

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): September 27, 2006

Kirby Corporation

(Exact name of registrant as specified in its charter)

Nevada

*(State or other jurisdiction of incorporation or
organization)*

1-7615

(Commission File Number)

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:

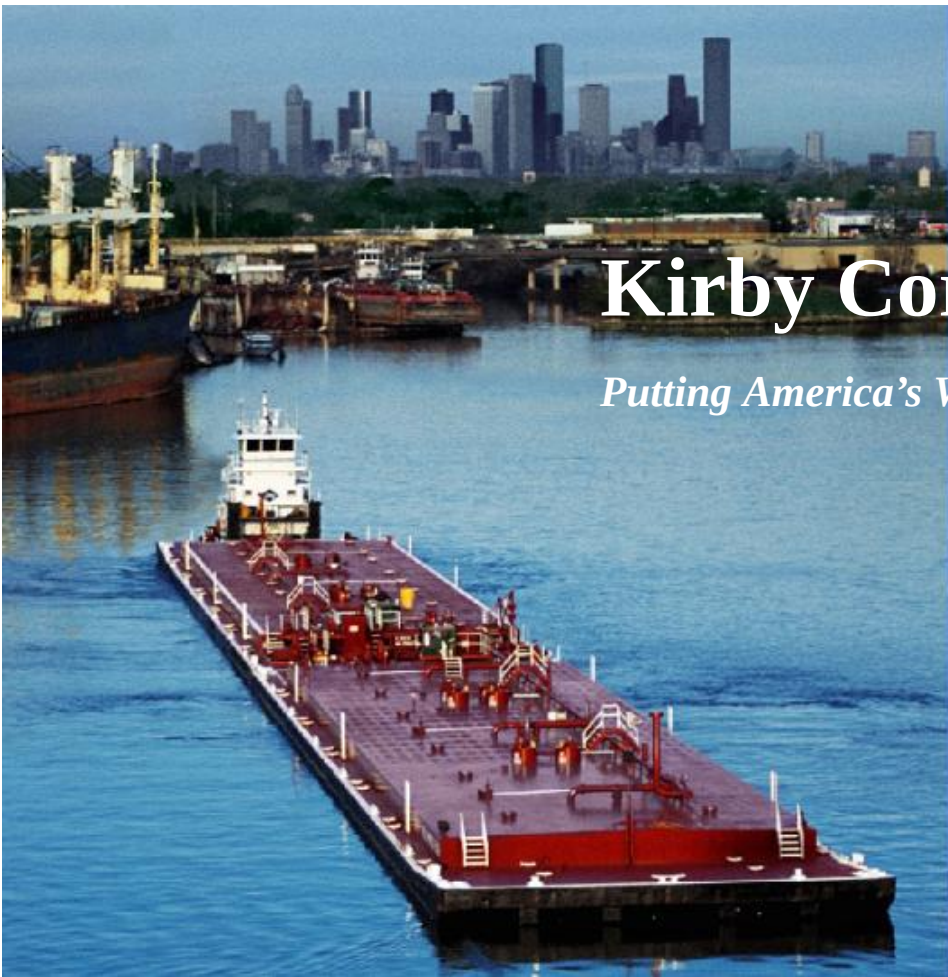
(713) 435-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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EXHIBIT INDEX

[Exhibit 99.1](#) Kirby Corporation slide presentation dated September 2006



Kirby Corporation

Putting America's Waterways to Work
NYSE: KEX



September 2006

Forward Looking Statement Non-GAAP Financial Measures

Statements contained in this presentation 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, fuel costs, interest rates, weather conditions and the 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 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, 2005, filed with the Securities and Exchange Commission.

Kirby reports its financial results in accordance with generally accepted accounting principles (GAAP). However, Kirby believes that certain Non-GAAP financial measures are useful in managing Kirby's businesses and evaluating Kirby's performance. This presentation contains two Non-GAAP financial measures, adjusted net earnings and EBITDA. Please see the Appendix for a reconciliation of GAAP to Non-GAAP financial measures.



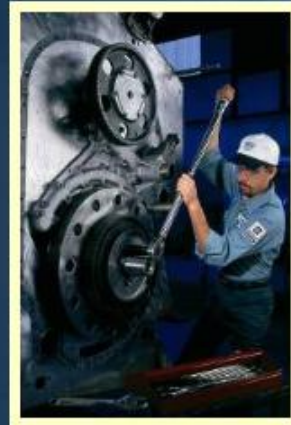
Kirby... Business Operations

Marine Transportation



86% of 2005 Revenue - \$686.0 million
Largest U.S. Inland Tank Barge Operator

Diesel Engine Services



14% of 2005 Revenue - \$109.7 million
Largest U.S. EMD Diesel Services Company

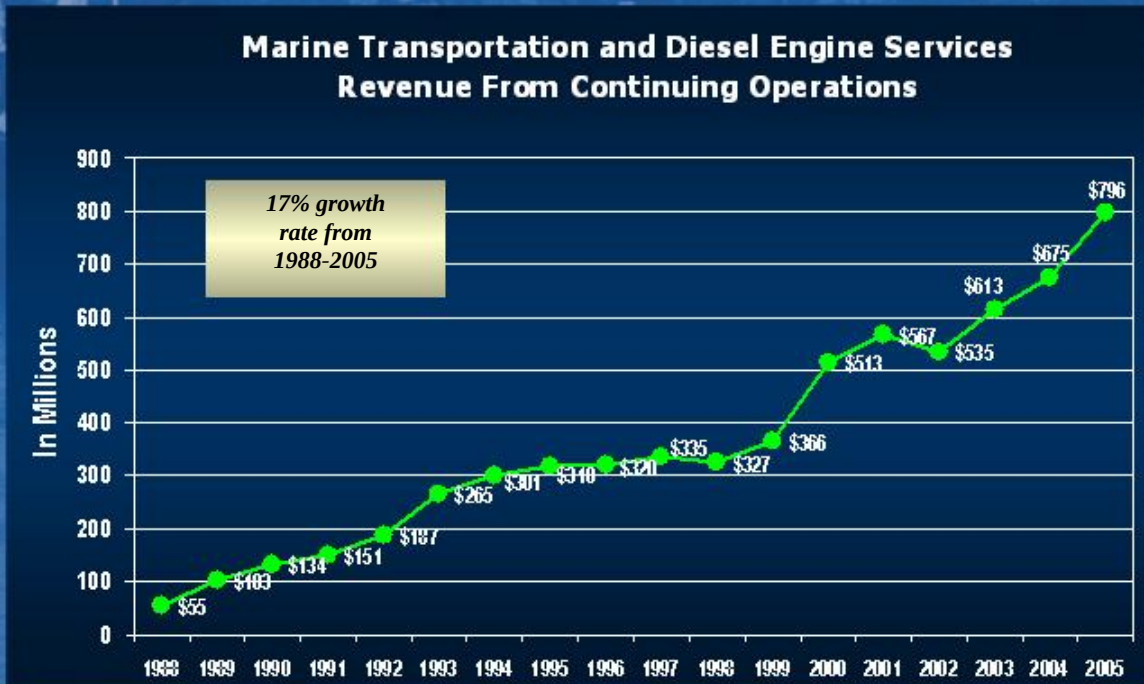


Kirby Facts

- **Largest inland tank barge operator**
- **Operates 897 barges and 240 towing vessels**
- **Sustainable competitive advantages:**
 - **Lowest cost due to economies of scale**
 - **Best positioned for growth opportunities**
 - **“One Stop Shop” for customers**
- **70% of Kirby’s business is under contract and 30% in the spot market**
- **Successful integration of 25 marine acquisitions**

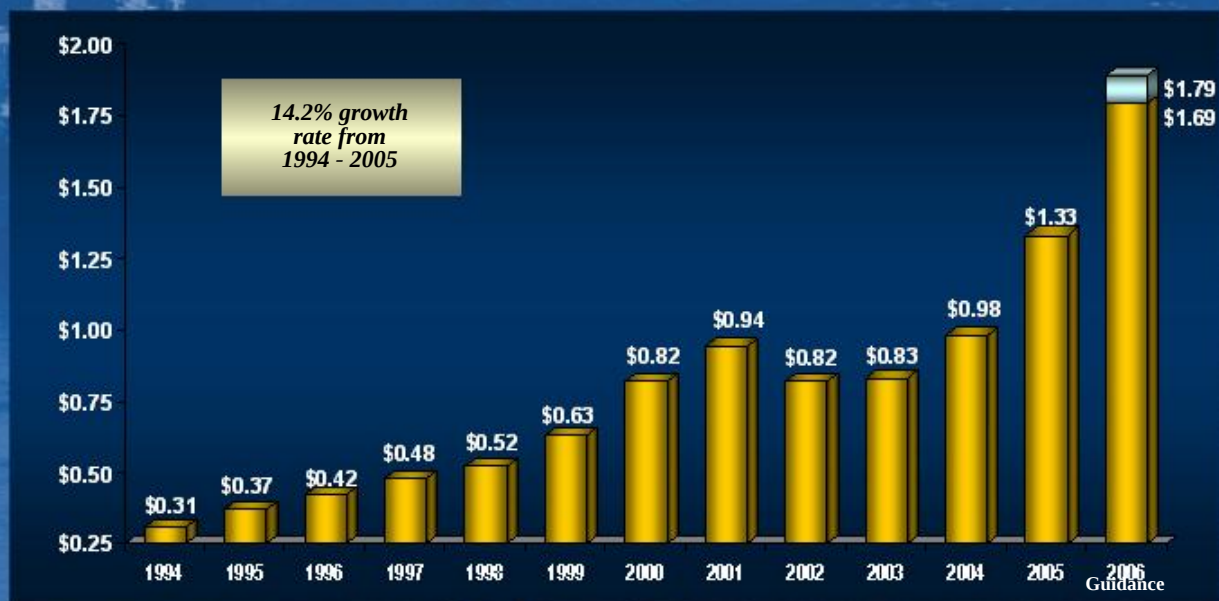


Revenue... Business Operations



Earnings Per Share

Earnings Per Share From Continuing Operations Before Adjustments



1994-2001 adjusted to exclude goodwill amortization expense
2002 adjusted to exclude impairment charges of \$12.5 million, net of taxes, or \$.51 per share
See Appendix for reconciliation of GAAP to Non-GAAP earnings per share
Earnings per share have been revised to reflect 2-for-1 stock split effective May 31, 2006



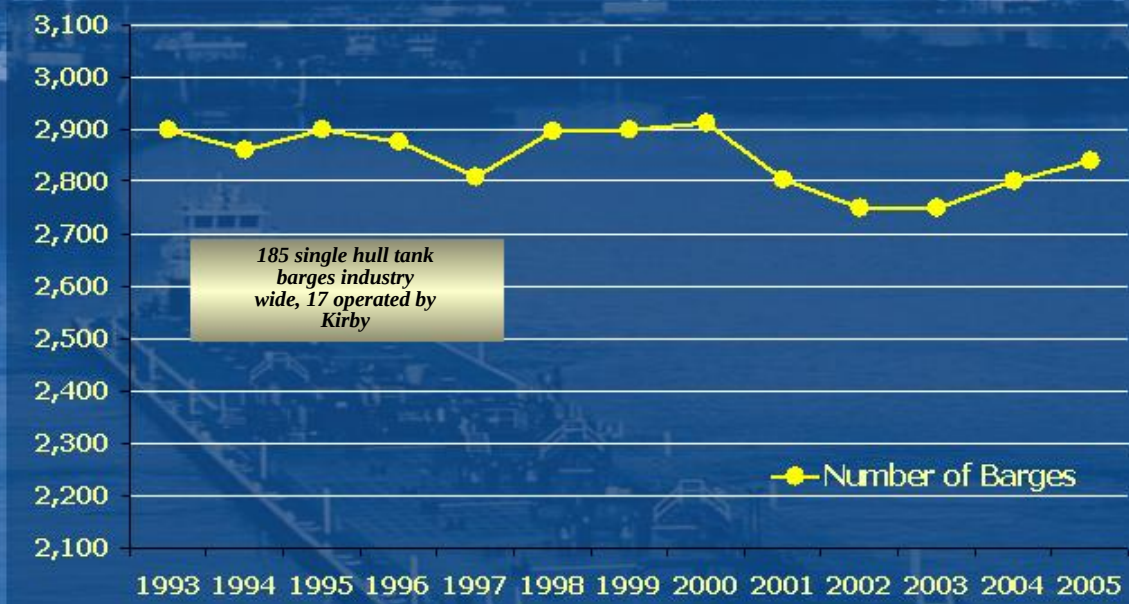
Industry Facts

- **Approximately 17,800 dry cargo barges, 2,800 liquid tank barges. Kirby is principally in the liquid cargo business.**
- **No competition from foreign companies due to a U.S. law known as the Jones Act**
- **Always a market to move product by barge on inland waterways**
- **Equipment not subject to economic obsolescence because draft and lock restrictions limit the size of barges**
- **Barges are mobile, carry wide range of cargoes, and service different geographic markets**
- **Inland waterway system plays a vital role in the U.S. economy**
- **Inland waterway system is an environmentally friendly mode of transportation**

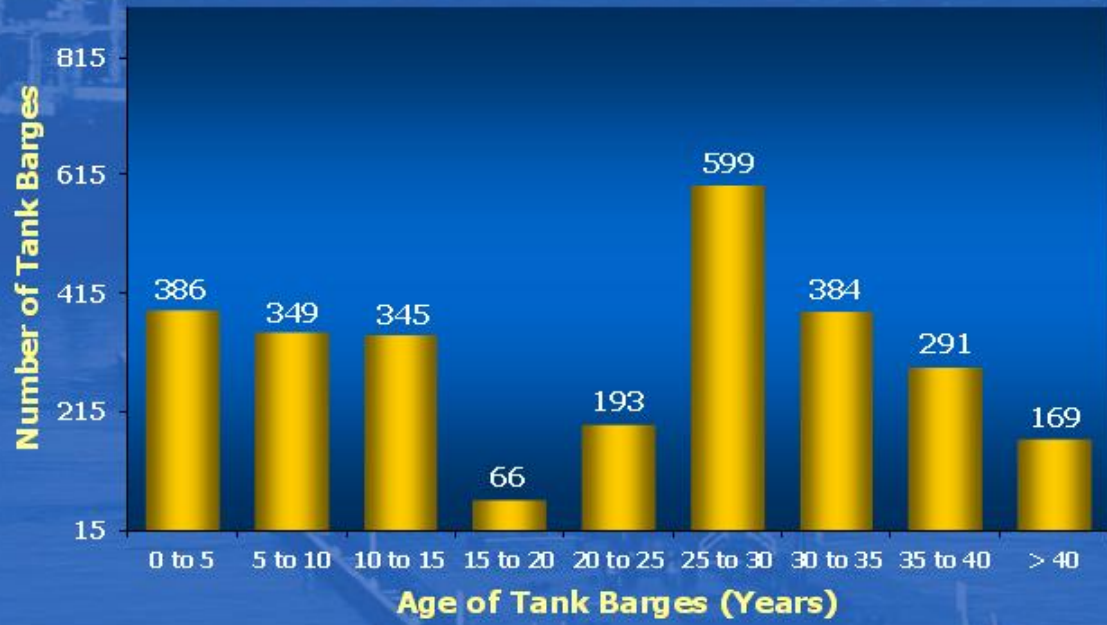


Number of Inland Tank Barges

For the years 1993 through 2005



Inland Tank Barge Fleet



Source: Informa Economics, Barge Fleet Profile, March 2006





Largest Inland Tank Barge Operator

Petrochemicals – 68%



- Benzene
- Styrene
- Methanol
- Acrylonitrile
- Xylene
- Caustic soda
- Butadiene
- Propylene

Refined Products – 9%



- Gasoline
- Jet fuel
- Diesel fuel
- Naphtha

Black Oil Products – 20%



- Residual fuel
- No. 6 fuel oil
- Coker feed
- Vacuum gas
- Asphalt

Agricultural Chemicals – 3%



- Anhydrous ammonia
- Nitrogen-based liquid fertilizer
- Industrial ammonia

KIRBY

Fleet Size and Diversity...

Better Asset Utilization

- **Better Asset Utilization**

- More backhaul opportunities
- Faster barge turnarounds
- More efficient use of horsepower
- Barges positioned closer to cargos

- **Lower Incremental Costs**

- Enhanced purchasing power
- Minimal incremental G&A from fleet additions
- Less cleaning due to more barges with compatible prior cargos



KIRBY

Kirby Outpaces the Competition

Tank Barge Owners By Number of Tank Barges

Shipper Owned Independent	Tank Barges Operated	Dry Cargo Barges Operated	Shipper Owned Independent	Tank Barges Operated	Dry Cargo Barges Operated
Kirby Corporation	897	-	Dynegy Midstream Services	16	-
American Commercial Lines LLC	371	2,803	Dupont	16	-
Marathon Oil Corporation	170	-	Waxler Towing Company, Inc.	15	-
Canal Barge Company, Inc.	169	273	Horizon Maritime	15	-
Ingram Barge Company	165	3,716	Highland Towing	13	-
Florida Marine	91	-	Devall Towing	12	-
Blessey Enterprises	86	-	Chem Carriers, Inc.	12	-
American River Transportation Co	82	2,076	Plaquemine Towing Corp.	11	-
Higman Barge Lines, Inc.	80	-	Golding Barge Lines, Inc.	9	-
Cenac Towing Company, Inc.	72	-	Grifco	8	-
PPG Industries, Inc.	59	-	Westlake/GA&O Corporation	8	-
Southern Towing Company	53	-	Merichem Company	7	-
Martin Midstream Partners	52	-	Apex Towing	7	-
Settoon Towing, LLC	49	-	Republic of Texas	6	-
Magnolia Marine Transport Co	45	-	Hines Barge Line	6	-
LeBeouf Brothers Towing Co	44	-	American Milling	5	11
Olin Corporation	29	-	Mon River Towing, Inc.	4	142
John W. Stone Oil	28	-	Reilly Industries	4	-
Buffalo Marine Service, Inc.	24	-	Memphis Barge Lines	4	-
Rhodia, Inc.	20	-	Barge Management, Inc.	3	-
ConocoPhillips Company	20	-	Cytec Industries	2	-
River City Towing Services	19	-	Jantran, Inc.	1	-
Houston Marine Services, Inc.	18	-	Other dry cargo carriers	-	8,768
Lyondell Chemical Company	17	-	TOTAL	2,844	17,789

Informa Economics, Barge Fleet Profile, March 2006 - Adjusted

End Uses of Products...

Demand Drivers

Revenue Distribution	Products Moved	Products	Drivers
68%	Petrochemicals and Chemicals	Benzene, Styrene, Methanol, Acrylonitrile, Xylene, Caustic Soda, Butadiene, Propylene	Housing, Consumer Goods, Autos, Clothing
20%	Black Oil Products	Residual Fuel, No. 6 Fuel Oil, Coker Feedstock, Vacuum Gas Oil, Asphalt	Road Construction, Feed Stock for Refineries and Fuel for Power Plants and Ships
9%	Refined Products	Gasoline, Jet Fuel, Diesel Fuel, Naphtha	Vehicle Usage, Air Travel, Weather
3%	Agricultural Chemicals	Anhydrous Ammonia, Nitrogen-based Liquid Fertilizer, Industrial Ammonia	Corn, Cotton and Wheat Production



Strong Emphasis on Safety...

Safety Is Our Franchise To Operate



- Committed to dedicating adequate resources to achieve safety objectives
 - Extensive company-owned and operated training facility
 - Seamen's Church Institute (Towboat Simulator)
- Industry leader
 - First winner of Benkert Award, highest award given by Department of Transportation for safety and environmental protection



Diesel Engine Services

Medium-Speed and High-Speed Diesel Engines

Markets

- **Marine**
 - Inland Waterway Carriers – Dry and Liquid
 - Offshore Towing – Dry and Liquid
 - Offshore Drilling Rigs & Supply Boats
 - Harbor Towing
 - Dredging
 - Great Lakes Ore Carriers
- **Power Generation, Nuclear and Industrial**
 - Standby Power Generation
 - Pumping Stations
 - Industrial Reduction Gears
 - Land Drilling Rigs – Expansion Opportunity
- **Railroad**
 - Passenger (Transit Systems)
 - Class II
 - Shortline and Industrial

Engines and Transmissions/ Reduction Gears

- **Medium-Speed**
 - Electro-Motive Diesel (EMD)
 - Alco
 - Ingersoll-Rand
- **High-Speed**
 - Caterpillar
 - Cummins
 - Detroit Diesel
 - John Deere
- **Transmissions/Reduction Gears**
 - Allison
 - Falk
 - Twin-Disc

The Kirby logo is a green diamond shape with the word "KIRBY" in white capital letters inside.

Acquisitions and Internal Growth

Acquisitions	
1987	National Marine
1991	Ewing Diesel
1995	Percle Enterprises
1996	MKW Power Systems
1997	Crowley (Power Assembly Shop)
2000	West Kentucky Machine Shop
2000	Powerway
2004	Walker Paducah Corp.
2005	TECO (Diesel Services Division)
2006	Global Power Holding Company
2006	Marine Engine Specialists

Internal Growth	
1989	Midwest
1992	Seattle
1993	Shortline & Industrial Rails
2000	Cooper Nuclear
2001	Transit & Class II Rails



Market Conditions



Market Conditions

2006 First Six Months

- Record revenues, net earnings, earnings per share and EBITDA
- Petrochemical and black oil products markets remained strong
- Favorable weather conditions positively impacted financial results, with delay days down 24% when compared with 2005 first six months
- Contract rates up 5% to 7%. Spot market rates higher than contract and up over 25% compared with 2005 first six months
- Diesel engine services – strong service and direct parts sales in the majority of its markets



KIRBY

2006 Third Quarter and Year Outlook

- 2006 third quarter earnings per share guidance of \$.42 to \$.47, compared with \$.34 for 2005 third quarter, which included an estimated \$.05 per share negative impact for Hurricanes Katrina and Rita
- Guidance based on:
 - Marine transportation operating fundamentals remain strong
 - Diesel engine services operating fundamentals remain strong, with some seasonal summer slowdown anticipated
- 2006 year earnings per share guidance of \$1.69 to \$1.79, compared with \$1.33 for 2005. Guidance includes \$.02 to \$.04 per share from Global acquisition



Financial Highlights



For Year Ended December 31, 2005

Income Statement	2005	2004	Change From 2004	
			\$	%
Revenues:				
Marine Transportation	\$686.0M	\$588.8M	\$97.2M	17%
Diesel Engine Services	<u>109.7</u>	<u>86.5</u>	<u>23.2</u>	<u>27%</u>
Total	<u>\$795.7</u>	<u>\$675.3</u>	<u>\$120.4</u>	<u>18%</u>
Operating Income:				
Marine Transportation	\$119.3	\$ 92.5	\$ 26.8	29%
Diesel Engine Services	12.9	8.4	4.5	54%
Corporate Expenses	<u>(10.0)</u>	<u>(7.6)</u>	<u>(2.4)</u>	<u>(32)%</u>
	122.2	93.3	28.9	31%
Other Income (Expense)	1.7	(.1)	1.8	1800%
Interest Expense	<u>(12.8)</u>	<u>(13.3)</u>	<u>.5</u>	<u>4%</u>
Pre-tax Earnings	111.1	79.9	31.2	39%
Taxes	<u>(42.3)</u>	<u>(30.4)</u>	<u>(11.9)</u>	<u>(39)%</u>
Net Earnings	<u>\$ 68.8</u>	<u>\$ 49.5</u>	<u>\$ 19.3</u>	<u>39%</u>
Earnings Per Share	\$ 1.33	\$.98	\$.35	36%



For First Six Months Ended June 30, 2006

Income Statement	2006	2005	Change From 2005	
			\$	%
Revenues:				
Marine Transportation	\$393.5M	\$328.0M	\$ 65.5M	20%
Diesel Engine Services	<u>74.7</u>	<u>55.7</u>	<u>19.0</u>	<u>34%</u>
Total	<u>\$468.2</u>	<u>\$383.7</u>	<u>\$ 84.5</u>	<u>22%</u>
Operating Income:				
Marine Transportation	\$ 72.9	\$ 54.6	\$ 18.3	34%
Diesel Engine Services	11.6	6.9	4.7	68%
Corporate Expenses	<u>(5.8)</u>	<u>(4.2)</u>	<u>(1.6)</u>	<u>(38)%</u>
	78.7	57.3	21.4	37%
Other Income	1.5	.2	1.3	650%
Interest Expense	<u>(6.0)</u>	<u>(6.3)</u>	<u>.3</u>	<u>5%</u>
Pre-tax Earnings	74.2	51.2	23.0	45%
Taxes	<u>(28.3)</u>	<u>(19.5)</u>	<u>(8.8)</u>	<u>(45)%</u>
Net Earnings	<u>\$ 45.9</u>	<u>\$ 31.7</u>	<u>\$ 14.2</u>	<u>45%</u>
Earnings Per Share	\$.86	\$.62	\$.24	39%



Operating Margins



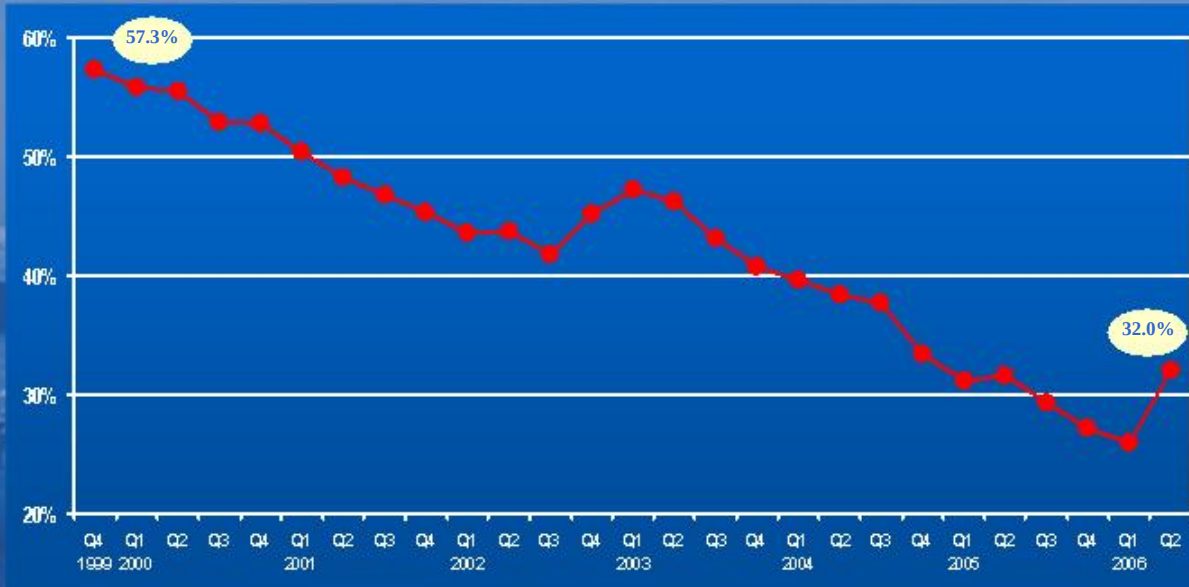
Cash Flows



* Excluding acquisitions



Debt / Capitalization



Balance Sheet

	06/30/06	12/31/05	Change
Assets			
Current Assets	\$ 237M	\$ 186M	\$ 51M
Property & Equipment	704	642	62
Goodwill	221	161	60
Other Assets	<u>46</u>	<u>37</u>	<u>9</u>
Total Assets	<u>\$1,208M</u>	<u>\$1,026M</u>	<u>\$182M</u>
Liabilities & Equity			
Current Liabilities	\$ 155M	\$ 140M	\$ 15M
Total Debt	285	200	85
Other Liabilities	162	148	14
Stockholders' Equity	<u>606</u>	<u>538</u>	<u>68</u>
Total Liabilities & Equity	<u>\$1,208M</u>	<u>\$1,026M</u>	<u>\$182M</u>
Debt to Capitalization	32.0%	27.1%	



Financial Strength

- **Investment grade public debt**
 - Standard & Poor's – BBB+
 - Moody's – Baa3
- **8-year unsecured Private Placement due 2013**
 - \$200 million outstanding
 - Floating rate of LIBOR +0.5%
 - No required principal payments until maturity
- **\$250 Million Revolving Credit Facility**
 - Accordion feature allows maximum amount to increase to \$325 million without amendment
- **Protection against interest rate increases**
 - \$150 million of interest rate swaps



Why Invest In Kirby?



Why Invest in Kirby?

- Consistent long-term record of success in our two core businesses
- Excellent business fundamentals
- Strong free cash flow for growth
- Internal and external growth opportunities in core businesses
- Strong operating leverage with every 1% increase in marine transportation segment margin adds \$.08 per share to earnings; for diesel segment, adds \$.02 per share to earnings
- Fleet expansions will improve asset utilization, operating efficiencies and reduce costs





Kirby Corporation
*Putting America's
Waterways to Work*



KIRBY

Thank You For Listening to Our Story

