

KIRBY CORPORATION
Reconciliation of GAAP to Non-GAAP Financial Measure

Kirby reports its financial results in accordance with generally accepted accounting principles (GAAP). However, Kirby believes that the non-GAAP financial measure EBITDA is useful in managing Kirby's businesses and evaluating Kirby's performance.

EBITDA, which Kirby defines as net earnings (loss) attributable to Kirby before interest expense, taxes on income, depreciation and amortization, impairment of long-lived assets, and impairment of goodwill is used because of its wide acceptance as a measure of operating profitability before non-operating expenses (interest and taxes) and noncash charges (depreciation and amortization, impairment of long-lived assets, and impairment of goodwill). EBITDA is one of the performance measures used in Kirby's incentive bonus plan. EBITDA is also used by rating agencies in determining Kirby's credit rating and by analysts publishing research reports on Kirby, as well as by investors and investment bankers generally in valuing companies.

This non-GAAP financial measure is not a substitute for GAAP financial results and should only be considered in conjunction with Kirby's financial information that is presented in accordance with GAAP.

Quantitative reconciliations of GAAP net earnings attributable to Kirby to Non-GAAP EBITDA are provided in the following tables.

Prepared on: October 29, 2020

KIRBY CORPORATION
Reconciliation of GAAP Net Earnings Attributable to Kirby to Non-GAAP EBITDA

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
(\$ in millions)										
Net earnings attributable to Kirby	\$ 142.3	\$ 78.5	\$ 313.2	\$ 141.4	\$ 226.7	\$ 282.0	\$ 253.1	\$ 209.4	\$ 183.0	\$ 116.2
Interest expense	56.0	46.9	21.5	17.7	18.8	21.5	27.9	24.4	17.9	11.0
Provision (benefit) for taxes on income	46.8	35.0	(240.8)	85.0	133.7	169.8	152.3	127.9	109.3	72.3
Impairment of long-lived assets	-	82.7	105.7	-	-	-	-	-	-	-
Impairment of goodwill	-	2.7	-	-	-	-	-	-	-	-
Depreciation and amortization	<u>219.7</u>	<u>225.0</u>	<u>202.8</u>	<u>200.9</u>	<u>192.2</u>	<u>169.3</u>	<u>164.4</u>	<u>145.2</u>	<u>126.0</u>	<u>95.3</u>
EBITDA, Non-GAAP	<u>\$464.8</u>	<u>\$470.8</u>	<u>\$402.4</u>	<u>\$445.0</u>	<u>\$571.4</u>	<u>\$642.6</u>	<u>\$597.7</u>	<u>\$506.9</u>	<u>\$436.2</u>	<u>\$294.8</u>

Prepared on: October 29, 2020

KIRBY CORPORATION
Reconciliation of GAAP Net Earnings (Loss) Attributable to Kirby to Non-GAAP EBITDA

	Three Months Ended March 31,		Three Months Ended June 30,		Three Months Ended September 30,		Year to Date September 30,	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(\$ in millions)							
Net earnings (loss) attributable to Kirby	\$ (347.2)	\$ 44.3	\$ 25.0	\$ 47.3	\$ 27.4	\$ 48.0	\$ (294.8)	\$ 139.6
Interest expense	12.8	13.2	12.7	15.5	11.8	14.3	37.3	43.0
Provision (benefit) for taxes on income	(172.8)	13.9	(1.4)	15.3	(8.4)	16.3	(182.6)	45.5
Impairment of long-lived assets	165.3	-	-	-	-	-	165.3	-
Impairment of goodwill	388.0	-	-	-	-	-	388.0	-
Depreciation and amortization	55.7	55.2	54.5	55.1	54.9	54.4	165.1	164.7
EBITDA, Non-GAAP	\$ 101.8	\$ 126.6	\$ 90.8	\$ 133.2	\$ 85.7	\$ 133.0	\$ 278.3	\$ 392.8

Prepared on: October 29, 2020