

KIRBY CORPORATION
Reconciliation of GAAP to Non-GAAP Financial Measures Excluding One-Time Items
(unaudited, \$ in millions except per share amounts)

2019	First Quarter 2019				Second Quarter 2019				Third Quarter 2019				YTD 2019			
	Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings	
			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share
GAAP earnings	\$ 72.1	\$ 58.3	\$ 44.3	\$ 0.74	\$ 75.8	\$ 62.7	\$ 47.3	\$ 0.79	\$ 77.9	\$ 64.5	\$ 48.0	\$ 0.80	\$ 225.8	\$ 185.5	\$ 139.6	\$ 2.32
<u>One-time items:</u>																
None	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Earnings, excluding one-time items ⁽¹⁾	\$ 72.1	\$ 58.3	\$ 44.3	\$ 0.74	\$ 75.8	\$ 62.7	\$ 47.3	\$ 0.79	\$ 77.9	\$ 64.5	\$ 48.0	\$ 0.80	\$ 225.8	\$ 185.5	\$ 139.6	\$ 2.32

2018	First Quarter 2018				Second Quarter 2018				Third Quarter 2018				Fourth Quarter 2018				Full Year 2018			
	Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings	
			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share
GAAP earnings (loss)	\$ 50.7	\$ 42.5	\$ 32.4	\$ 0.54	\$ 55.8	\$ 44.9	\$ 28.7	\$ 0.48	\$ 68.0	\$ 57.1	\$ 41.8	\$ 0.70	\$ (19.2)	\$ (30.3)	\$ (24.4)	\$ (0.41)	\$ 155.3	\$ 114.2	\$ 78.5	\$ 1.31
<u>One-time items:</u>																				
- Impairment of long-lived assets	-	-	-	-	-	-	-	-	-	-	-	-	85.1	85.1	67.2	1.12	85.1	85.1	67.2	1.12
- Impairment of goodwill	-	-	-	-	-	-	-	-	-	-	-	-	2.7	2.7	2.1	0.04	2.7	2.7	2.1	0.04
- Executive Chairman retirement	-	-	-	-	18.1	18.1	18.1	0.30	-	-	-	-	-	-	-	-	18.1	18.1	18.1	0.30
- Higman transaction fees & expenses	3.3	3.3	2.5	0.04	-	-	-	-	-	-	-	-	-	-	-	-	3.3	3.3	2.5	0.04
- Amendment to employee stock plan	3.9	3.9	3.0	0.05	-	-	-	-	-	-	-	-	-	-	-	-	3.9	3.9	3.0	0.05
Earnings, excluding one-time items ⁽¹⁾	\$ 57.9	\$ 49.7	\$ 37.9	\$ 0.63	\$ 73.9	\$ 63.0	\$ 46.8	\$ 0.78	\$ 68.0	\$ 57.1	\$ 41.8	\$ 0.70	\$ 68.6	\$ 57.5	\$ 44.9	\$ 0.75	\$ 268.4	\$ 227.3	\$ 171.4	\$ 2.86

2017	First Quarter 2017				Second Quarter 2017				Third Quarter 2017				Fourth Quarter 2017				Full Year 2017			
	Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings		Operating Income	Earnings Before Tax	Net Earnings	
			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share			Attr. Kirby	Diluted Earnings per Share
GAAP earnings (loss)	\$ 46.0	\$ 41.0	\$ 27.5	\$ 0.51	\$ 47.3	\$ 43.0	\$ 25.8	\$ 0.48	\$ 52.9	\$ 47.9	\$ 28.6	\$ 0.52	\$ (52.6)	\$ (58.9)	\$ 231.3	\$ 3.87	\$ 93.6	\$ 73.0	\$ 313.2	\$ 5.62
<u>One-time items:</u>																				
- US tax reform and deferred tax liability remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(269.4)	(4.51)	-	-	(269.4)	(4.83)
- Impairment of long-lived assets	-	-	-	-	-	-	-	-	-	-	-	-	105.7	105.7	67.0	1.12	105.7	105.7	67.0	1.20
Earnings, excluding one-time items ⁽¹⁾	\$ 46.0	\$ 41.0	\$ 27.5	\$ 0.51	\$ 47.3	\$ 43.0	\$ 25.8	\$ 0.48	\$ 52.9	\$ 47.9	\$ 28.6	\$ 0.52	\$ 53.1	\$ 46.8	\$ 28.9	\$ 0.48	\$ 199.3	\$ 178.7	\$ 110.8	\$ 1.99

Note: There were no one-time items identified in the first, second or third quarters of 2019, third quarter of 2018, or the first, second, or third quarters of 2017.

(1) Kirby uses certain non-GAAP financial measures to review performance excluding certain one-time items including: 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. 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.