ended September 30, 2017



Distribution and Services

Engines, Transmissions and Reduction Gears



Medium-Speed

- Electro-Motive Diesel (EMD)
- Cooper-Bessemer
- Nordberg

High-Speed

- Caterpillar
- Cummins
- MTU
- Detroit Diesel
- John Deere
- Isuzu
- Deutz
- Volvo Penta

Transmissions/ Reduction Gears

- Allison
- Falk
- Twin Disc



Land-Based Oil Services Market



One of the largest distribution and services providers to the land-based oil services market

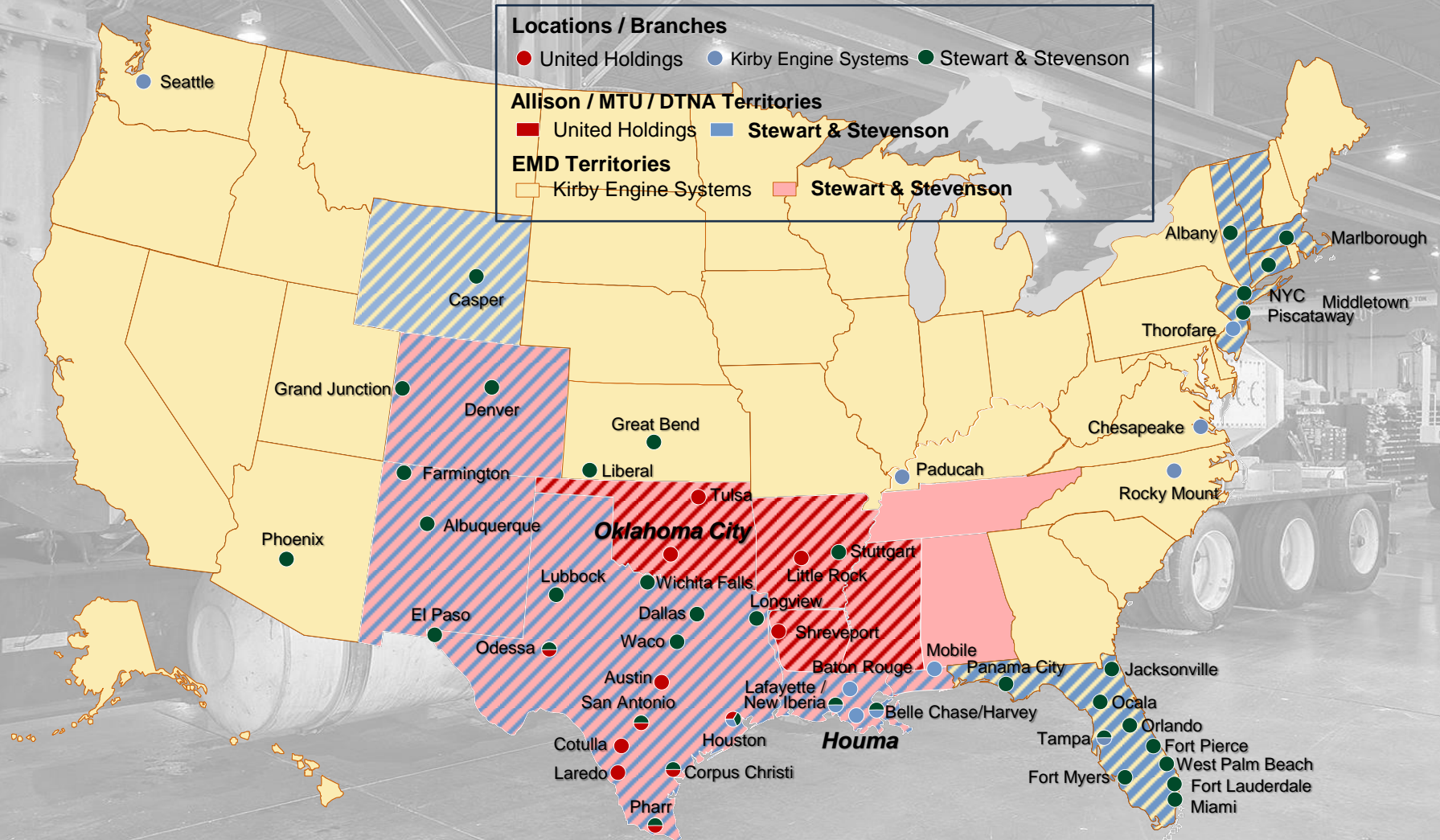
Hydraulic fracturing technology has significantly expanded and reduced the cost of producing U.S. natural gas and oil reserves

Manufacturer and remanufacturer of oilfield equipment used in the hydraulic fracturing of shale formations

Approximate installed base of 15 million horsepower of frac equipment; most require some form of major service every three to five years

Heavy duty cycle associated with fracturing drives need for service and parts

Kirby Distribution and Services Locations





Pressure Pumping Market Size

Estimated North American Pressure
Pumping Horsepower (*millions*)
2003-2016E

Each pressure pumping unit is
~2,250 hp and must be replaced or
remanufactured every 3-5 years





OUTLOOK





2017 Guidance

- Published 2017 fourth quarter guidance of \$0.40 to \$0.55 per share, versus \$0.60 for the 2016 fourth quarter⁽¹⁾
- Published 2017 full year guidance of \$1.90 to \$2.05 per share, updated from prior guidance of \$1.80 to \$2.10, and compared to \$2.62 for 2016⁽¹⁾
- Marine Transportation:
 - Inland utilization in the mid-80% to mid-90% range
 - Coastal utilization in the low 60% to mid-60% range
 - Continued pricing pressure on inland and coastal tank barge term contract renewals
 - Additional coastal vessels shifting from term contracts to trade in the spot market
- Distribution and Services:
 - \$0.03 - \$0.05 per share accretion from the Stewart & Stevenson acquisition in Q4⁽²⁾
 - For the land-based market, expect continued demand for pressure pumping remanufacturing and transmission overhauls, with some new equipment sales
 - In the marine and power generation markets, expect results that are slightly lower from 2016 with continued weakness in the Gulf of Mexico offshore oilfield services market

⁽¹⁾ Based on Kirby's most recently published earnings guidance in the September 30, 2017 press release announcing Q3 2017 earnings. That guidance is shown for convenience only and does not constitute confirming or updating the guidance, which will only be done by public disclosure.

⁽²⁾ Updated from prior guidance of \$0.02 to \$0.04 per share, includes the full impact of shares and interest from the debt issued for the acquisition



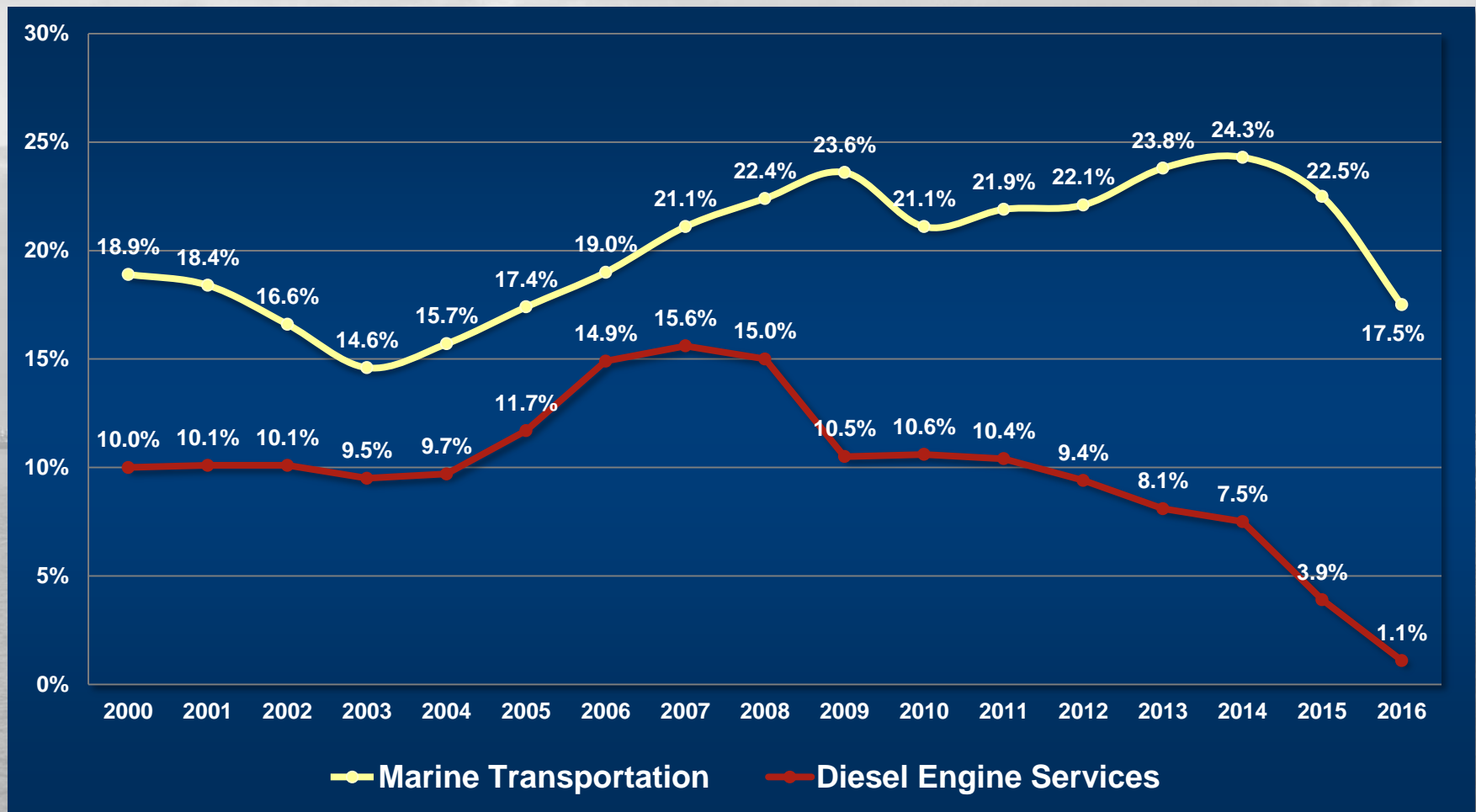
FINANCIAL HIGHLIGHTS



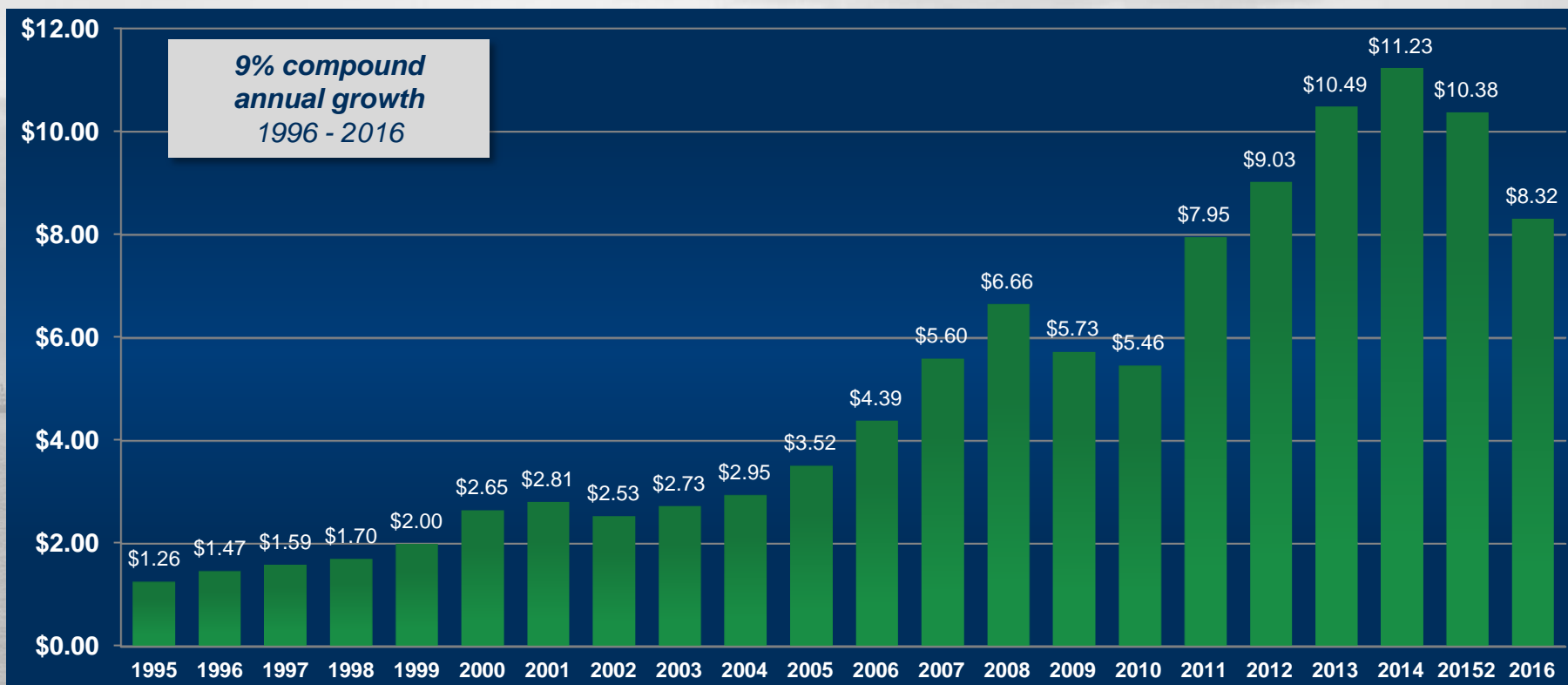
For the nine months ended September 30, 2017

			Change from 2016 First 9 Months	
Income Statement	2017	2016	\$	%
Revenues:				
Marine Transportation	\$ 993.7M	\$ 1,115.7M	\$ (122.0)M	(11)%
Distribution and Services	<u>512.6</u>	<u>219.3</u>	<u>293.3</u>	<u>134</u>
Total	<u>\$ 1,506.3M</u>	<u>\$ 1,335.0M</u>	<u>\$ 171.3M</u>	<u>13%</u>
Operating Income:				
Marine Transportation	\$ 107.0M	\$ 198.0M	\$ (91.0)M	(46)%
Distribution and Services	52.1	1.9	50.2	2699
Corporate Expenses	<u>(12.5)</u>	<u>(11.5)</u>	<u>(1.0)</u>	<u>(9)</u>
	146.6	188.4	(41.8)	(22)
Other Expense	(1.0)	(0.7)	(0.3)	(46)%
Interest Expense	<u>(14.3)</u>	<u>(13.2)</u>	<u>(1.1)</u>	<u>(8)</u>
Pre-Tax Earnings	131.3	174.5	(43.2)	(25)
Taxes	<u>(49.4)</u>	<u>(65.4)</u>	<u>16.0</u>	<u>24%</u>
Net Earnings	<u>\$ 81.9M</u>	<u>\$ 109.1M</u>	<u>\$ (27.2)M</u>	<u>(25)%</u>
Earnings Per Share	<u>\$ 1.50</u>	<u>\$ 2.02</u>	<u>\$ (0.52)</u>	<u>(26)%</u>

Operating Margins

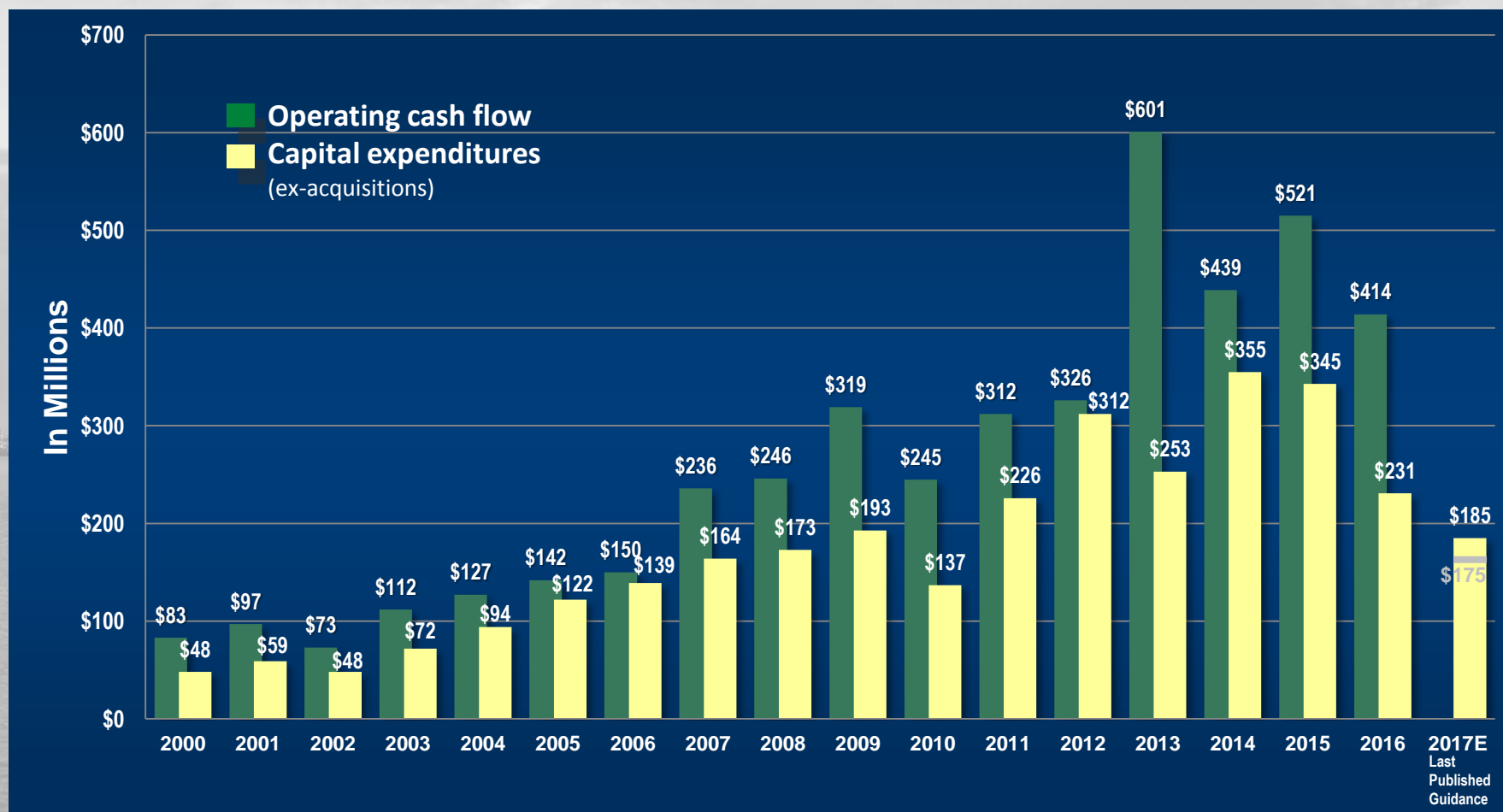


EBITDA Per Share Growth



See Appendix for reconciliation of GAAP net earnings to Non-GAAP EBITDA

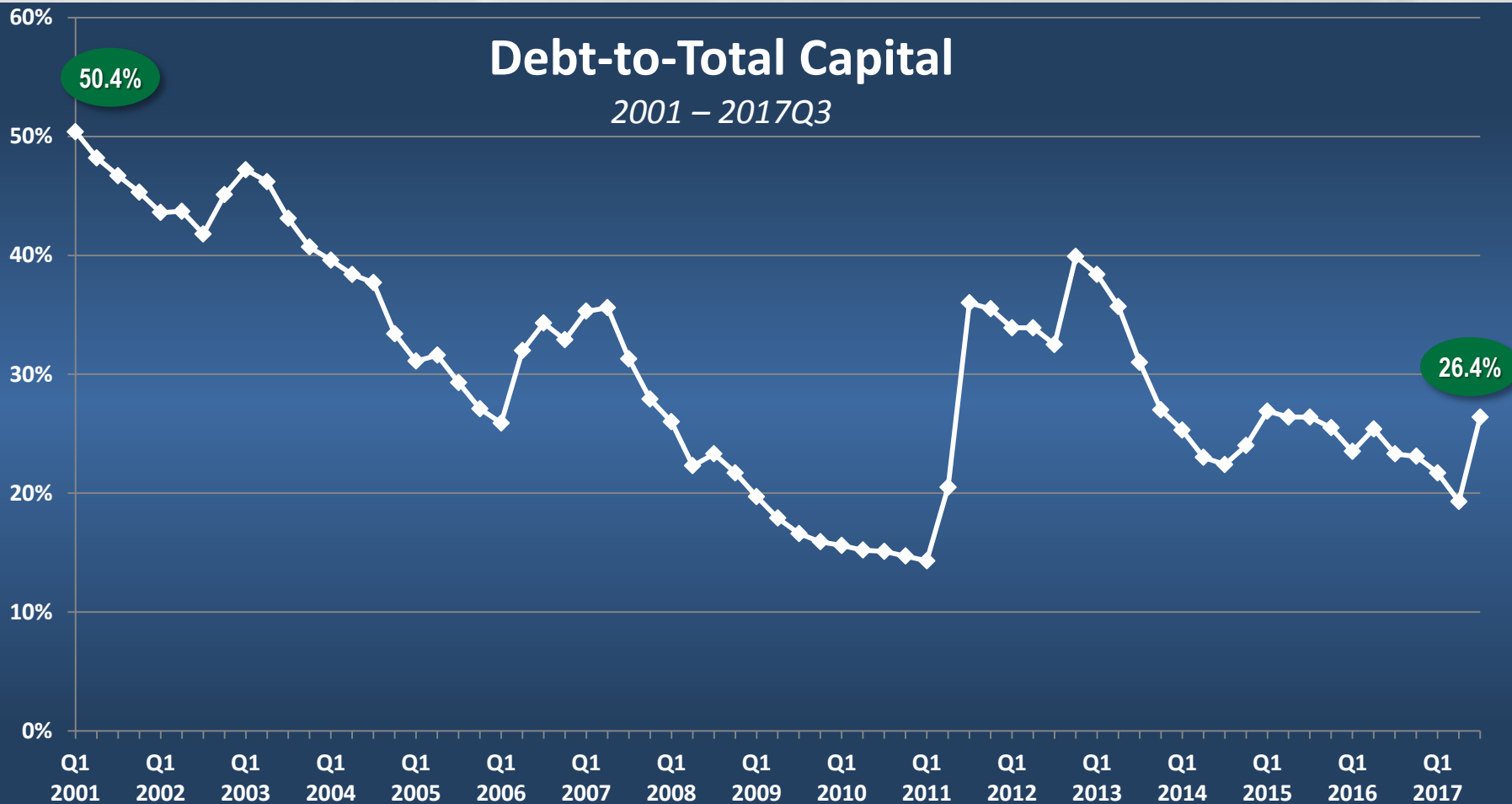
Cash Flows



Capital Structure

Debt-to-Total Capital

2001 – 2017Q3





Financial Strength

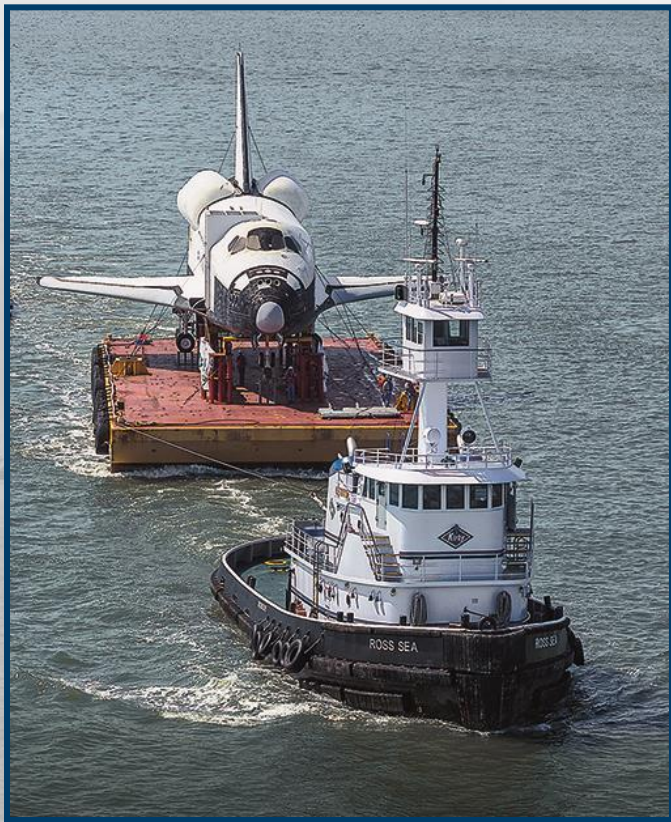
- **Investment grade rating**
 - Standard & Poor's: BBB+, stable outlook
 - Moody's: Baa2, stable outlook
- **\$500 million unsecured Private Placement**
 - \$150 million 7-year maturity at 2.72%
 - \$350 million 10-year maturity at 3.29%
- **\$850 million Bank Revolving Credit Facility**
 - \$520MM outstanding as of November 1, 2017
 - Maturity date of June 26, 2022



WHY INVEST IN KIRBY?



Why Invest in Kirby?



Long-term record of success

Experienced management teams in both core businesses

Marine Transportation

U.S. feedstock position puts our refinery, chemical, and integrated major customers in a globally competitive position and is driving volume growth

75% of inland revenue under term contracts, of which approximately 48% are under time charters

80% of coastal revenue under term contracts, of which approximately 85% are under time charters

Approximately 70% of petrochemicals moved produce consumer nondurable goods

Distribution and Services

Provides essential service to marine, land-based, power generation, and other industrial sectors

Largest geographic footprint of any U.S. distribution and service provider

Strong financial discipline and cash flow

A white pennant flag with a green diamond border and the word "Kirby" in blue script is flying on a white pole. The background is a blurred view of a ship's deck with red railings and various equipment.

Kirby Corporation

*Putting America's
Waterways to Work*

Thank You For Listening to Our Story



KIRBY CORPORATION

Reconciliation of GAAP to Non-GAAP Financial Measure

Kirby reports its financial results in accordance with generally accepted accounting principles (GAAP). However, Kirby believes that the non-GAAP financial measure EBITDA is useful in managing Kirby's businesses and evaluating Kirby's performance.

EBITDA, which Kirby defines as net earnings attributable to Kirby before interest expense, taxes on income, depreciation and amortization, is used because of its wide acceptance as a measure of operating profitability before non-operating expenses (interest and taxes) and noncash charges (depreciation and amortization). EBITDA is one of the performance measures used in Kirby's incentive bonus plan. EBITDA is also used by rating agencies in determining Kirby's credit rating and by analysts publishing research reports on Kirby, as well as by investors and investment bankers generally in valuing companies.

This non-GAAP financial measure is not a substitute for GAAP financial results and should only be considered in conjunction with Kirby's financial information that is presented in accordance with GAAP.

Quantitative reconciliations of GAAP net earnings attributable to Kirby to Non-GAAP EBITDA are provided in the following tables.

KIRBY CORPORATION

Reconciliation of GAAP Net Earnings Attributable to Kirby to Non-GAAP EBITDA

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Net earnings attributable to Kirby, GAAP	\$ 141.4	\$ 226.7	\$ 282.0	\$ 253.1	\$ 209.4	\$ 183.0	\$ 116.2	\$ 125.9	\$ 157.2	\$ 123.3	\$ 95.5
Interest expense	17.7	18.8	21.5	27.9	24.4	17.9	11.0	11.1	14.1	20.3	15.2
Provision for taxes on income	85.0	133.7	169.8	152.3	127.9	109.3	72.3	78.0	97.4	76.5	58.7
Depreciation and amortization	<u>200.9</u>	<u>192.2</u>	<u>169.3</u>	<u>164.4</u>	<u>145.2</u>	<u>126.0</u>	<u>95.3</u>	<u>94.0</u>	<u>91.2</u>	<u>80.9</u>	<u>64.4</u>
EBITDA, Non-GAAP	<u>\$445.0</u>	<u>\$571.4</u>	<u>\$642.6</u>	<u>\$ 597.7</u>	<u>\$ 506.9</u>	<u>\$ 436.2</u>	<u>\$ 294.8</u>	<u>\$ 309.0</u>	<u>\$ 359.9</u>	<u>\$ 301.0</u>	<u>\$ 233.8</u>

KIRBY CORPORATION

Reconciliation of GAAP Net Earnings Attributable to Kirby to Non-GAAP EBITDA

	<u>Three Months Ended March 31,</u>		<u>Three Months Ended June 30,</u>		<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	(\$ in millions)							
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net earnings attributable to Kirby	\$ 27.5	\$ 38.1	\$ 25.8	\$ 38.9	\$ 28.6	\$ 32.1	\$ 81.9	\$ 109.1
Interest expense	4.5	4.2	4.4	4.5	5.4	4.5	14.3	13.2
Provision for taxes on income	13.3	22.9	17.1	23.4	19.1	19.1	49.5	65.4
Depreciation and amortization	<u>48.2</u>	<u>48.6</u>	<u>48.2</u>	<u>49.7</u>	<u>51.2</u>	<u>50.1</u>	<u>147.6</u>	<u>148.4</u>
EBITDA, Non-GAAP	<u>\$ 93.5</u>	<u>\$ 113.8</u>	<u>\$ 95.5</u>	<u>\$ 116.5</u>	<u>\$ 104.3</u>	<u>\$ 105.8</u>	<u>\$ 293.3</u>	<u>\$ 336.1</u>

KIRBY CORPORATION

MARINE TRANSPORTATION PERFORMANCE MEASUREMENTS

	2009	2010	2011	2012	2013	2014	2015	2016				2017				
	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>Year</u>	<u>1st Q</u>	<u>2nd Q</u>	<u>3rd Q</u>	<u>4th Q</u>	<u>Year</u>	<u>1st Q</u>	<u>2nd Q</u>	<u>3rd Q</u>	<u>9 Months</u>
Inland Performance Measurements:																
Ton miles (in millions) ⁽¹⁾	11,977	12,957	13,414	12,224	11,754	13,088	12,502	2,748	2,792	2,648	2,973	11,161	2,977	2,818	2,753	8,548
Revenues/Ton mile (cents/tm) ⁽²⁾	7.1	6.8	7.6	8.9	9.8	8.8	8.7	8.9	8.8	8.6	7.7	8.5	8.0	7.9	8.0	8.0
Towboats operated ⁽³⁾	220	221	240	245	256	251	248	240	241	227	230	234	235	220	215	224
Delays days ⁽⁴⁾	5,201	5,772	6,777	6,358	7,843	7,804	7,924	2,236	2,035	929	2,078	7,278	2,267	1,367	1,965	5,599

(1) Ton miles indicate fleet productivity by measuring the distance (in miles) a loaded inland tank barge is moved. Example: A typical 30,000 barrel inland tank barge loaded with 3,300 tons of liquid cargo is moved 100 miles, thus generating 330,000 ton miles.

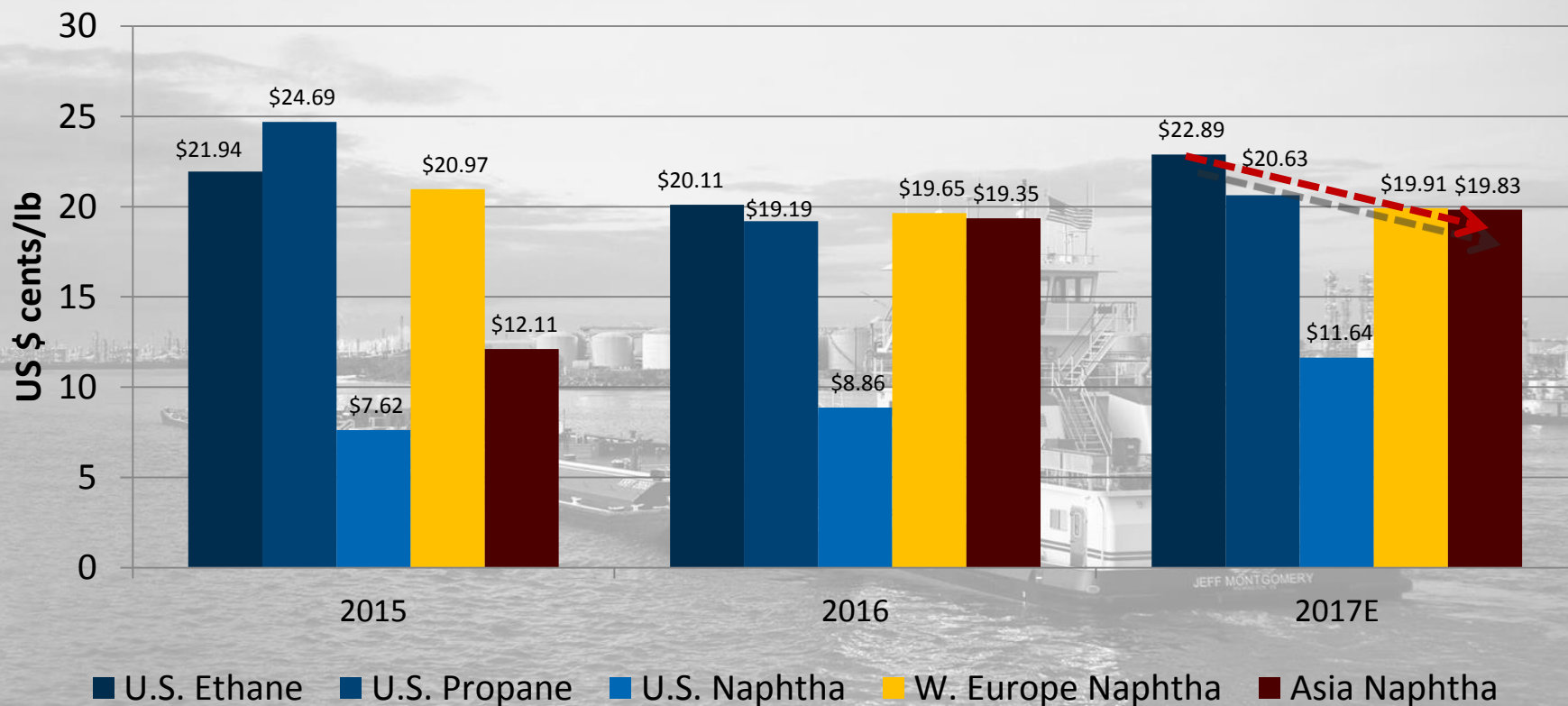
(2) Inland marine transportation revenues divided by ton miles. Example: 4th quarter 2016 inland marine revenues of \$230,033,000 divided by 2,973,000,000 ton miles = 7.7 cents.

(3) Towboats operated, is the average number of owned and chartered inland towboats operated during the period.

(4) Delay days measures the lost time incurred by an inland tow (inland towboat and one or more inland tank barges) during transit. The measure includes transit delays caused by weather, lock congestion and other navigational factors.

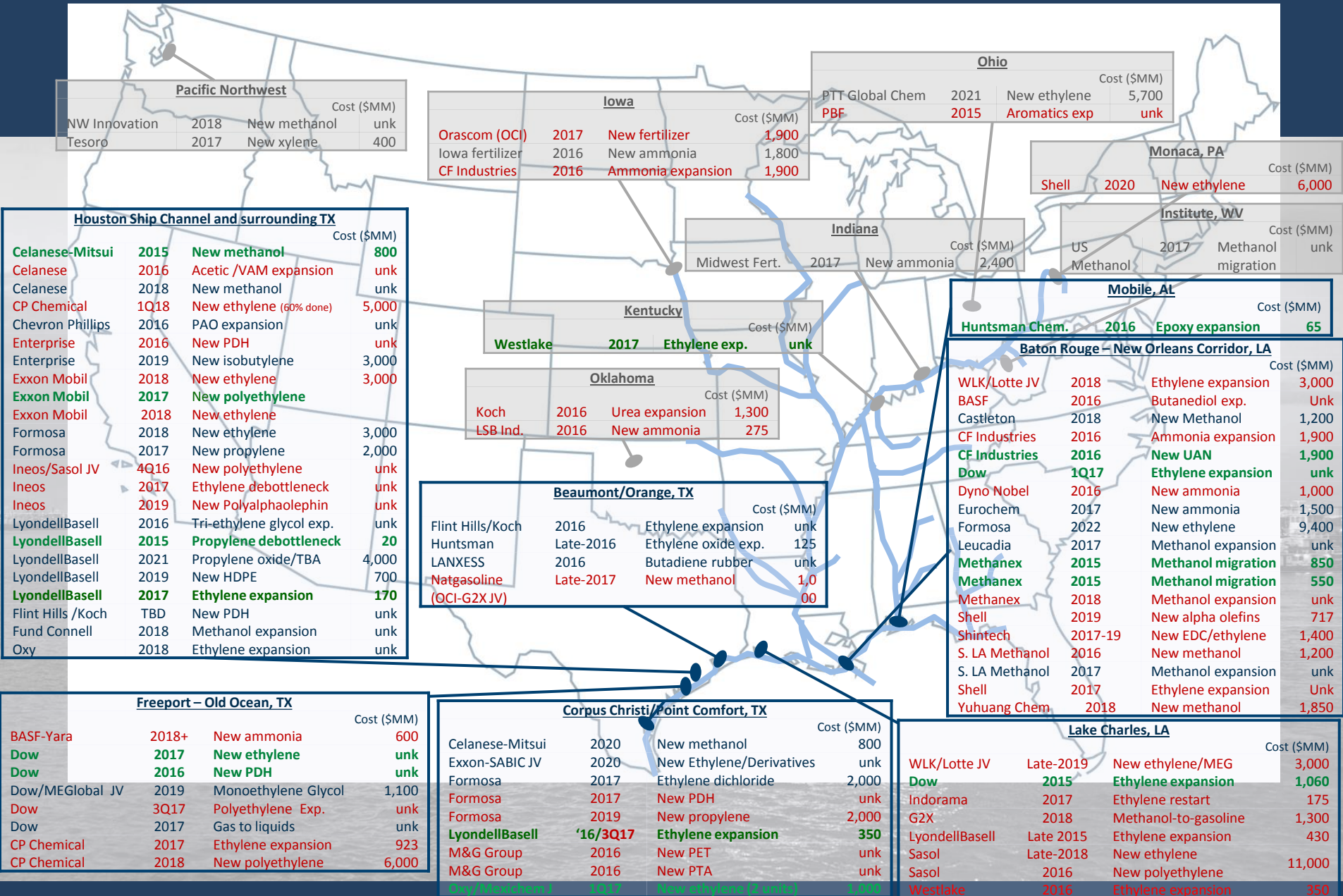
US Global Ethylene Margin Advantage

Global Ethylene Production Margin (Annual Average)



Source: Macquarie Capital Inc. (with permission)
January 30, 2017

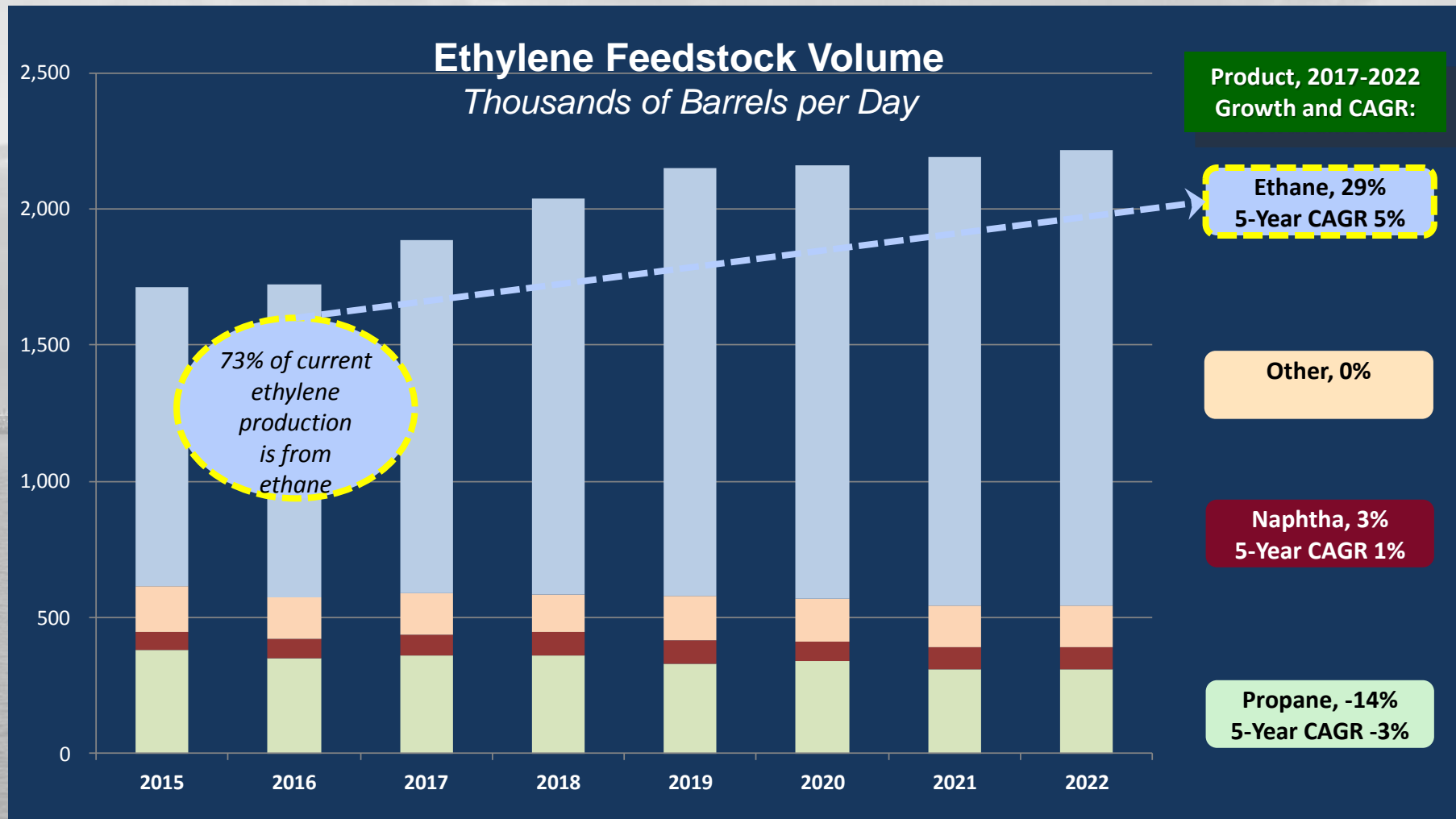
~\$170 Billion of Planned U.S. Petrochemical Investments*



*Notes: Date reflects anticipated year in-service, red font reflects construction in progress, green online, unk=unknown

Sources: ICIS, Company announcements, Kirby Corp.

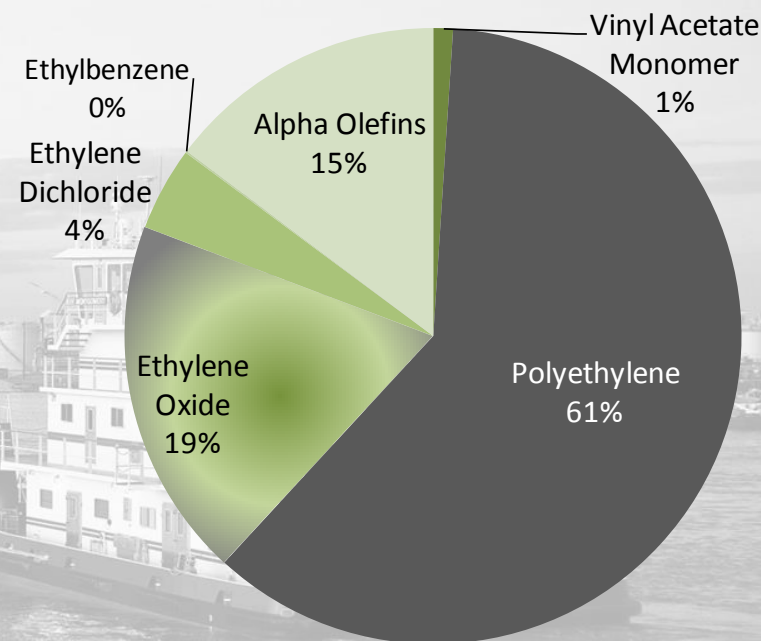
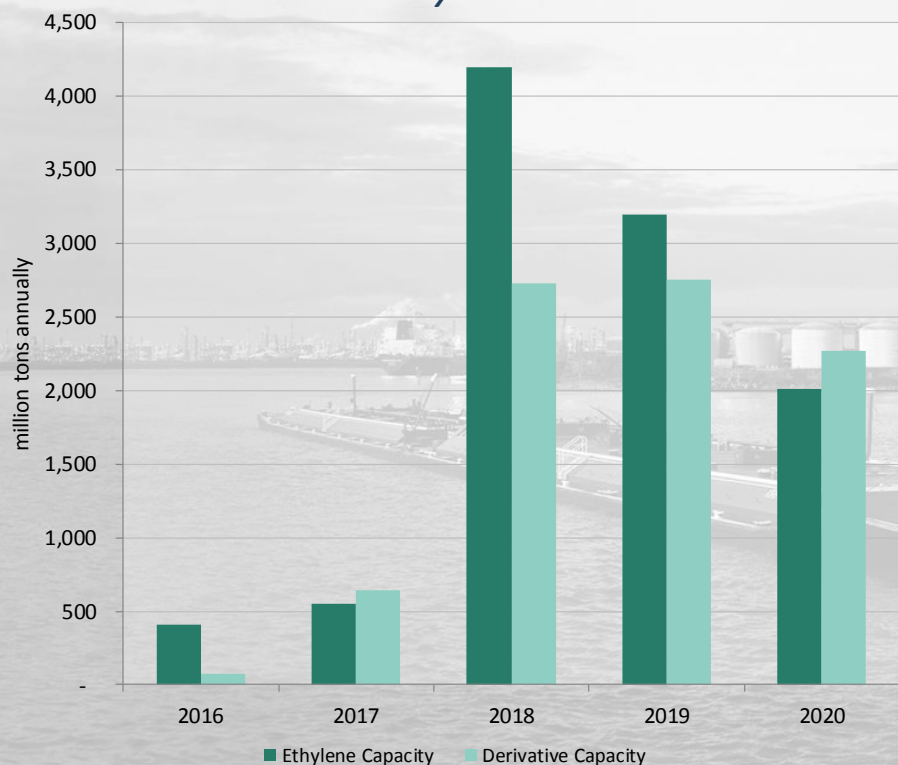
U.S. Ethylene Feedstock Forecast



Near-Term U.S. Ethylene and Derivative Capacity Additions

U.S. ethylene derivative capacity is expected to expand ~30% over the next 5 years

~40% of new derivatives are products that are moved by water



Notes: **Ethylbenzene** – 99% used to make styrene; **ethylene dichloride** – a key feedstock in the production of PVC; **ethylene oxide** is a gas used as a raw material for innumerable applications, including cosmetics, fibers, lubricants, paint thinners and plasticizers and, while not carried by barge, the derivatives, such as **ethylene glycol** are; **alpha olefins** are building block chemicals; **vinyl acetate monomer** is used as a feedstock chemical for glues, fabrics, gels, insulation, paints, safety glass and certain plastics

Source: Bernstein Research (with permission)
August 30, 2016