

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): May 3, 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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Item 1.01. Entry into a Material Definitive Agreement.

On May 3, 2006, Marine Systems, Inc., a wholly owned subsidiary of Kirby Corporation, entered into a Stock Purchase Agreement to purchase all of the stock of Global Power Holding Company ("GPHC"), a privately held corporation that owns all of the outstanding equity of Global Power Systems, L.L.C. ("Global"), a Gulf Coast provider of high speed diesel engine services. Global, headquartered in Houma, Louisiana, operates factory-authorized full service dealerships for Caterpillar, Cummins, Detroit Diesel and John Deere engines, as well as Allison transmissions. The purchase price will be approximately \$100 million in cash and will be subject to a post-closing working capital adjustment.

The Stock Purchase Agreement contains customary representations, warranties and covenants and the buyer and the sellers have each agreed to indemnify the other, subject to certain limitations, for breaches under the Stock Purchase Agreement. The closing of the acquisition, expected to take place in June 2006, is subject to certain conditions, including required filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

The selling stockholders of GPHC are a group of investment firms and current and former members of Global management, none of whom has any previous relationship with Kirby Corporation or its affiliates.

Copies of two press releases relating to the acquisition are attached to this report as Exhibits 99.1 and 99.2.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Press release dated May 3, 2006

99.2 Press release dated May 3, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KIRBY CORPORATION
(Registrant)

By: /s/ G. Stephen Holcomb

G. Stephen Holcomb

Vice President - Investor Relations

Dated: May 4, 2006

EXHIBIT INDEX

Exhibit [99.1](#) Press release dated May 3, 2006
Exhibit [99.2](#) Press release dated May 3, 2006



KIRBY CORPORATION

Contact: Steve Holcomb
713-435-1135

FOR IMMEDIATE RELEASE

**KIRBY CORPORATION SIGNS AGREEMENT TO PURCHASE
GLOBAL POWER HOLDING COMPANY**

Signed an agreement to purchase Global Power Holding Company, the parent of Global Power Systems, L.L.C., a Gulf Coast high-speed diesel engine services provider, for approximately \$100 million in cash

Houston, Texas (May 3, 2006) - Kirby Corporation ("Kirby") (NYSE:KEX) announced today that its wholly owned subsidiary, Marine Systems, Inc., has signed an agreement to purchase the stock of Global Power Holding Company, a privately held company that owns all of the outstanding equity of Global Power Systems, L.L.C. ("Global"), a Gulf Coast high-speed diesel engine services provider, for approximately \$100 million in cash. Global, headquartered in Houma, Louisiana, operates factory-authorized full service dealerships for Caterpillar, Cummins, Detroit Diesel and John Deere engines, as well as Allison transmissions. Global's principal customers are Gulf Coast offshore oil services companies, inland waterway carriers, offshore towing companies and oil and gas drilling companies. For the 2005 year, Global generated revenues of approximately \$63 million. The acquisition will be financed using Kirby's existing cash and revolving credit facility. The closing of the acquisition is expected to occur in early June 2006 and is subject to certain conditions, including the expiration of the required waiting period under the Hart-Scott-Rodino Act. The final purchase price will be determined based on post-closing working capital adjustments.

Joe Pyne, Kirby's President and Chief Executive Officer, commented, "Global will be a terrific addition to our diesel engine services segment. High-speed diesel engines, Global's principal business, provide the main propulsion power for the majority of the propulsion engine market. The acquisition of Global extends Kirby's service capabilities with its existing customers and provides a single source for Kirby's medium-speed customers for servicing their high-speed engines. We expect the purchase of Global to be accretive to Kirby's 2006 earnings and cash flows."

On April 26, 2006, Kirby announced record net earnings for the first quarter ended March 31, 2006 of \$22,580,000, or \$.85 per share, compared with net earnings of \$13,279,000, or \$.52 per share, for the 2005 first quarter. Consolidated revenues for the 2006 first quarter were a record \$224,903,000, an increase of 22% over \$184,444,000 reported for the 2005 first quarter. The first quarter record results reflected continued strong demand for the movement of petrochemical and black oil products in its marine transportation segment, and strong in-house and in-field service activity and direct parts sales in its diesel engine services segment.

Kirby has scheduled a conference call for 9:00 a.m. central time on Friday, May 5, 2006, to discuss the Global acquisition. The conference call number is 888-328-2514 for domestic callers and 706-679-3262 for international callers. The leader's name is Steve Holcomb. An audio playback will be available starting at 12:00 p.m. central time on Friday, May 5, through 6:00 p.m. on Friday, May 26, 2006, by dialing 800-642-1687 for domestic callers and 706-645-9291 for international callers. The conference ID number is 8766856. The conference call can be accessed by visiting Kirby's homepage at <http://www.kirbycorp.com/> or at <http://audioevent.mshow.com/298158>. A replay will be available on each of those web sites following the conference call.

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 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 large 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 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, 2005 filed with the Securities and Exchange Commission.

CONFERENCE CALL INFORMATION

Date:	Friday, May 5, 2006	Leader:	Steve Holcomb
Time:	9:00 a.m. central time	Passcode:	Kirby
U.S.:	888-328-2514	Int'l:	706-679-3262
Conf. ID:	8766856		
Website:	http://www.kirbycorp.com/ or http://audioevent.mshow.com/298158		



KIRBY CORPORATION

Contact: Steve Holcomb

713-435-1135

FOR IMMEDIATE RELEASE

**Marine Systems Agrees to Acquire United Diesel,
Brady Diesel and Unitech Diesel**

Marine Systems, Inc. and Global Power Holding Company, both Houma-based diesel engine service companies, announced the signing of an agreement for Marine Systems to purchase Global and its subsidiaries, including Global Power Systems, L.L.C., United Diesel, Brady Diesel and Unitech Diesel. Marine Systems, formed in 1966 in Schriever, LA, is a subsidiary of Kirby Corporation (NYSE:KEX), Houston, Texas, a major marine transportation and diesel engine services company. Marine Systems has approximately 290 employees and Global and its subsidiaries employ approximately 300.

Lynn Strahan, President of Marine Systems, stated "Global and Marine Systems have been built on providing quality customer service which can only be accomplished by skilled and dedicated employees. We look forward to welcoming these proven professionals to our team and the Kirby family. Our compensation and benefit programs recognize the importance of our being able to attract and retain talented employees. We are confident they will be seen by the employees as a positive result of this transaction. There are many opportunities that the Marine Systems/Global combination presents to our customers and to our current and prospective employees."

The closing of the acquisition is expected to occur in early June 2006 and is subject to certain conditions including regulatory filings.

55 Waugh Drive Suite 1000 P. O. Box 1745 Houston, Texas 77251 713/435-1000 Fax 713/435-1011
