

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): JULY 24, 2003

KIRBY CORPORATION

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction of  
incorporation or organization)

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

Item 7. Financial Statements and Exhibits  
(c) Exhibits:  
99.1 Press release dated July 24, 2003

Item 9. Regulation FD Disclosure

Pursuant to SEC Release No. 33-8216, the following information required by Item 12 of Form 8-K is furnished under Item 9 instead.

On July 24, 2003, Kirby Corporation ("Kirby") issued a press release announcing earnings for the quarter ended June 30, 2003. A copy of the press release is attached as Exhibit 99.1 to this report.

ETITDA, a non-GAAP financial measure, is used in the press release. Kirby defines EBITDA as net earnings before interest expense, taxes on income, depreciation and amortization. Kirby has historically evaluated its operating performance using numerous measures, one of which is EBITDA, a measure that excludes certain non-operating expenses and non-cash charges. EBITDA is presented for that reason and because of its wide acceptance as a financial indicator. EBITDA is used by Kirby's lenders in loan covenants, 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. A quantitative reconciliation of EBITDA to GAAP net earnings for the 2003 and 2002 second quarters and first six months is included in the press release.

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/ NORMAN W. NOLEN

-----  
Norman W. Nolen  
Executive Vice President, Treasurer  
and Chief Financial Officer

Dated: July 24, 2003

EXHIBIT INDEX

Exhibit 99.1 Press release dated July 24, 2003

[KIRBY CORPORATION LOGO]

KIRBY CORPORATION

CONTACT: STEVE HOLCOMB  
713-435-1135

FOR IMMEDIATE RELEASE

KIRBY CORPORATION ANNOUNCES  
2003 SECOND QUARTER RESULTS

- o 2003 SECOND QUARTER EARNINGS PER SHARE WERE \$.48, A 33% INCREASE COMPARED WITH \$.36 EARNED IN THE 2002 SECOND QUARTER
- o RESULTS WERE POSITIVELY IMPACTED BY HIGHER VOLUMES AND IMPROVED OPERATING CONDITIONS
- o 2003 THIRD QUARTER EARNINGS PER SHARE GUIDANCE IS \$.42 TO \$.46 VERSUS \$.49 EARNED IN THE 2002 THIRD QUARTER, WHICH INCLUDED A \$.06 PER SHARE FAVORABLE ADJUSTMENT TO ACCRUED INSURANCE LIABILITIES
- o 2003 YEAR EARNINGS PER SHARE GUIDANCE REMAINS AT \$1.65 TO \$1.75

HOUSTON, TEXAS (JULY 24, 2003) - Kirby Corporation ("Kirby") (NYSE:KEX) today announced net earnings for the second quarter ended June 30, 2003 of \$11,789,000, or \$.48 per share, compared with \$8,756,000, or \$.36 per share, for the second quarter of 2002. Consolidated revenues for the 2003 second quarter were \$158,739,000 compared with \$129,478,000 for the 2002 second quarter. EBITDA per share for the 2003 second quarter was \$1.47 compared with \$1.18 for the 2002 second quarter.

Kirby reported net earnings for the first six months of 2003 of \$18,657,000, or \$.77 per share, compared with \$17,564,000, or \$.72 per share, for the first six months of 2002. Consolidated revenues for the first six months of 2003 were \$306,939,000 compared with \$260,915,000 for the first six months of 2002. EBITDA per share for the first six months of 2003 was \$2.57 compared with \$2.37 for the same period of 2002.

Marine transportation revenues increased 28% for the 2003 second quarter compared with the second quarter of 2002, with operating income increasing 35% during the same period. For the first six months of 2003, marine transportation revenues increased 21% and operating income increased 10% when compared with the 2002 first half. The increases reflected the October 2002 transaction with Coastal Towing, Inc. ("Coastal"), whereby Kirby purchased 10 tank barges and 13 towboats and assumed the management for Coastal's remaining 54 active black oil tank barges. In addition, the increases reflect the January 2003 purchase of the inland marine fleet of SeaRiver Maritime, Inc.

("SeaRiver"), the U.S. marine transportation affiliate of Exxon Mobil Corporation. The SeaRiver fleet included 48 double hull inland tank barges and seven towboats, and the assumption of the leases on 16 double hull tank barges. Kirby also entered into a contract to provide inland marine transportation services to SeaRiver.

The marine transportation segment benefited from an improved upriver refined products market, as low Midwest gasoline inventory levels and the Gulf Coast versus Chicago gasoline price differentials encouraged the movement of Gulf Coast sourced refined products into the Midwest. The segment was also positively impacted by stronger volumes of petrochemicals used in the production of gasoline blending components and the effects of additional volumes from the SeaRiver acquisition. The demand for black oil products movements remained strong as residual fuel continued to serve as a substitute for natural gas and cat cracker feedstock for the production of refined products. Volumes from the upriver transportation of petrochemicals remained relatively constant with the 2003 first quarter, but higher than 2002 second quarter volumes. With natural gas prices remaining high the entire 2003 second quarter, U.S. production of nitrogen based fertilizer was curtailed, and volumes of liquid fertilizer moved were lower than in the second quarter of 2002.

The diesel engine services segment's second quarter 2003 revenues were slightly below 2002 second quarter levels, while operating income for the same quarters was down 17%. Continued poor offshore oil service and Midwest dry cargo markets negatively affected the segment. The power generation market benefited from parts sales to the nuclear industry during the second quarter of 2003.

Joe Pyne, Kirby's President and Chief Executive Officer, commented, "Improved operating conditions and lower fuel costs helped the second quarter. The acquisitions of the Coastal and SeaRiver inland tank barge assets continue to be additive to earnings. Our core petrochemical business remains stable, which is encouraging, given the apparent decline in rail chemical volumes over most of the second quarter."

Mr. Pyne further commented, "Looking at anticipated market conditions for the 2003 third quarter, we expect our petrochemical volumes to be stable. With high natural gas prices, our black oil volumes should remain strong based on the demand for residual fuel, which serves as a substitute fuel for natural gas. We anticipate refined products volumes to weaken, due to stable Midwest inventories. With low Midwest inventories of agricultural chemicals and high natural gas prices curtailing U.S. fertilizer production, we anticipate the transportation of fertilizer to improve as domestic production is replaced by foreign imports."

Further commenting on the third quarter as well as the 2003 year, Mr. Pyne said, "Based on the above noted market conditions and the continued uncertainty in the U.S. economy, our earnings per share guidance for the 2003 third quarter is \$.42 to \$.46, which includes the effects of Hurricane Claudette, which will negatively impact our July performance. This guidance compares with \$.49 per share we earned in the 2002 third quarter, which included a \$.06 per share favorable adjustment to accrued insurance liabilities. For the 2003 year, we are maintaining our earnings per share guidance of \$1.65 to \$1.75. This

guidance compares with 2002 net earnings per share of \$1.13 per share, which included \$.51 per share of impairment charges."

On May 6, 2003, Kirby announced the signing of a contract with Trinity Industries, Inc. for the construction of 16 double hull, 30,000 barrel capacity, inland black oil tank barges, with a total purchase price of approximately \$29,000,000. Seven of the tank barges are anticipated to be delivered in 2003 and nine in the first half of 2004. Under the barge management agreement signed with Coastal in October 2002, Coastal had the right to purchase certain of the new tank barges under construction; however, Coastal has elected not to replace their tank barges that are currently out-of-service. Going forward, the tank barge capacity that Coastal removes from service and does not replace will be replaced by Kirby.

In an effort to provide Kirby's shareholders and potential investors with more information concerning Kirby, this earnings press release and future earnings releases will be expanded to include condensed consolidated statements of earnings, separate marine transportation and diesel engine services statements of earnings, and marine transportation performance measurements for the 2003 and 2002 second quarters and first six months. The performance measurements include ton miles, revenues per ton mile, towboats operated and delay days. Definitions of the performance measurements are included after the measurement table on page 7 of this press release. Comparable marine transportation performance measurements by quarter for the 2002 year and the first two quarters of 2003 are available at Kirby's web site under the caption Performance Measurements in the Investor Relations section. Kirby's homepage can be accessed by visiting [www.kirbycorp.com](http://www.kirbycorp.com).

Kirby has scheduled a conference call at 10:00 a.m. central time today, July 24, 2003, to discuss the 2003 second quarter and first six months, and the outlook for the 2003 third quarter and full year. The conference call number is 888-390-3403 for domestic callers and 210-839-8505 for international callers. The passcode is Kirby and the leader's name is Steve Holcomb. An audio playback will be available starting at approximately 12:00 noon central time on July 24 through 5:00 p.m. on Friday, August 22, 2003, by dialing 888-568-0133 for domestic callers and 402-530-7800 for international callers. The conference call can also be accessed by visiting Kirby's homepage at <http://www.kirbycorp.com/> or at <http://www.vcall.com/>. A replay will be available on each of those Web Sites following the conference call.

The financial and other information to be discussed in the conference call is available in this press release and in a Form 8-K filed with the Securities and Exchange Commission. This press release and the Form 8-K include a non-GAAP financial measure, EBITDA, which Kirby defines as net earnings before interest expense, taxes on income, depreciation and amortization. A reconciliation of EBITDA for the 2003 and 2002 first and second quarters and first six months with GAAP net earnings for the same periods is included in the Condensed Consolidated Financial Information in this press release.

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. Through

the diesel engine services segment, Kirby provides after-market service for large medium-speed diesel engines used in marine, power generation and industrial, 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 the number of acquisitions made by Kirby. A listing of additional risk factors can be found in Kirby's annual report on Form 10-K for the year ended December 31, 2002, filed with the Securities and Exchange Commission.

CONFERENCE CALL INFORMATION

DATE: JULY 24, 2003  
TIME: 10:00 A.M. CENTRAL TIME  
U.S.: 888-390-3403  
INT'L: 210-839-8505  
LEADER: STEVE HOLCOMB  
PASSCODE: KIRBY  
WEBCAST: <http://www.kirbycorp.com/> or <http://www.vcall.com/>



A summary of the results for the second quarter and first six months follows:

Condensed CONSOLIDATED Statements of Earnings

	Second Quarter		Six Months	
	2003	2002	2003	2002
(unaudited, \$ in thousands except per share amounts)				
Revenues:				
Marine transportation.....\$	137,156	\$ 107,346	\$ 262,221	\$ 216,336
Diesel engine services.....	21,583	22,132	44,718	44,579
	-----	-----	-----	-----
	158,739	129,478	306,939	260,915
	-----	-----	-----	-----
Costs and expenses:				
Costs of sales and operating expenses.....	101,153	82,746	202,004	166,216
Selling, general and administrative.....	18,751	15,488	36,312	32,688
Taxes, other than on income.....	3,485	2,209	6,536	4,558
Depreciation and other amortization.....	12,894	11,497	25,126	23,019
Loss (gain) on disposition of assets.....	126	(27)	133	(168)
	-----	-----	-----	-----
	136,409	111,913	270,111	226,313
	-----	-----	-----	-----
Operating income.....	22,330	17,565	36,828	34,602
Equity in earnings of marine affiliates.....	751	137	1,187	940
Other expense.....	(199)	(214)	(602)	(341)
Interest expense.....	(3,867)	(3,366)	(7,321)	(6,873)
	-----	-----	-----	-----
Earnings before taxes on income.....	19,015	14,122	30,092	28,328
Provision for taxes on income.....	(7,226)	(5,366)	(11,435)	(10,764)
	-----	-----	-----	-----
Net earnings.....\$	11,789	\$ 8,756	\$ 18,657	\$ 17,564
	=====	=====	=====	=====
Net earnings per share of common stock:				
Basic.....\$	.49	\$ .36	\$ .77	\$ .73
Diluted.....\$	.48	\$ .36	\$ .77	\$ .72
Common stock outstanding (in thousands):				
Basic.....	24,105	24,146	24,084	24,113
Diluted.....	24,412	24,551	24,370	24,549

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

	Second Quarter		Six Months	
	2003	2002	2003	2002
(unaudited, \$ in thousands except per share amounts)				
EBITDA: (1)				
Net earnings.....\$	11,789	\$ 8,756	\$ 18,657	\$ 17,564
Interest expense.....	3,867	3,366	7,321	6,873
Provision for taxes on income.....	7,226	5,366	11,435	10,764
Depreciation and other amortization.....	12,894	11,497	25,126	23,019
	-----	-----	-----	-----
	\$ 35,776	\$ 28,985	\$ 62,539	\$ 58,220
	=====	=====	=====	=====
EBITDA per share - diluted (1).....\$	1.47	\$ 1.18	\$ 2.57	\$ 2.37
Capital expenditures.....\$	18,971	\$ 10,914	\$ 37,723	\$ 28,234
Acquisition of businesses and marine equipment.....\$	1,500	\$ --	\$ 37,816	\$ 2,800
Long-term debt, including current portion.....			\$ 295,133	\$ 247,769
Stockholders' equity.....			\$ 343,026	\$ 319,844
Debt to capitalization ratio.....			46.2%	43.7%

MARINE TRANSPORTATION STATEMENTS OF EARNINGS

	Second Quarter		Six Months	
	2003	2002	2003	2002
	(unaudited, \$ in thousands)			
Marine transportation revenues.....	\$ 137,156	\$ 107,346	\$ 262,221	\$ 216,336
Costs and expenses:				
Costs of sales and operating expenses.....	85,050	66,202	168,221	132,649
Selling, general and administrative.....	14,837	12,141	28,620	25,776
Taxes, other than on income.....	3,342	2,104	6,244	4,303
Depreciation and other amortization.....	12,145	10,716	23,650	21,464
	115,374	91,163	226,735	184,192
Operating income.....	\$ 21,782	\$ 16,183	\$ 35,486	\$ 32,144
Operating margins.....	15.9%	15.1%	13.5%	14.9%

DIESEL ENGINE SERVICES STATEMENTS OF EARNINGS

	Second Quarter		Six Months	
	2003	2002	2003	2002
	(unaudited, \$ in thousands)			
Diesel engine services revenues.....	\$ 21,583	\$ 22,132	\$ 44,718	\$ 44,579
Costs and expenses:				
Costs of sales and operating expenses.....	16,076	16,473	33,705	33,432
Selling, general and administrative.....	2,994	2,780	5,748	5,598
Taxes, other than income.....	77	62	160	149
Depreciation and amortization.....	264	208	516	420
	19,411	19,523	40,129	39,599
Operating income.....	\$ 2,172	\$ 2,609	\$ 4,589	\$ 4,980
Operating margins.....	10.1%	11.8%	10.3%	11.2%

OTHER COSTS AND EXPENSES

	Second Quarter		Six Months	
	2003	2002	2003	2002
	(unaudited, \$ in thousands)			
General corporate expenses.....	\$ 1,498	\$ 1,254	\$ 3,114	\$ 2,690
Loss (gain) on disposition of assets.....	\$ 126	\$ (27)	\$ 133	\$ (168)

MARINE TRANSPORTATION PERFORMANCE MEASUREMENTS

	Second Quarter		Six Months	
	2003	2002	2003	2002
Ton Miles (in millions) (2).....	3,991	3,151	7,446	6,179
Revenue/Ton Mile (cents/tm) (3).....	3.4	3.4	3.5	3.5
Towboats operated (average) (4).....	226	199	228	202
Delay Days (5).....	1,268	1,355	3,851	3,314
Average cost per gallon of fuel consumed.....\$	.81	\$ .72	\$ .91	\$ .65
Tank barges:				
Active .....			897	811
Inactive .....			76	66

(1) Kirby has historically evaluated its operating performance using numerous measures, one of which is EBITDA, a non-GAAP financial measure. Kirby defines EBITDA as net earnings before interest expense, taxes on income, depreciation and amortization. EBITDA is presented because of its wide acceptance as a financial indicator. EBITDA is used by Kirby's lenders in loan covenants, 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. EBITDA is not a calculation based on generally accepted accounting principles and should not be considered as an alternative to, but should only be considered in conjunction with, Kirby's GAAP financial information.

(2) Ton miles indicate fleet productivity by measuring the distance (in miles) a loaded tank barge is moved. Example: A typical 30,000 barrel tank barge loaded with 3,300 tons of liquid cargo is moved 100 miles, thus generating 330,000 ton miles.

(3) Marine transportation revenues divided by ton miles. Example: Second quarter 2003 revenues of \$137,156,000 divided by 3,991,000,000 ton miles = 3.4 cents.

(4) Towboats operated are the average number of owned and chartered towboats operated during the period.

(5) Delay days measures the lost time incurred by a tow (towboat and tank barges) during transit. The measure includes transit delays caused by weather, lock congestion and other navigational factors.