



KIRBY CORPORATION

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FOR IMMEDIATE RELEASE

KIRBY CORPORATION REVISES 2014 EARNINGS GUIDANCE

- **2014 fourth quarter earnings per share guidance range lowered to \$1.10 to \$1.20 from \$1.30 to \$1.40 per share**
- **2014 full year earnings per share guidance lowered to \$4.84 to \$4.94 from \$5.04 to \$5.14 per share**
- **A conference call to discuss revised guidance is scheduled for tomorrow, December 18, at 7:30 am Central Standard Time**
- **Kirby to announce 2014 fourth quarter and full year results on Wednesday, January 28, 2015, with a conference call on Thursday, January 29, 2015**

Houston, Texas (December 17, 2014) – Kirby Corporation (“Kirby”) (NYSE: KEX) announced today that it expects 2014 fourth quarter net earnings to be in the \$1.10 to \$1.20 per share range, below Kirby’s previously announced earnings guidance range of \$1.30 to \$1.40 per share. For the full year, Kirby is revising 2014 guidance to \$4.84 to \$4.94 per share, below previously announced guidance of \$5.04 to \$5.14.

David Grzebinski, Kirby’s President and Chief Executive Officer, commented, “Our fourth quarter performance to date has been disappointing relative to our earlier expectations. The majority of the change in our earnings guidance is a result of changes in our land-based diesel engine services market. Our production ramp up in that market has not gone as well as expected and demand across our product and service portfolio is being impacted by the sharp decline in crude oil prices which have led to customer cancellations and requests to delay delivery of projects. Customers have recently begun to reduce their capital spending plans in light of the decline in oil prices and we expect this to continue into 2015. We continue to monitor market conditions and will provide 2015 guidance during our fourth quarter earnings conference call.”

The reduction in revenue and profit in the land-based diesel engine services market, particularly in the manufacturing of new pressure pumping units, was the most significant factor in the change in anticipated fourth quarter results. In addition to customer cancellations and requested order deferrals, inbound orders in the land-based diesel engine services business have slowed. Kirby’s emphasis on growing the remanufacturing and service aspects of the business remains a key strategy. The service portion of the land-based diesel engine services business is expected to have less volatility through oil and gas cycles.

Mr. Grzebinski commented further, “In our marine transportation markets, our inland marine utilization is in the low 90% range; however, adverse weather conditions along the Gulf

Coast have impacted our fourth quarter performance. In addition, the recent drop in crude oil has affected our customers' feedstock purchasing and trading decisions which impacts not only our efficiency, but also imposes enough uncertainty in the market to reduce transportation pricing momentum. As a result, we expect our inland marine growth rate to moderate going into next year. The globally advantaged feedstock price of domestic producers has not changed with the drop in oil prices, however, the majority of expected benefits from new petrochemical plant openings is likely to occur in 2017 and later."

Earnings Release and Conference Call

A press release including Kirby's 2014 fourth quarter and full year earnings is expected to be released after the market closes on January 28, 2015 with a conference call on January 29, 2015.

Revised Guidance Conference Call

A conference call to discuss the change in the 2014 outlook is scheduled at 7:30 a.m. central time tomorrow, Thursday, December 18, 2014, to discuss the revised 2014 fourth quarter and full year guidance. The conference call number is 800-446-2782 for domestic callers and 847-413-3235 for international callers. The host's name is Sterling Adlakha. The confirmation number is **38680770**. An audio playback will be available at 1:00 p.m. central time on Thursday, December 18, 2014, through 5:00 p.m. central time on Friday, January 16, 2015, by dialing 888-843-7419 for domestic and 630-652-3042 for international callers. The passcode is 38680770#. A live audio webcast of the conference call will be available to the public and a replay available after the call by visiting Kirby's website at <http://www.kirbycorp.com/>.

Forward-Looking Statements

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 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, 2013 filed with the Securities and Exchange Commission.

About Kirby Corporation

Kirby Corporation, based in Houston, Texas, is the nation's largest domestic tank barge operator transporting bulk liquid products throughout the Mississippi River System, the Gulf Intracoastal Waterway, coastwise along all three United States coasts and in Alaska and Hawaii. Kirby transports petrochemicals, black oil, refined petroleum products and agricultural chemicals by tank barge. 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 and power generation applications. Kirby also distributes and services diesel engines, transmissions, pumps, compression products and manufactures and remanufactures oilfield service equipment, including pressure pumping units, for land-based pressure pumping and oilfield service markets.