

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): OCTOBER 27, 2004

KIRBY CORPORATION  
(Exact name of registrant as specified in its charter)

NEVADA 1-7615 74-1884980  
(State or other jurisdiction of (Commission File Number) (I.R.S. Employer  
incorporation or organization) Identification No.)

55 WAUGH DRIVE, SUITE 1000 77007  
HOUSTON, TEXAS (Zip Code)  
(Address of principal executive offices)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE:  
(713) 435-1000

Check the appropriate box below if the Form 8-K filing is intended to  
simultaneously satisfy the filing obligation of the registrant under any of the  
following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17  
CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR  
240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the  
Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the  
Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On October 27, 2004, Kirby Corporation ("Kirby") issued a press release  
announcing earnings for the three months and nine months ended September 30,  
2004. A copy of the press release is attached as Exhibit 99.1 to this report.

EBITDA, a non-GAAP financial measure, is used in the press release. Kirby  
defines EBITDA as net earnings before interest expense, taxes on income,  
depreciation and amortization. Kirby has historically evaluated its operating  
performance using numerous measures, one of which is EBITDA. EBITDA is  
presented because of its wide acceptance as a financial indicator. 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. A quantitative  
reconciliation of EBITDA to GAAP net earnings for the 2004 and 2003 third  
quarters and first nine months is included in the press release.

Item 9.01. Financial Statements and Exhibits  
(c) Exhibits:  
99.1 Press release dated October 27, 2004

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
Registrant has duly caused this report to be signed on its behalf by the  
undersigned thereunto duly authorized.

KIRBY CORPORATION  
(Registrant)

By: /s/ NORMAN W. NOLEN

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Norman W. Nolen  
Executive Vice President, Treasurer  
and Chief Financial Officer

Dated: October 28, 2004

EXHIBIT INDEX

Exhibit 99.1 Press release dated October 27, 2004

KIRBY CORPORATION

CONTACT: STEVE HOLCOMB  
713-435-1135

FOR IMMEDIATE RELEASE  
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KIRBY CORPORATION ANNOUNCES  
2004 THIRD QUARTER AND NINE MONTHS RESULTS

- EARNINGS PER SHARE FOR THE 2004 THIRD QUARTER INCREASED TO \$.53 FROM \$.46 IN THE 2003 THIRD QUARTER AND TO \$1.44 FOR THE FIRST NINE MONTHS OF 2004 FROM \$1.22 IN THE 2003 FIRST NINE MONTHS
- 2004 THIRD QUARTER AND FIRST NINE MONTHS RESULTS WERE NEGATIVELY IMPACTED BY HURRICANE IVAN, HIGHER FUEL COSTS, CLOSURE FOR REPAIR OF A MAJOR LOCK ON THE OHIO RIVER AND SALE OF A 50% OWNED LIQUID PRODUCTS TERMINAL
- 2004 FOURTH QUARTER EARNINGS PER SHARE GUIDANCE IS \$.50 TO \$.54 COMPARED WITH \$.45 IN THE 2003 FOURTH QUARTER
- 2004 YEAR EARNINGS PER SHARE GUIDANCE INCREASED TO \$1.94 TO \$1.98 VERSUS \$1.67 EARNED IN THE 2003 YEAR

HOUSTON, TEXAS (OCTOBER 27, 2004) - Kirby Corporation ("Kirby") (NYSE:KEX) today announced net earnings for the third quarter ended September 30, 2004 of \$13,250,000, or \$.53 per share, an 18% improvement compared with \$11,211,000, or \$.46 per share, for the third quarter of 2003. The 2004 third quarter net earnings were in line with Kirby's published earnings guidance range of \$.50 to \$.54 per share. Consolidated revenues for the 2004 third quarter were \$173,389,000, a 12% increase compared with \$154,507,000 for the 2003 third quarter.

Kirby reported record net earnings for the first nine months of 2004 of \$36,048,000, or \$1.44 per share, a 21% increase compared with \$29,868,000, or \$1.22 per share, for the first nine months of 2003. Consolidated revenues for the first nine months of 2004 were \$501,580,000, a 9% increase compared with \$461,446,000 for the first nine months of 2003.

Marine transportation revenues and operating income for the 2004 third quarter increased 14% and 25%, respectively, compared with the third quarter of 2003. For the first nine months of 2004, marine transportation revenues and operating income increased 10% and 20%, respectively, when compared with the first nine months of 2003. The favorable results reflected strong petrochemical volumes as customers continued to run their plants

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at high utilization rates. Black oil volumes were strong, driven by high volumes of heavy refinery residual oil by-products, and refined products volumes reflected typical Midwest summer demand. Agricultural chemical volumes remained weak despite low Midwest inventory levels.

The marine transportation 2004 third quarter and first nine months results were impacted by the following:

- HURRICANE IVAN - Made landfall near Gulf Shores, Alabama on September 16 and resulted in customer petrochemical plant and refinery closures, diversion of marine equipment and closure of the Gulf Intracoastal Waterway along the projected path of the storm. The initial projected path was from New Orleans to the Florida panhandle. Hurricane Ivan impacted the inland marine operations, as well as the operations of the 35% owned offshore partnership with a Florida utility, lowering Kirby's results by an estimated \$.02 per share.
- DIESEL FUEL - The average price per gallon of diesel fuel consumed increased to \$1.16 for the 2004 third quarter compared with \$1.00 for the first six months of 2004. Higher fuel prices lowered Kirby's results by an estimated \$.01 per share.

- MCALPINE LOCK CLOSURE - Major lock on the Ohio River closed for repair for 12 days in August, stopping all waterborne traffic with a destination upriver of Louisville, Kentucky, including Cincinnati and Pittsburgh. The closure of the lock lowered Kirby's results by an estimated \$.01 per share, less than initially forecasted.
- SALE OF LIQUID PRODUCTS TERMINAL - Sale of the 50% owned Shreveport, La. terminal resulting in a third quarter 2004 loss on the sale of \$.015 per share. This loss is reflected in equity in earnings of marine affiliates.

The diesel engine services segment's third quarter 2004 revenues were in line with the 2003 third quarter revenues. Operating income improved by 7%, principally from increased sales of higher margin power generation parts. The segment's Midwest dry cargo river market was enhanced with the April 2004 purchase of the diesel engine services operations of Walker Paducah Corp. The segment's power generation market benefited from direct parts sales to a major power customer, while the rail market benefited from overall strong direct parts sales. The Gulf Coast offshore oil service market, and East Coast and West Coast marine markets remained weak, thereby negatively affecting the segment's 2004 third quarter results.

Equity in earnings of marine affiliates for the 2004 third quarter was a loss of \$782,000, and included the loss on the sale of the terminal and the negative impacts on the Company's 35% owned offshore partnership from Hurricanes Ivan, Frances and Jeanne.

Joe Pyne, Kirby's President and Chief Executive Officer, commented, "Despite some challenges in the third quarter with respect to hurricanes, fuel, lock closures and the sale of the terminal, business levels allowed us to continue to perform well. Had it not been

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for these challenges, we would have been comfortably above the high end of our forecasted range. We are forecasting net earnings for the 2004 fourth quarter in the \$.50 to \$.54 per share range. This guidance compares with net earnings of \$.45 per share reported for the 2003 fourth quarter. Our 2004 fourth quarter guidance range is based on firm petrochemical and black oil volumes, normal winter upriver refined products volumes, stronger imported agricultural chemical volumes and increased delay days resulting from anticipated winter weather conditions."

Mr. Pyne further commented, "For the 2004 year, Kirby's earnings per share guidance is \$1.94 to \$1.98. This guidance compares with 2003 year earnings per share of \$1.67. Capital spending guidance for 2004 has been revised to \$90 to \$93 million from \$85 to \$90 million and includes approximately \$42.5 million for the construction of 16 new 30,000 barrel petrochemical tank barges and 10 new 30,000 barrel black oil tank barges. The increased capital spending guidance reflects higher steel prices, progress payments on barges scheduled for delivery in 2005 and the timing of capital upgrades on existing equipment."

This earnings press release includes marine transportation performance measures for both the 2004 and 2003 third quarters and first nine months. The performance measures include ton miles, revenues per ton mile, towboats operated and delay days. Comparable performance measures for the 2003 and 2002 years and quarters are available at Kirby's web site under the caption Performance Measurements in the Investor Relations section. Kirby's homepage can be accessed by visiting [www.kirbycorp.com](http://www.kirbycorp.com).

A conference call is scheduled at 9:00 a.m. central time tomorrow, Thursday, October 28, 2004, to discuss the 2004 third quarter and first nine months, and the outlook for the 2004 fourth quarter and full year. The conference call number is 888-328-2514 for domestic callers and 706-679-3262 for international callers. The leader's name is Steve Holcomb. An audio playback will be available at approximately 11:00 a.m. central time on October 29 through 6:00 p.m. on Friday, November 26, 2004, by dialing 800-642-1687 for domestic callers and 706-645-9291 for international callers. The conference ID number is 1755171. The conference call can also be accessed by visiting Kirby's homepage at <http://www.kirbycorp.com/> or at <http://audioevent.mshow.com/191510>. A replay

will be available on each of those web sites following the conference call.

The financial and other information to be discussed in the conference call is available in this press release and in a Form 8-K filed with the Securities and Exchange Commission. This press release and the Form 8-K include a non-GAAP financial measure, EBITDA, which Kirby defines as net earnings before interest expense, taxes on income, depreciation and amortization. A reconciliation of EBITDA for the 2004 and 2003 third quarters and first nine months with GAAP net earnings for the same periods is included in the Condensed Consolidated Financial Information in this press release.

Kirby Corporation, based in Houston, Texas, operates inland tank barges and towing vessels, transporting petrochemicals, black oil products, refined petroleum products and agricultural chemicals throughout the United States inland waterway system. Through the diesel engine services segment, Kirby provides after-market service for large

medium-speed diesel engines used in marine, power generation and industrial, and railroad applications.

Statements contained in this press release 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 the number of acquisitions made by Kirby. A listing of additional risk factors can be found in Kirby's annual report on Form 10-K for the year ended December 31, 2003, filed with the Securities and Exchange Commission.

CONFERENCE CALL INFORMATION

DATE: THURSDAY, OCTOBER 28, 2004  
 TIME: 9:00 A.M. CENTRAL TIME  
 U.S.: 888-328-2514  
 INT'L: 706-679-3262  
 LEADER: STEVE HOLCOMB  
 PASSCODE: KIRBY  
 WEBCAST: [HTTP://WWW.KIRBYCORP.COM/](http://www.kirbycorp.com/) OR [HTTP://AUDIOEVENT.MSHOW.COM/191510](http://audioevent.mshow.com/191510)  
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A summary of the results for the third quarter and first nine months follows:

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
(unaudited, \$ in thousands except per share amounts)				
Revenues:				
Marine transportation . . . . .	\$ 153,114	\$134,396	\$ 437,672	\$396,617
Diesel engine services . . . . .	20,275	20,111	63,908	64,829
	173,389	154,507	501,580	461,446
Costs and expenses:				
Costs of sales and operating expenses . . . . .	108,690	98,800	320,008	300,804
Selling, general and administrative . . . . .	21,331	18,069	60,775	54,381
Taxes, other than on income . . . . .	3,398	3,385	10,800	9,921
Depreciation and other amortization . . . . .	14,015	13,369	41,403	38,495
Loss (gain) on disposition of assets . . . . .	43	(71)	241	62
	147,477	133,552	433,227	403,663

Operating income . . . . .	25,912	20,955	68,353	57,783
Equity in earnings (loss) of marine affiliates . . . . .	(782)	1,022	534	2,209
Other expense . . . . .	(415)	(134)	(737)	(736)
Interest expense . . . . .	(3,344)	(3,761)	(10,008)	(11,082)
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Earnings before taxes on income . . . . .	21,371	18,082	58,142	48,174
Provision for taxes on income . . . . .	(8,121)	(6,871)	(22,094)	(18,306)
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Net earnings . . . . .	\$ 13,250	\$ 11,211	\$ 36,048	\$ 29,868
	=====	=====	=====	=====
Net earnings per share of common stock:				
Basic . . . . .	\$ .54	\$ .46	\$ 1.48	\$ 1.24
Diluted . . . . .	\$ .53	\$ .46	\$ 1.44	\$ 1.22
Common stock outstanding (in thousands):				
Basic . . . . .	24,507	24,166	24,435	24,112
Diluted . . . . .	25,190	24,545	25,066	24,429

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
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	(UNAUDITED, \$IN THOUSANDS EXCEPT PER SHARE AMOUNTS)			
EBITDA: (1)				
Net earnings . . . . .	\$ 13,250	\$ 11,211	\$ 36,048	\$ 29,868
Interest expense . . . . .	3,344	3,761	10,008	11,082
Provision for taxes on income . . . . .	8,121	6,871	22,094	18,306
Depreciation and other amortization . . . . .	14,015	13,369	41,403	38,495
	-----	-----	-----	-----
	\$ 38,730	\$ 35,212	\$ 109,553	\$ 97,751
	=====	=====	=====	=====
EBITDA per share - diluted (1) . . . . .	\$ 1.54	\$ 1.43	\$ 4.37	\$ 4.00
Capital expenditures . . . . .	\$ 19,750	\$ 14,464	\$ 75,810	\$ 52,187
Acquisitions of businesses and marine equipment . . . . .	\$ -	\$ -	\$ 11,085	\$ 37,816
			SEPTEMBER 30,	
			-----	-----
			2004	2003
			-----	-----
			(UNAUDITED, \$IN THOUSANDS)	
Long-term debt, including current portion . . . . .			\$ 251,397	\$ 270,049
Stockholders' equity . . . . .			\$ 414,634	\$ 356,590
Debt to capitalization ratio . . . . .			37.7%	43.1%

MARINE TRANSPORTATION STATEMENTS OF EARNINGS

	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
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	(UNAUDITED, \$IN THOUSANDS)			
Marine transportation revenues . . . . .	\$ 153,114	\$ 134,396	\$ 437,672	\$ 396,617
	-----	-----	-----	-----
Costs and expenses:				
Costs of sales and operating expenses . . . . .	93,579	83,492	272,626	251,713
Selling, general and administrative . . . . .	16,887	14,216	47,619	42,836
Taxes, other than on income . . . . .	3,293	3,206	10,475	9,450
Depreciation and other amortization . . . . .	13,286	12,654	39,148	36,304
	-----	-----	-----	-----
	127,045	113,568	369,868	340,303
	-----	-----	-----	-----
Operating income . . . . .	\$ 26,069	\$ 20,828	\$ 67,804	\$ 56,314
	=====	=====	=====	=====
Operating margins . . . . .	17.0%	15.5%	15.5%	14.2%

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DIESEL ENGINE SERVICES STATEMENTS OF EARNINGS

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	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
	(UNAUDITED, \$IN THOUSANDS)			
Diesel engine services revenues . . . . .	\$ 20,275	\$ 20,111	\$ 63,908	\$ 64,829
Costs and expenses:				
Costs of sales and operating expenses . . .	15,102	15,246	47,269	48,951
Selling, general and administrative . . . .	3,041	2,859	9,092	8,607
Taxes, other than income . . . . .	95	81	268	241
Depreciation and amortization . . . . .	264	272	883	788
	18,502	18,458	57,512	58,587
Operating income . . . . .	\$ 1,773	\$ 1,653	\$ 6,396	\$ 6,242
Operating margins . . . . .	8.7%	8.2%	10.0%	9.6%

OTHER COSTS AND EXPENSES

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	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
	(UNAUDITED, \$IN THOUSANDS)			
General corporate expenses . . . . .	\$ 1,887	\$ 1,597	\$ 5,606	\$ 4,711
Loss (gain) on disposition of assets . . . .	\$ 43	\$ (71)	\$ 241	\$ 62

MARINE TRANSPORTATION PERFORMANCE MEASUREMENTS

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	THIRD QUARTER		NINE MONTHS	
	2004	2003	2004	2003
Ton Miles (in millions) (2) . . . . .	4,238	4,021	12,294	11,467
Revenue/Ton Mile (cents/tm) (3) . . . . .	3.6	3.3	3.6	3.5
Towboats operated (average) (4) . . . . .	237	222	235	226
Delay Days (5) . . . . .	1,658	1,001	5,839	4,852
Average cost per gallon of fuel consumed . . .	\$ 1.16	\$ .86	\$ 1.04	\$ .89
Tank barges:				
Active . . . . .			888	882
Inactive . . . . .			49	70
Barrel capacities (in millions):				
Active . . . . .			16.4	16.0
Inactive . . . . .			.9	1.3

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(1) Kirby has historically evaluated its operating performance using numerous measures, one of which is EBITDA, a non-GAAP financial measure. Kirby defines EBITDA as net earnings before interest expense, taxes on income, depreciation and amortization. EBITDA is presented because of its wide acceptance as a financial indicator. 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. EBITDA is not a

calculation 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.

- (2) Ton miles indicate fleet productivity by measuring the distance (in miles) a loaded tank barge is moved. Example: A typical 30,000 barrel tank barge loaded with 3,300 tons of liquid cargo is moved 100 miles, thus generating 330,000 ton miles.
- (3) Marine transportation revenues divided by ton miles. Example: Third quarter 2004 revenues of \$153,114,000 divided by 4,238,000,000 ton miles = 3.6 cents.
- (4) Towboats operated are the average number of owned and chartered towboats operated during the period.
- (5) Delay days measures the lost time incurred by a tow (towboat and tank barges) during transit. The measure includes transit delays caused by weather, lock congestion and other navigational factors.

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