

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): July 28, 2004

Kirby Corporation  
(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

74-1884980  
(I.R.S. Employer  
Identification No.)

55 Waugh Drive, Suite 1000  
Houston, Texas  
(Address of principal executive offices)

77007  
(Zip Code)

Registrant's telephone number, including area code:  
(713) 435-1000

- Item 7. Financial Statements and Exhibits  
(c) Exhibits:  
99.1 Press release dated July 28, 2004

Item 12. Results of Operations and Financial Condition

On July 28, 2004, Kirby Corporation ("Kirby") issued a press release announcing earnings for the three months and six months ended June 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 second quarters and first six months is included in the press release.

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

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

Dated: July 29, 2004

EXHIBIT INDEX

Exhibit 99.1 Press release dated July 28, 2004



KIRBY

KIRBY CORPORATION

Contact: Steve Holcomb  
713-435-1135

FOR IMMEDIATE RELEASE  
-----

KIRBY CORPORATION ANNOUNCES RECORD  
2004 SECOND QUARTER AND SIX MONTHS RESULTS

- 2004 second quarter earnings per share were \$.55 compared with \$.48 earned in the 2003 second quarter
- 2004 first six months earnings per share were \$.91 compared with \$.77 per share earned in the 2003 first six months
- 2004 third quarter earnings per share guidance is \$.50 to \$.54 versus \$.46 earned in the 2003 third quarter
- 2004 year earnings per share guidance tightened to \$1.90 to \$1.95 versus \$1.67 earned in the 2003 year

Houston, Texas (July 28, 2004) - Kirby Corporation ("Kirby") (NYSE:KEX) today announced record net earnings for the second quarter ended June 30, 2004 of \$13,778,000, or \$.55 per share, compared with \$11,789,000, or \$.48 per share, for the second quarter of 2003. The 2004 second quarter net earnings were slightly above Kirby's published earnings guidance range of \$.50 to \$.54 per share. Consolidated revenues for the 2004 second quarter were \$170,876,000 compared with \$158,739,000 for the 2003 second quarter.

Kirby reported record net earnings for the first six months of 2004 of \$22,798,000, or \$.91 per share, compared with \$18,657,000, or \$.77 per share, for the first six months of 2003. Consolidated revenues for the first six months of 2004 were \$328,191,000 compared with \$306,939,000 for the first half of 2003.

Marine transportation revenues increased 9% for the 2004 second quarter compared with the second quarter of 2003, while operating income increased 14% during the same period. For the first six months of 2004, marine transportation revenues increased 9% and operating income increased 18% when compared with the 2003 first half. The favorable results were attributable to strong petrochemical and black oil products volumes, and normal seasonal refined products volumes, offset to some degree by weak liquid fertilizer volumes.

Page 1 of 6

The diesel engine services segment's second quarter 2004 revenues and operating income were slightly above 2003 second quarter levels. During the 2004 second quarter, the Midwest dry cargo river market continued to improve and its operations were enhanced with the April 2004 purchase of the diesel engine services operations of Walker Paducah. The segment's rail market benefited from several large orders from transit customers during the 2004 second quarter. A continued weak Gulf Coast offshore oil service market, as well as weak East Coast and West Coast marine markets, negatively affected the segment's 2004 second quarter results.

Joe Pyne, Kirby's President and Chief Executive Officer, commented, "We are encouraged by the continued improvement in our petrochemical and black oil products markets. The petrochemical and black oil markets contributed 68% and 18%, respectively, of our 2004 first half marine transportation revenues. We are forecasting net earnings for the 2004 third quarter in the \$.50 to \$.54 per share range. This guidance compares with net earnings of \$.46 per share reported for the 2003 third quarter. Our 2004 third quarter guidance is based on similar petrochemical and black oil volumes, as well as a normal refined products market and an improved liquid fertilizer market. The third quarter will be negatively impacted by the closure of the McAlpine lock on the Ohio River for major repairs for approximately two weeks in August. The lock closure will stop all waterborne traffic on the Ohio River with a destination upriver of Louisville, Kentucky, including Cincinnati and Pittsburgh. We estimate the impact of the McAlpine lock closure on the 2004 third quarter results will be approximately \$.02 to \$.03 per share."

Mr. Pyne further commented, "For the 2004 year, we are tightening our earnings guidance to \$1.90 to \$1.95 per share. This guidance compares with 2003 year net earnings of \$1.67 per share. Capital spending guidance for 2004 remains in the \$85 to \$90 million range and includes approximately \$41 million for the construction of 16 new 30,000 barrel petrochemical tank barges and 10 new 30,000 barrel black oil tank barges."

This earnings press release includes marine transportation performance measures for both the 2004 and 2003 second quarters and first six 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, July 29, 2004, to discuss the 2004 second quarter and first six months, and the outlook for the 2004 third 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 July 29 through 6:00 p.m. on Friday, August 27, 2004, by dialing 800-642-1687 for domestic callers and 706-645-9291 for international callers. The conference ID number is 8949236. The conference call can also be accessed by visiting Kirby's homepage at <http://www.kirbycorp.com/> or at <http://audioevent.mshow.com/178187>. A replay

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

Page 2 of 6

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 second quarters and first six 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, July 29, 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/> or <http://audioevent.mshow.com/178187>  
-----

Page 3 of 6

A summary of the results for the second quarter and first six months follows:

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

	Second Quarter		Six Months	
	2004	2003	2004	2003
(unaudited, \$ in thousands except per share amounts)				
Revenues:				
Marine transportation . . . . .	\$149,065	\$137,156	\$284,558	\$262,221
Diesel engine services . . . . .	21,811	21,583	43,633	44,718
	170,876	158,739	328,191	306,939
Costs and expenses:				
Costs of sales and operating expenses . . . . .	108,391	101,153	211,318	202,004
Selling, general and administrative . . . . .	19,479	18,751	39,444	36,312
Taxes, other than on income . . . . .	4,150	3,485	7,402	6,536
Depreciation and other amortization . . . . .	13,591	12,894	27,388	25,126
Loss on disposition of assets . . . . .	196	126	198	133
	145,807	136,409	285,750	270,111
Operating income . . . . .	25,069	22,330	42,441	36,828
Equity in earnings of marine affiliates . . . . .	494	751	1,316	1,187
Other expense . . . . .	(51)	(199)	(322)	(602)
Interest expense . . . . .	(3,290)	(3,867)	(6,664)	(7,321)
Earnings before taxes on income . . . . .	22,222	19,015	36,771	30,092
Provision for taxes on income . . . . .	(8,444)	(7,226)	(13,973)	(11,435)
Net earnings . . . . .	\$ 13,778	\$ 11,789	\$ 22,798	\$ 18,657
Net earnings per share of common stock:				
Basic . . . . .	\$ .56	\$ .49	\$ .93	\$ .77
Diluted . . . . .	\$ .55	\$ .48	\$ .91	\$ .77
Common stock outstanding (in thousands):				
Basic . . . . .	24,434	24,105	24,392	24,084
Diluted . . . . .	25,093	24,412	25,003	24,370

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

	Second Quarter		Six Months	
	2004	2003	2004	2003
(unaudited, \$ in thousands except per share amounts)				
EBITDA: (1)				
Net earnings . . . . .	\$ 13,778	\$ 11,789	\$ 22,798	\$ 18,657
Interest expense . . . . .	3,290	3,867	6,664	7,321
Provision for taxes on income . . . . .	8,444	7,226	13,973	11,435
Depreciation and other amortization . . . . .	13,591	12,894	27,388	25,126
	\$ 39,103	\$ 35,776	\$ 70,823	\$ 62,539
EBITDA per share - diluted (1) . . . . .	\$ 1.56	\$ 1.47	\$ 2.83	\$ 2.57
Capital expenditures . . . . .	\$ 32,013	\$ 18,971	\$ 56,060	\$ 37,723
Acquisitions of businesses and marine equipment . . . . .	\$ 9,975	\$ 1,500	\$ 11,085	\$ 37,816

June 30,

	2004	2003
(unaudited, \$ in thousands)		
Long-term debt, including current portion . . . . .	\$251,453	\$295,133
Stockholders' equity . . . . .	\$402,622	\$343,026
Debt to capitalization ratio . . . . .	38.4%	46.2%

## MARINE TRANSPORTATION STATEMENTS OF EARNINGS

	Second Quarter		Six Months	
	2004	2003	2004	2003
	(unaudited, \$in thousands)			
Marine transportation revenues . . . . .	\$ 149,065	\$137,156	\$284,558	\$262,221
Costs and expenses:				
Costs of sales and operating expenses . . . . .	92,081	85,050	179,047	168,221
Selling, general and administrative . . . . .	15,228	14,837	30,732	28,620
Taxes, other than on income . . . . .	4,049	3,342	7,182	6,244
Depreciation and other amortization . . . . .	12,846	12,145	25,862	23,650
	124,204	115,374	242,823	226,735
Operating income . . . . .	\$ 24,861	\$ 21,782	\$ 41,735	\$ 35,486
Operating margins . . . . .	16.7%	15.9%	14.7%	13.5%

## DIESEL ENGINE SERVICES STATEMENTS OF EARNINGS

	Second Quarter		Six Months	
	2004	2003	2004	2003
	(unaudited, \$in thousands)			
Diesel engine services revenues . . . . .	\$ 21,811	\$ 21,583	\$ 43,633	\$ 44,718
Costs and expenses:				
Costs of sales and operating expenses . . . . .	16,233	16,076	32,167	33,705
Selling, general and administrative . . . . .	3,017	2,994	6,051	5,748
Taxes, other than income . . . . .	91	77	173	160
Depreciation and amortization . . . . .	286	264	619	516
	19,627	19,411	39,010	40,129
Operating income . . . . .	\$ 2,184	\$ 2,172	\$ 4,623	\$ 4,589
Operating margins . . . . .	10.0%	10.1%	10.6%	10.3%

## OTHER COSTS AND EXPENSES

	Second Quarter		Six Months	
	2004	2003	2004	2003
	(unaudited, \$in thousands)			
General corporate expenses . . . . .	\$ 1,780	\$ 1,498	\$ 3,719	\$ 3,114
Loss on disposition of assets . . . . .	\$ 196	\$ 126	\$ 198	\$ 133

MARINE TRANSPORTATION PERFORMANCE MEASUREMENTS

	Second Quarter		Six Months	
	2004	2003	2004	2003
Ton Miles (in millions) (2) . . . . .	4,321	3,991	8,056	7,446
Revenue/Ton Mile (cents/tm) (3) . . . . .	3.5	3.4	3.5	3.5
Towboats operated (average) (4) . . . . .	237	226	234	228
Delay Days (5) (5) . . . . .	1,822	1,268	4,181	3,851
Average cost per gallon of fuel consumed. . . . \$	1.01	.81	1.00	.91
Tank barges:				
Active. . . . .			887	897
Inactive. . . . .			43	76
Barrel capacities (in millions):				
Active. . . . .			16.3	16.3
Inactive. . . . .			.8	1.4

<FN>

- 
- (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: Second quarter 2004 revenues of \$149,065,000 divided by 4,321,000,000 ton miles = 3.5 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.