1Q 2022

Earnings Conference Call

April 28, 2022

KIRBY

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 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 number of acquisitions made by Kirby, and the impact of the COVID-19 pandemic and the related response of governments on global and regional market conditions. 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, 2021.

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: Adjusted 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 as a result of uncertainty surrounding the impact of the COVID-19 pandemic on global and regional market conditions. 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 in the Investor Relations section under Financials.

1Q 2022 Overview

Financial Summary

$ millions except earnings (loss) per share	1Q 2022	1Q 2021	Variance	%	4Q 2021	Variance	%
Revenues	$ 610.8	$ 496.9	$ 113.9	23%	$ 591.3	$ 19.5	3%
Operating income	29.7	3.2	26.5	828%	31.6	(1.9)	-6%
Net earnings (loss) attributable to Kirby	17.4	(3.4)	20.8	612%	11.0	6.4	58%
Earnings (loss) per share	0.29	(0.06)	0.35	583%	0.18	0.11	61%
Excluding one-time items:							
Operating income	29.7	3.2	26.5	828%	31.6	(1.9)	-6%
Net earnings (loss) attributable to Kirby[1]	17.4	(3.4)	20.8	612%	16.7	0.7	4%
Earnings (loss) per share[1]	0.29	(0.06)	0.35	583%	0.27	0.02	7%

- Results reflected improved market fundamentals in marine transportation and distribution and services
- Marine transportation significantly impacted by the COVID-19 Omicron variant
  - Total earnings impact of approximately $0.10 per share
- Supply chain constraints delayed sales in distribution and services

Note: For more information, see the Reconciliation of GAAP to Non-GAAP Financial Measures Excluding One-Time Items on Kirby's website at www.kirbycorp.com in the Investor Relations section under Financials.

1 Fourth quarter 2021 net earnings attributable to Kirby and earnings per share exclude a deferred tax provision related to a change in Louisiana state tax law totaling $5.7 million or $0.09 per share.

Marine Transportation – 1Q Overview

Market fundamentals improving, but Omicron impacted earnings by ~$0.10 per share

Inland

- Improved market conditions
  - Spot market rates increased sequentially and year-on-year
  - Term contracts renewed higher
- COVID-19 Omicron variant negatively impacted operations in January and February
  - Modest reductions in customer volumes and a decline in barge utilization into the mid-80% range
  - Crewing challenges contributed to lost revenue and increased costs
- Significant market improvement with barge utilization improving to above 90% since mid-March
- 1Q operating margins in the high single digits with notable improvement to the low double digits in March

Coastal

- Market conditions were modestly improved
- Barge utilization improved into the low 90% range
- Impacted by the Omicron variant and reduced coal shipments in the dry cargo business

Kirby Offshore Wind

Kirby announces new offshore wind partnership with Maersk under 20-year framework agreement

- Under the 20-year framework agreement:
  - Kirby will provide barge transportation services for offshore wind towers and turbines to Maersk Supply Service
  - First project is Empire Offshore Wind, a joint venture between Equinor and bp off the coast of New York
- Capital investment: $80-100 million for two feeder barge and diesel-electric hybrid tugboat units
- Each feeder barge will have the capacity to transport next-generation turbines of 15 megawatt and greater
- Operations are expected to commence in late 2025 or early 2026

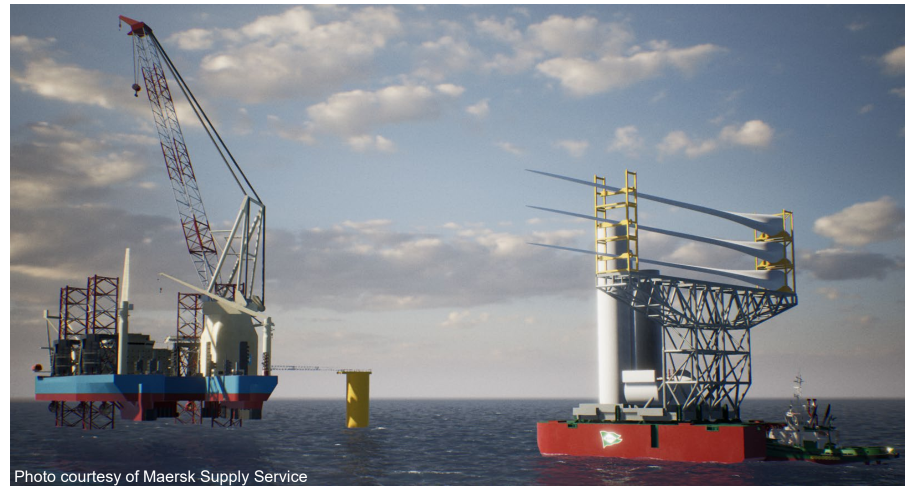

Photo courtesy of Maersk Supply Service

EMPIRE WIND

- 80,000 Acres of Coverage
- 15-30 Miles South of Long Island
- 130+ Wind Turbines
- 2.1 GW of Renewable Energy
- 1,000,000 New York Homes Powered

Source: www.empirewind.com

For more information, please visit www.kirbycorp.com/kirby-offshore-wind

Distribution & Services – 1Q Overview

Strong markets drive sequential and year-on-year growth in revenue and operating margin

Oil and Gas

- Favorable commodity prices with increased rig count and completions activity
- Strong demand for new transmissions and parts in distribution
- Manufacturing backlog continued to increase with new orders for environmentally friendly pressure pumping and power generation equipment
- Supply chain issues delayed new equipment deliveries in manufacturing

Commercial and Industrial

- Solid demand across the commercial and industrial market
- Sequential and year-on-year growth in marine repair and on-highway
- Sequentially reduced Thermo King revenue and operating income due to supply chain issues

Marine Transportation

1Q 2022 Financial Summary

$ millions	1Q 2022	1Q 2021	Variance	%	4Q 2021	Variance	%
Revenue	$ 355.5	$ 301.0	$ 54.5	18%	$ 350.6	$ 4.9	1%
Operating income	16.9	1.9	15.0	789%	25.7	(8.8)	-34%
Operating margin	4.8%	0.6%	4.2%		7.3%	-2.5%	

- **Inland**
  - Contributed 78% of marine transportation revenues with average barge utilization in the mid-80% range
  - Term contracts represented ~65% of revenue with ~58% attributed to time charters
  - Spot market rates increased in the mid-single digits sequentially and 15% to 20% year-on-year
  - Term contracts renewed up in the high single digits on average compared to a year ago
  - Operating margin in the high single digits impacted by the Omicron variant, inflationary cost pressures, and rapid fuel cost increases that could not be immediately passed on to term contract customers

- **Coastal**
  - Contributed 22% of marine transportation revenues with average barge utilization in the low 90% range
  - Term contracts represented ~80% of revenue with ~90% attributed to time charters
  - Term contracts and spot market rates both increased in the mid-single digits
  - Operating margin in the negative mid-single digits impacted by the Omicron variant

Barge Construction and Retirements

1Q 2022 Update and FY 2022 Outlook

Inland	1Q 2022		FY 2022 (estimated)	
(barrels in millions)	**Barges**	**Barrels**	**Barges**	**Barrels**
Beginning of period	1,025	22.9	1,025	22.9
Additions:				
Reactivations	-	-	9	0.1
Reductions:				
Retirements	-	-	-	-
End of period	1,025	22.9	1,034	23.0

Coastal	1Q 2022		FY 2022 (estimated)	
(barrels in millions)	**Barges**	**Barrels**	**Barges**	**Barrels**
Beginning of period	31	3.1	31	3.1
Reductions:				
Sold	(1)	-	(1)	-
End of period	30	3.1	30	3.1

Distribution & Services

1Q 2022 Financial Summary

$ millions	1Q 2022	1Q 2021	Variance	%	4Q 2021	Variance	%
Revenue	$ 255.2	$ 195.9	$ 59.3	30%	$ 240.7	$ 14.5	6%
Operating income	11.0	2.9	8.1	279%	7.5	3.5	47%
Operating margin	4.3%	1.5%	2.8%		3.1%	1.2%	

- **Oil and Gas**
  - Revenues up 71% year-on-year and 20% sequentially due to increased demand for transmissions and parts in distribution, as well as increased manufacturing orders and deliveries of environmentally friendly pressure pumping and e-frac power generation equipment
  - Represented 42% of segment revenue
  - Operating margin in the low single digits

- **Commercial and Industrial**
  - Revenues up 11% year-on-year due to improved demand in marine repair and on-highway
  - Revenues down 2% sequentially due to supply chain constraints in Thermo King, partially offset by increased activity in marine and on-highway repair
  - Represented 58% of segment revenue
  - Operating margin in the mid-to high single digits

Balance Sheet, Capital Expenditures, and Liquidity

As of March 31, 2022

Total Debt	Cash and Cash Equivalents	Available Liquidity
$1.15B	**$32M**	**$886M**

- **1Q 2022 Results**
  - Net cash provided by operating activities: $32 million
  - Proceeds from retired asset sales: $14 million
  - Capital expenditures: $35 million
  - Debt repayments: $9 million

- **2022 Guidance**
  - 2022 cash flow from operations: $420 million to $480 million
  - 2022 capital expenditures: $170 to $190 million

Free cash flow* generation of $230 to $310 million expected in 2022

* Free cash flow is defined as net cash provided by operating activities less capital expenditures

Marine Transportation – FY 2022 Outlook

A strong inland barge market is expected to drive improved financial results

- **Inland**
  - Expecting a strong market driven by favorable refinery and chemical plant utilization, increased volumes, and minimal new barge construction
  - Barge utilization expected to be at or modestly above 90%
  - Improved spot market dynamics and pricing expected to continue
  - Term contracts are expected to continue to reset to reflect improved market conditions
  - Increased fuel costs resulting in higher rebill revenue with minimal associated operating margin
  - Inflationary pressures expected to be a near-term margin headwind until contractual escalation clauses reset
  - Full year revenue growth of 15% to 20%
  - In the absence of further inflationary headwinds, near-term operating margins expected to be in the low double digits with gradual improvement as the year progresses
- **Coastal**
  - Market expected to modestly improve going forward but remain challenged by underutilized industry capacity
  - Barge utilization expected to be in the 90% range
  - Full year revenues are expected to decline in the low single digits due Hawaii exit and reduced coal shipments
  - Increased shipyard activity expected to start in 2Q and continue through 4Q
  - Operating margins expected to range in the negative low single digits with improvement to near breakeven as the year progresses

Distribution & Services – FY 2022 Outlook

Anticipate strong markets will lead to material growth in revenue and operating income

- **Oil and Gas**
  - Favorable oil prices expected to drive continued improvement in U.S. rig and frac activity
  - Seeing robust demand for new transmissions, parts, and service
  - Strong manufacturing backlog driven by increased demand for new environmentally friendly equipment
  - Supply chain issues expected to continue and contribute to some equipment deliveries shifting between quarters and possibly into 2023
  - Expected to be ~50% of segment revenues
- **Commercial and Industrial**
  - Expect strong markets and revenue growth for on-highway, power generation, and marine repair
  - Full year revenue growth in the low double digit percentage range
  - Expected to be ~50% of segment revenues
- **Segment Outlook**
  - Full year revenue growth of 30% to 40%
  - Operating margins expected to remain in the mid-single digits for the duration of 2022

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