



KIRBY CORPORATION

Contact: Steve Holcomb
713-435-1135

FOR IMMEDIATE RELEASE

**KIRBY CORPORATION ANNOUNCES THE ESTABLISHMENT OF A STOCK
SALE PLAN BY ITS CHAIRMAN, C. BERDON LAWRENCE, IN
ACCORDANCE WITH SEC RULE 10b5-1**

Houston, Texas (October 26, 2007) -- Kirby Corporation (“Kirby”) (NYSE:KEX) announced today that its Chairman, C. Berdon Lawrence, has established a stock sale plan in accordance with SEC Rule 10b5-1, pursuant to which he and his family trusts will sell up to 1,300,000 shares of Kirby common stock. The plan is designed to allow such sales in a regular and orderly manner over approximately the next six to twelve months. Mr. Lawrence and his family trusts currently own 2,778,546 shares of Kirby common stock or 5.2% of Kirby’s 53,456,000 common shares outstanding. The 1,300,000 shares to be sold by Mr. Lawrence represent 2.4% of Kirby’s common stock outstanding.

Mr. Lawrence commented, “The current Kirby stock sale plan is a continuation of my long-term goal of diversifying my investment portfolio. After the sale, I will continue to hold an approximate 2.8% ownership position in Kirby. I plan to remain active as the Chairman of the Board of Kirby, working with Kirby’s management team to continue to create value for our shareholders.”

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. Kirby also owns and operates four ocean-going barge and tug units transporting dry-bulk commodities in United States coastwise trade. Through the diesel engine services segment, Kirby provides after-market service for medium-speed and high-speed diesel engines and reduction gears used in marine, power generation 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. 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, 2006 filed with the Securities and Exchange Commission.