



## **KIRBY CORPORATION**

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### **FOR IMMEDIATE RELEASE**

#### **KIRBY CORPORATION ANNOUNCES FIRST QUARTER RESULTS**

Houston, Texas (April 20, 2000) — Kirby Corporation ("Kirby") (NYSE:KEX) reported net earnings for the 2000 first quarter of \$6,067,000, or \$.25 per share. Net earnings for the 1999 first quarter were \$4,001,000, or \$.20 per share. The 2000 first quarter results include the acquisition in October 1999 of Hollywood Marine, Inc., accounted for under the purchase method of accounting.

Movements in each of Kirby's inland tank barge markets were generally at, or above, expected levels. Refined products movements to the Midwest were unseasonably strong, the result of gasoline inventory anomalies in the Midwest. Fertilizer movements were also stronger than usual during the first quarter. The 2000 first quarter was impacted by weather, but not as much as the 1999 first quarter. Low water conditions existed on the Mississippi, Ohio and Illinois Rivers through mid-February resulting in longer transit times and restricted drafts for upriver movements. The marine transportation operating margin was 14.0% for the 2000 first quarter compared with 12.0% for the 1999 first quarter.

Kirby's diesel engine services segment experienced an improvement in business activity from the Gulf Coast drilling and offshore supply vessel markets and a stronger Midwest river market and nuclear market when compared with the 1999 fourth quarter. The operating margin for the diesel engine services segment was 10.7% for the 2000 first quarter compared with 10.2% for the 1999 first quarter.

Joe Pyne, Kirby's President and Chief Executive Officer, commented, "Our marine transportation business was good, including the refined products and fertilizer markets, which are historically slow during the first quarter. The integration of Kirby and Hollywood remains our number one priority. We have accomplished much in a very short period of time, but we still have some fine-tuning to do. We expect to complete the integration of our shore staff into our corporate office building early next month and

will then turn our focus on making sure we capture the operating synergies allowed by the merger. During the 2000 first quarter, we also sold three inland towing vessels and scrapped six single skin inland tank barges for a small net gain. As we proceed with the integration, we will continue to review our horsepower requirements and sell excess horsepower from our system when we can.”

Kirby Corporation, based in Houston, Texas, operates 774 inland tank barges, with 14.0 million barrels of capacity, and 229 towing vessels, transporting chemicals, petrochemicals, refined petroleum products, black oil and agricultural chemicals throughout the United States' inland waterway system. Through its diesel engine services segment, Kirby provides after-market service for large medium-speed diesel engines used in marine, power generation and rail applications.

Statements contained in this press release with respect to the future are forward-looking statements. These statements reflect management's reasonable judgement 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, and weather conditions. A list of additional risk factors can be found in Kirby's annual report on Form 10-K for the year ended December 31, 1999, filed with the Securities and Exchange Commission.

A summary of the results for the first quarter is set forth below.

	<u>First Quarter</u>	
	<u>2000</u>	<u>1999</u>
	(\$ in thousands, except per share amounts)	
Revenues by reportable segment:		
Marine transportation.....	\$107,502	\$57,729
Diesel engine services.....	<u>18,954</u>	<u>20,752</u>
	<u>\$126,456</u>	<u>\$78,481</u>
Operating profits by reportable segment:		
Marine transportation.....	\$ 15,030	\$ 6,903
Diesel engine services.....	<u>2,037</u>	<u>2,117</u>
	17,067	9,020
Equity in earnings of marine affiliates.....	837	881
Other (expense) income .....	(107)	187
General corporate expenses.....	(1,651)	(1,121)
Interest expense.....	<u>(5,863)</u>	<u>(2,545)</u>
Earnings before taxes on income .....	10,283	6,422
Provision for taxes on income.....	<u>(4,216)</u>	<u>(2,421)</u>
Net earnings .....	<u>\$ 6,067</u>	<u>\$ 4,001</u>
Earnings per share of common stock:		
Basic.....	\$ .25	\$ .20
Diluted.....	\$ .25	\$ .20
Common stock outstanding:		
Basic.....	24,493	20,341
Diluted.....	24,594	20,447
EBITDA (Earnings before interest, taxes, depreciation and amortization).....	<u>\$ 27,907</u>	<u>\$15,647</u>
Depreciation and amortization.....	<u>\$ 11,761</u>	<u>\$ 6,680</u>
Capital expenditures .....	<u>\$ 13,311</u>	<u>\$ 5,457</u>