

KIRBY CORP
Form S-4/A
May 27, 2011

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As filed with the Securities and Exchange Commission on May 26, 2011

Registration No. 333 173901

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Amendment No. 1 to

**Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

KIRBY CORPORATION

(Exact name of Registrant as Specified in its Charter)

Nevada

*(State or other jurisdiction
of incorporation)*

4400

*(Primary Standard Industrial
Classification Code Number)*

74-1884980

*(I.R.S. Employer
Identification Number)*

**55 Waugh Drive, Suite 1000
Houston, Texas 77007**

*(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive
Offices)*

**David W. Grzebinski
Executive Vice President and Chief Financial Officer**

**Kirby Corporation
55 Waugh Drive, Suite 1000
Houston, Texas 77007
(713) 435-1000**

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

With a copy to:

**Thomas G. Adler, Esq.
Bryn A. Sappington, Esq.
Fulbright & Jaworski L.L.P.
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201-2784
(214) 855-8000**

**Timothy J. Casey
K-Sea Transportation Partners L.P.
One Town Center Boulevard, 17th
Floor
East Brunswick, New Jersey 08816
(732) 339-6140**

**Sean T. Wheeler, Esq.
Michael E. Dillard, Esq.
Latham & Watkins LLP
717 Texas Avenue, Suite 1600
Houston, Texas 77002
(713) 546-5400**

Approximate date of commencement of the proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed proxy statement/prospectus.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED MAY 26, 2011

Dear K-Sea Transportation Partners L.P. Unitholders:

I am pleased to inform you that K-Sea Transportation Partners L.P. and Kirby Corporation have entered into a merger agreement that provides for K-Sea to become an indirect wholly owned subsidiary of Kirby.

If the merger agreement is approved by our unitholders and the merger is completed, each issued and outstanding common unit of K-Sea and each phantom unit granted under the K-Sea Transportation Partners L.P. Long-Term Incentive Plan (including phantom units granted subject to the approval of the Amended and Restated K-Sea Transportation Partners L.P. Long-Term Incentive Plan) will be converted into the right to receive, at the election of the holder, either (a) \$8.15 in cash, without interest, or (b) \$4.075 in cash, without interest, and 0.0734 of a share of Kirby common stock. In addition, each outstanding Series A preferred unit of K-Sea (a preferred unit) will be converted into the right to receive \$4.075 in cash, without interest, and 0.0734 of a share of Kirby common stock and each outstanding general partner unit of K-Sea will be converted into the right to receive \$8.15 in cash, without interest. The incentive distribution rights of K-Sea, which are owned by an affiliate of K-Sea's general partner, will be converted into the right to receive \$18.0 million in cash.

The merger agreement and the transactions contemplated thereby, including the merger, must receive (a) the affirmative vote of the holders of a majority of the outstanding common units of K-Sea and the outstanding preferred units of K-Sea (voting on an as-converted to common units basis), voting together as a single class, and (b) the affirmative vote of the holders of a majority of the outstanding preferred units of K-Sea, voting separately as a class, in each case, by holders who are entitled to vote as of the record date.

Certain unitholders of K-Sea have entered into support agreements with Kirby, pursuant to which they have agreed to vote all of their K-Sea units in favor of the merger agreement and the transactions contemplated thereby, including the merger. Collectively, these unitholders currently hold 100% of the outstanding preferred units of K-Sea and approximately 59.9% of the outstanding common units of K-Sea (including the outstanding preferred units of K-Sea on an as-converted to common units basis), which is a sufficient number of units to approve the merger agreement and the transactions contemplated thereby, including the merger.

Common units of K-Sea are traded on the New York Stock Exchange under the symbol KSP, and shares of Kirby common stock are traded on the New York Stock Exchange under the symbol KEX.

You are cordially invited to attend a special meeting of the unitholders of K-Sea to vote on the merger agreement and the transactions contemplated thereby, including the merger, on July 1, 2011 at 9:00 a.m., local time, at One Tower Center Boulevard, 17th Floor, East Brunswick, New Jersey 08816. At the special meeting, in addition to the approval of the merger agreement and the transactions contemplated thereby, you will be asked to consider and vote upon the approval of the Amended and Restated K-Sea Transportation Partners L.P. Long-Term Incentive Plan and to cast a non-binding advisory vote on the compensation to be received by the executive officers of K-Sea General Partner GP

LLC in connection with the merger.

Information about the special meeting, the merger and the other business to be considered by the unitholders of K-Sea is contained in the accompanying proxy statement/prospectus and the documents incorporated by reference therein, which we urge you to read. **In particular, see the section titled Risk Factors beginning on page 28 of the accompanying proxy statement/prospectus.**

Whether or not you plan to attend the special meeting, to ensure your units of K-Sea are represented at the special meeting, please complete and submit the enclosed proxy card or transmit your voting instructions by using the telephone or internet as described on your proxy card as soon as possible.

The Board of Directors of K-Sea General Partner GP LLC (the K-Sea Board of Directors), acting upon the unanimous recommendation of the Conflicts Committee of the K-Sea Board of Directors, which is comprised of independent directors, unanimously approved and declared the advisability of the merger agreement and the transactions contemplated thereby, including the merger, and recommends that the unitholders of K-Sea vote to approve the merger agreement and the transactions contemplated thereby, including the merger. The K-Sea Board of Directors further recommends that the unitholders vote to approve the amended and restated K-Sea Transportation Partners L.P. Long-Term Incentive Plan and to approve, on an advisory basis, the compensation to be received by the executive officers of K-Sea General Partner GP LLC in connection with the merger.

Sincerely,

Timothy J. Casey
President and Chief Executive Officer of
K-Sea General Partner GP LLC

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under the accompanying proxy statement/prospectus or determined that the accompanying proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated May 26, 2011 and is first being mailed to the unitholders of K-Sea Transportation Partners L.P. on or about June 1, 2011.

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IMPORTANT NOTE ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission, which is referred to as the SEC or the Commission, constitutes a proxy statement of K-Sea under Section 14(a) of the Securities Exchange Act of 1934, as amended, which is referred to as the Exchange Act, with respect to the solicitation of proxies for the special meeting of unitholders of K-Sea, or any adjournment or postponement thereof, to, among other things, approve the merger agreement and the merger. This proxy statement/prospectus is also a prospectus of Kirby under Section 5 of the Securities Act of 1933, as amended, which is referred to as the Securities Act, for shares of common stock of Kirby that will be issued to unitholders of K-Sea in the merger pursuant to the merger agreement.

As permitted under the rules of the SEC, this proxy statement/prospectus incorporates by reference important business and financial information about K-Sea and Kirby from other documents filed with the SEC that are not included in or delivered with this proxy statement/prospectus. Please read the section titled Where You Can Find More Information beginning on page 121. You can obtain any of the documents incorporated by reference into this document from the SEC's website at <http://www.sec.gov>. This information is also available to you without charge upon your request in writing or by telephone from K-Sea or Kirby at the following addresses and telephone numbers:

Kirby Corporation

55 Waugh Drive, Suite 1000
Houston, Texas 77007
Attn: Investor Relations
(713) 435-1000

K-Sea Transportation Partners L.P.

One Town Center Boulevard, 17th Floor
East Brunswick, New Jersey 08816
Attn: Investor Relations
(732) 565-3818

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference into the documents or this proxy statement/prospectus.

You may obtain certain of these documents at K-Sea's website, www.k-sea.com, by selecting Investor Relations and then selecting SEC Filings, and at Kirby's website, www.kirbycorp.com, by selecting Investor Relations and then selecting SEC Filings. Information contained on the websites of K-Sea and Kirby is expressly not incorporated by reference into this proxy statement/prospectus.

In order to receive timely delivery of the documents in advance of K-Sea's special meeting of unitholders, your request should be received no later than June 24, 2011. If you request any documents, K-Sea or Kirby will mail them to you by first class mail, or another equally prompt means, within one business day after receipt of your request.

If you have any questions about the merger or the consideration that you may receive in connection with the merger, including any questions relating to the election or transmittal of materials, or would like additional copies of the election form and letter of transmittal (which are being mailed to K-Sea unitholders separately), you may contact Georgeson Inc., the information agent for the merger, at the address and telephone number listed below. You will not be charged for any additional election forms and letters of transmittal that you request.

Georgeson Inc.

199 Water Street, 26th Floor
New York, New York 10038

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NOTICE OF SPECIAL MEETING OF UNITHOLDERS

To the Unitholders of K-Sea Transportation Partners L.P.:

This is a notice that a special meeting of the unitholders of K-Sea Transportation Partners L.P., a Delaware limited partnership (K-Sea), will be held on July 1, 2011 at 9:00 a.m., local time, at One Tower Center Boulevard, 17th Floor, East Brunswick, New Jersey 08816, for the following purposes:

1. To consider and vote upon the approval of the Agreement and Plan of Merger dated as of March 13, 2011, as such agreement may be amended from time to time (the merger agreement), by and among K-Sea, K-Sea General Partner L.P., a Delaware limited partnership and the general partner of K-Sea (K-Sea GP), K-Sea General Partner GP LLC, a Delaware limited liability company and the general partner of K-Sea GP (K-Sea Management GP), K-Sea IDR Holdings LLC, a Delaware limited liability company and wholly owned subsidiary of K-Sea GP, Kirby Corporation, a Nevada corporation (Kirby), KSP Holding Sub, LLC, a Delaware limited liability company and direct wholly owned subsidiary of Kirby (Kirby Holding Sub), KSP LP Sub, LLC, a Delaware limited liability company and direct wholly owned subsidiary of Kirby (Kirby LP Sub), and KSP Merger Sub, LLC, a Delaware limited liability company wholly owned by Kirby Holding Sub and Kirby LP Sub (Merger Sub, and together with Kirby, Kirby Holding Sub and Kirby LP Sub, the Kirby Parties), pursuant to which Merger Sub will be merged with and into K-Sea (the merger), with K-Sea surviving the merger as an indirect wholly owned subsidiary of Kirby, and the transactions contemplated thereby, including the merger;
2. To consider and vote upon the approval of the Amended and Restated K-Sea Transportation Partners L.P. Long-Term Incentive Plan;
3. To cast an advisory vote on the compensation to be received by the K-Sea Management GP executive officers in connection with the merger; and
4. To transact such other business as may properly come before the special meeting and any adjournment or postponement thereof.

The Board of Directors of K-Sea Management GP (the K-Sea Board of Directors), acting upon the unanimous recommendation of the Conflicts Committee of the K-Sea Board of Directors, which is comprised of independent directors, has unanimously approved and declared the advisability of the merger agreement and the transactions contemplated thereby, including the merger, and is submitting them to the unitholders of K-Sea for approval at the special meeting. Information about the special meeting, the merger and the other business to be considered by the unitholders of K-Sea is contained in the accompanying proxy statement/prospectus and the documents incorporated by reference therein, which we urge you to read. **In particular, see the section titled Risk Factors beginning on page 28 of the accompanying proxy statement/prospectus.**

Only K-Sea unitholders of record at the close of business on May 26, 2011, the record date for the special meeting, are entitled to receive this notice and to vote at the special meeting or any adjournment or postponement of that meeting.

Whether or not you plan to attend the special meeting, please submit your proxy with voting instructions as soon as possible. If you hold K-Sea units in your name as a unitholder of record, please complete, sign, date and return the accompanying proxy card in the enclosed self-addressed stamped envelope, use the toll-free telephone number shown on the proxy card or use the internet website shown on the proxy card. If you hold K-Sea units through a bank or broker, please use the voting instructions you have received from your bank or broker. Submitting your proxy will not

prevent you from attending the special meeting and voting in person. Please note, however, that if you hold K-Sea units through a bank or broker, and you wish to vote in

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person at the special meeting, you must obtain from your bank or broker a proxy issued in your name. You may revoke your proxy by attending the special meeting and voting your K-Sea units in person at the special meeting. You may also revoke your proxy at any time before it is voted by giving written notice of revocation to American Stock Transfer & Trust Company at the address provided with the proxy card at or before the special meeting or by submitting a proxy with a later date.

The accompanying document describes the proposed merger in more detail. We urge you to read carefully the entire document before voting your units of K-Sea at the special meeting or submitting your voting instructions by proxy.

The K-Sea Board of Directors has unanimously approved and declared the advisability of the merger agreement and the transactions contemplated thereby, including the merger, and recommends that the unitholders of K-Sea vote:

1. **FOR** the proposal to approve the merger agreement and the transactions contemplated thereby, including the merger;
2. **FOR** the proposal to approve the Amended and Restated K-Sea Transportation Partners L.P. Long-Term Incentive Plan; and
3. **FOR** the proposal to approve, on an advisory basis, the compensation to be received by K-Sea Management GP executive officers in connection with the merger.

By Order of the Board of Directors of K-Sea General Partner GP LLC, the general partner of K-Sea General Partner L.P., the general partner of K-Sea Transportation Partners L.P.

Richard P. Falcinelli
Secretary

East Brunswick, New Jersey
May 26, 2011

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DEFINITIONS

The following terms have the meanings set forth below for purposes of this proxy statement/prospectus, unless the context otherwise indicates:

Amended and Restated Incentive Plan means the Amended and Restated K-Sea Transportation Partners L.P. Long-Term Incentive Plan;

Incentive Plan means the K-Sea Transportation Partners L.P. Long-Term Incentive Plan;

Kirby means Kirby Corporation, a Nevada corporation;

Kirby common stock or Kirby shares means Kirby's common stock, par value \$0.10 per share;

Kirby Holding Sub means KSP Holding Sub, LLC, a Delaware limited liability company and direct wholly owned subsidiary of Kirby;

Kirby LP Sub means KSP LP Sub, LLC, a Delaware limited liability company and direct wholly owned subsidiary of Kirby;

Kirby Parties means Kirby, Kirby Holding Sub, Kirby LP Sub and Merger Sub;

K-Sea means K-Sea Transportation Partners L.P., a Delaware limited partnership;

K-Sea Board of Directors means the board of directors of K-Sea Management GP;

K-Sea common unitholder means an owner of K-Sea common units.

K-Sea common units means the common units of K-Sea;

K-Sea Conflicts Committee means the Conflicts Committee of the K-Sea Board of Directors;

K-Sea GP means K-Sea General Partner L.P., a Delaware limited partnership and the general partner of K-Sea;

K-Sea IDR Holdings means K-Sea IDR Holdings LLC, a Delaware limited liability company and wholly owned subsidiary of K-Sea GP;

K-Sea Management GP means K-Sea General Partner GP LLC, a Delaware limited liability company and the general partner of K-Sea GP;

K-Sea Parties means K-Sea, K-Sea GP and K-Sea Management GP;

K-Sea phantom units means the phantom units of K-Sea granted pursuant to the Incentive Plan, and, subject to the approval of the Amended and Restated Incentive Plan, the phantom units granted pursuant to the Amended and Restated Incentive Plan;

K-Sea preferred units means the Series A Preferred Units of K-Sea;

K-Sea supporting unitholders means KA First Reserve, LLC, EW Transportation LLC, EW Holding Corp. and EW Transportation Corp.;

K-Sea unitholder means a holder of K-Sea common or preferred units.

K-Sea units means collectively the K-Sea common units and the K-Sea preferred units;

K-Sea's partnership agreement means the Fourth Amended and Restated Agreement of Limited Partnership of K-Sea, dated as of September 10, 2010.

merger means the merger contemplated by the merger agreement;

merger agreement means the Agreement and Plan of Merger, dated as of March 13, 2011, among K-Sea, K-Sea GP, K-Sea Management GP, K-Sea IDR Holdings, Kirby, Kirby Holding Sub, Kirby LP Sub and Merger Sub, as it may be further amended from time to time;

Merger Sub means KSP Merger Sub, LLC, a Delaware limited liability company and a wholly owned subsidiary of Kirby Holding Sub; and

Stifel Nicolaus means Stifel, Nicolaus & Company, Incorporated.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND SPECIAL MEETING

Set forth below are questions that you, as a unitholder of K-Sea, may have regarding the merger and the special meeting of K-Sea unitholders and brief answers to those questions. For a more complete description of the legal and other terms of the merger, please read carefully this entire proxy statement/prospectus, including the merger agreement attached as Annex A to this proxy statement/prospectus, and the documents incorporated by reference into this proxy statement/prospectus. You may obtain a list of the documents incorporated by reference into this proxy statement/prospectus in the section titled "Where You Can Find More Information" beginning on page 121 of this proxy statement/prospectus.

Q: Why am I receiving these materials?

A: Kirby and K-Sea have agreed to a merger pursuant to which K-Sea will become an indirect wholly owned subsidiary of Kirby and K-Sea will cease to be a publicly held entity. In order to complete the merger, unitholders of K-Sea must approve the merger agreement and the transactions contemplated by the merger agreement, including the merger. In the merger, K-Sea common unitholders may elect to receive part of their consideration in the form of Kirby common stock.

This document is being delivered to you as both a proxy statement of K-Sea and a prospectus of Kirby in connection with the merger. It is the proxy statement by which the K-Sea Board of Directors is soliciting proxies from you to vote on the approval of the merger agreement at the special meeting or at any adjournment or postponement of the special meeting (and the other matters described in the next Question & Answer). It is also the prospectus by which Kirby will issue Kirby common stock in the merger.

Q: On what am I being asked to vote?

A: Unitholders of K-Sea are being asked to vote on the following proposals:

1. to consider and approve the merger agreement (attached as Annex A to this proxy statement/prospectus) and the transactions contemplated thereby, including the merger, effective upon the completion of the merger;
2. to consider and approve the Amended and Restated Incentive Plan;
3. to cast an advisory vote on the compensation to be received by the K-Sea Management GP executive officers in connection with the merger; and
4. to transact such other business as may properly come before the special meeting and any adjournment or postponement thereof (at the present time, K-Sea knows of no other matters that will be presented for consideration at the special meeting).

Q: How does the K-Sea Board of Directors recommend that I vote on the matters to be considered at the special meeting?

A: The K-Sea Board of Directors unanimously recommends that the unitholders of K-Sea vote:

1. **FOR** the proposal to approve the merger agreement and the transactions contemplated thereby, including the merger, effective upon the completion of the merger;

2. **FOR** the proposal to approve the Amended and Restated Incentive Plan; and
3. **FOR** the proposal to approve, on an advisory basis, the compensation to be received by K-Sea Management GP executive officers in connection with the merger.

See Proposal 1 The Merger K-Sea s Reasons for the Merger; Recommendations of the K-Sea Board of Directors and the K-Sea Conflicts Committee beginning on page 51 of this proxy statement/prospectus.

In considering the recommendation of the K-Sea Board of Directors with respect to the merger agreement and the transactions contemplated thereby, you should be aware that some of K-Sea Management GP s directors and executive officers have interests in the merger that are different from, or in addition to, the

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interests of K-Sea unitholders generally. See Proposal 1 The Merger Interests of Certain Persons in the Merger beginning on page 71 of this proxy statement/prospectus.

Q: What will happen in the merger?

A: Pursuant to the merger agreement, Merger Sub will be merged with and into K-Sea, with K-Sea surviving the merger as an indirect wholly owned subsidiary of Kirby. At the effective time of the merger, Kirby Holding Sub will be admitted as the sole general partner of K-Sea, and Kirby LP Sub will be admitted as the sole limited partner of K-Sea. The merger will become effective on such date and at such time that the certificate of merger is filed with the Secretary of State of the State of Delaware, or such later date and time as may be set forth in the certificate of merger. Throughout this proxy statement/prospectus, this date and time is referred to as the effective time of the merger.

Q: What will I receive in the merger?

A: Pursuant to the merger agreement,

each outstanding K-Sea common unit (and each K-Sea phantom unit) will be converted into the right to receive, at the election of the holder, either (a) \$8.15 in cash, without interest, or (b) \$4.075 in cash, without interest, and 0.0734 of a share of Kirby common stock,

each outstanding K-Sea preferred unit will be converted into the right to receive \$4.075 in cash, without interest, and 0.0734 of a share of Kirby common stock;

each outstanding general partner unit of K-Sea will be converted into the right to receive \$8.15 in cash, without interest; and

the incentive distribution rights owned by K-Sea IDR Holdings will be converted into the right to receive \$18.0 million in cash, without interest.

K-Sea unitholders will receive cash for any fractional shares of Kirby common stock that they would otherwise receive in the merger.

The exchange ratio used to determine the shares of Kirby common stock to be issued in the merger was based on the volume weighted average price of Kirby common stock for the ten trading day period prior to the date of the merger agreement. You should note that because the exchange ratio used to determine the shares of Kirby common stock in the merger is fixed, the value of the consideration to be received in the form of Kirby common stock will change up until the closing date. The market price of Kirby common stock will fluctuate prior to the merger, and the market price of Kirby common stock when received by K-Sea unitholders after the merger is completed could be greater or less than the current market price of Kirby common stock. See Risk Factors beginning on page 28 of this proxy statement/prospectus.

Q: What vote of unitholders is required to approve the merger agreement and the transactions contemplated thereby?

A: The merger agreement and the transactions contemplated thereby, including the merger, must receive the approval of a majority of the holders of the outstanding K-Sea common units and the outstanding K-Sea preferred units (voting on an as-converted to common units basis), voting together as a single class, and the approval of a majority of the holders of the outstanding K-Sea preferred units, voting separately as a class, in each case, by

holders who are entitled to vote as of the record date to be effective. Abstentions and broker non-votes will be the equivalent of a NO vote with respect to the approval of the merger agreement and the transactions contemplated thereby, including the merger.

The K-Sea supporting unitholders, which collectively own 100% of the outstanding K-Sea preferred units and approximately 59.9% of the outstanding K-Sea common units (including the K-Sea preferred units on an as-converted to common units basis), have agreed to vote all of their K-Sea units in favor of the merger agreement and the merger. Accordingly, subject to the terms and conditions of the support agreements described in this proxy statement/prospectus, it is expected that the merger agreement and the transactions contemplated thereby, including the merger, will be approved even without the vote of any other holders of

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K-Sea units. For additional information regarding the support agreements, please read Proposal 1 The Merger Transactions Related to the Merger beginning on page 55 of this proxy statement/prospectus.

Q: What vote of unitholders is required to approve the other matters to be considered at the special meeting?

A: The affirmative vote of the holders of a majority of the outstanding K-Sea common units (including the K-Sea preferred units on an as-converted to common units basis), voting together as a single class, who are entitled to vote as of the record date is required to approve the Amended and Restated Incentive Plan and any other matters to be considered at the special meeting.

The vote of K-Sea unitholders on the compensation to be received by K-Sea Management GP executive officers in connection with the merger is advisory in nature and will not be binding on K-Sea or the K-Sea Board of Directors and will not impact whether or not the compensation is paid.

Q: What constitutes a quorum for the special meeting?

A: A quorum requires the presence, in person or by proxy, of holders of a majority of the outstanding K-Sea units (including the preferred units on an as-converted to common units basis). The K-Sea supporting unitholders hold sufficient common units and preferred units to constitute a quorum.

Q: When and where will the special meeting be held?

A: The special meeting is scheduled to be held at One Tower Center Boulevard, 17th Floor, East Brunswick, New Jersey 08816 on July 1, 2011 at 9:00 a.m., local time.

Q: Who is entitled to vote at the special meeting?

A: All holders of outstanding K-Sea common units and K-Sea preferred units who hold units at the close of business on May 26, 2011, which is referred to herein as the record date, are entitled to receive notice of and to vote at the special meeting and any adjournment or postponement thereof provided that such units remain outstanding on the date of the special meeting.

Q: What are the expected U.S. federal income tax consequences to a K-Sea common unitholder as a result of the merger?

A: For U.S. federal income tax purposes, a K-Sea common unitholder who is a U.S. holder (as defined below) that receives cash or cash and Kirby shares in exchange for such unitholder's K-Sea common units pursuant to the merger will generally recognize capital gain or loss in an amount equal to the difference between (i) the sum of (A) the amount of cash received, (B) the fair market value of any Kirby shares received, and (C) such unitholder's share of K-Sea's nonrecourse debt immediately prior to the merger, and (ii) such unitholder's adjusted tax basis in the K-Sea common units exchanged therefor. However, a portion of this gain or loss will be separately computed and taxed as ordinary income or loss under Section 751 of the Code (as defined below) to the extent attributable to assets giving rise to unrealized receivables or to inventory items of K-Sea. For a more detailed discussion of the material U.S. federal income tax consequences of the merger to K-Sea common unitholders, please see the discussion in the section titled Material U.S. Federal Income Tax Consequences of the Merger and of Owning and Disposing of Shares of Kirby Common Stock Received in the Merger beginning on page 80 of this proxy statement/prospectus.

Q: Are there any risks in the merger that I should consider?

A: Yes. There are risks associated with all business combinations, including the merger. These risks are discussed in more detail in the section titled **Risk Factors** beginning on page 28 of this proxy statement/prospectus.

Q: How do I vote at the special meeting?

A: After you have carefully read this proxy statement/prospectus, please respond by completing, signing and dating your proxy card and returning it in the enclosed postage-paid envelope or by submitting your proxy

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or voting instruction by telephone or through the internet as soon as possible so that your K-Sea units will be represented and voted at the special meeting.

If your K-Sea units are held in street name, please refer to your proxy card or the information forwarded by your broker or other nominee to see which options are available to you. The internet and telephone proxy submission procedures are designed to authenticate K-Sea unitholders and to allow you to confirm that your instructions have been properly recorded.

The method you use to submit a proxy will not limit your right to vote in person at the special meeting if you later decide to attend the special meeting. If your K-Sea units are held in the name of a broker or other nominee, you must obtain a proxy, executed in your favor from the holder of record, to be able to vote in person at the special meeting.

Q: If my K-Sea units are held in street name by my broker or other nominee, will my broker or other nominee vote my units for me?

A: No. Your broker will not be able to vote your K-Sea units without instructions from you. Please follow the procedure your broker provides to vote your units.

In connection with the special meeting, abstentions and broker non-votes will be considered in determining the presence of a quorum. Abstentions and broker non-votes will be the equivalent of a vote against all of the matters to be voted upon at the special meeting.

An abstention occurs when a K-Sea unitholder abstains from voting (either in person or by proxy) on one or more of the proposals. Broker non-votes may occur when a person holding units through a bank, broker or other nominee does not provide instructions as to how the units should be voted, and the broker lacks discretionary authority to vote on a particular proposal.

Q: If I am planning on attending a special meeting in person, should I still submit a proxy?

A: Yes. Whether or not you plan to attend the special meeting, you should submit a proxy. K-Sea units will not be voted if the holder of such units does not submit a proxy and then does not vote in person at the special meeting. Failure to submit a proxy or to vote in person would have the same effect as a vote against all the proposals at the special meeting.

Q: What do I do if I want to change my vote after I have delivered my proxy card?

A: You may change your vote at any time before K-Sea units are voted at the special meeting. You can do this in any of the three following ways:

by sending a written notice to American Stock Transfer & Trust Company in time to be received before the special meeting stating that you revoke your proxy;

by completing, signing and dating another proxy card and returning it by mail in time to be received before the special meeting or by submitting a later dated proxy by telephone or the internet, in which case your later-submitted proxy will be recorded and your earlier proxy revoked; or

if you are a holder of record, or if you hold a proxy in your favor executed by a holder of record, by attending the special meeting and voting in person.

If your K-Sea units are held in an account at a broker or other nominee, you should contact your broker or other nominee to change your vote.

Q: What should I do if I receive more than one set of voting materials for the special meeting?

A: You may receive more than one set of voting materials for the special meeting and the materials may include multiple proxy cards or voting instruction cards. For example, you will receive a separate voting instruction card for each brokerage account in which you hold units. If you are a holder of record registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive according to the instructions on it to ensure that all of your units are voted.

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Q: Can I submit my proxy by telephone or the internet?

A: Yes. In addition to mailing your proxy, you may submit it telephonically or on the internet. Instructions for using the telephone or internet to vote are described on your proxy card.

Q: If I am a K-Sea common unitholder, how do I make my election?

A: As a holder of record of K-Sea common units entitled to vote, you will receive at the time of the mailing of the proxy statement/prospectus an election form and other appropriate and customary transmittal materials. If you are a holder of K-Sea common units, the election form will allow you to specify the number of common units with respect to which you elect to receive cash and the number of common units with respect to which you elect to receive both cash and shares of Kirby common stock. You must complete and return the election form on or before 5:00 p.m., New York time, on June 28, 2011, which is the current election deadline and assumes a closing date of July 1, 2011. An election will be deemed properly made only (i) if accompanied by one or more certificates representing your K-Sea common units, duly endorsed in blank or otherwise in form acceptable for transfer on the books of K-Sea (or by an appropriate guarantee of delivery of such securities) and/or (ii) upon receipt by the exchange agent of an agent's message with respect to all of your book-entry K-Sea common units, or such other evidence of transfer of your book-entry K-Sea common units as the exchange agent may reasonably request, together with duly executed transmittal materials included with the election form. Kirby will make election forms available as may reasonably be requested from time to time by all persons who become holders (or beneficial owners) of K-Sea common units between the record date for the special meeting and the election deadline. For further information, please see the section titled "The Merger Agreement - Unitholder Elections" beginning on page 86 of this proxy statement/prospectus. If you need to obtain an election form, please contact K-Sea Transportation Partners L.P., Attention: Secretary, One Town Center Boulevard, 17th Floor, East Brunswick, New Jersey 08816, (732) 565-3818. You may also request an election form from Georgeson Inc., the information agent for the merger.

The election form and proxy card are separate documents and should each be completed in their entirety and sent to the appropriate addressee as directed herein and in the instructions accompanying such materials. In lieu of completing a proxy card, you may also vote by telephone or through the internet. For further information, please see the section titled "Special Meeting of K-Sea Unitholders - How to Submit Your Proxy" beginning on page 41 of this proxy statement/prospectus.

Q: Can I revoke or change my election after I mail my election form?

A: Yes. You may revoke or change your election by sending written notice thereof to Computershare Trust Company, N.A., the exchange agent, which notice must be received by the exchange agent prior to the election deadline noted above. In the event an election is revoked, under the merger agreement the K-Sea common units represented by such election will be treated as units in respect of which no election has been made, except to the extent a subsequent election is properly made by the unitholder during the election period. For further information, please see the section titled "The Merger Agreement - Unitholder Elections" beginning on page 86 of this proxy statement/prospectus.

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Q: What happens if I do not make an election or my election form is not received before the election deadline?

A: A cash election will be deemed to have been made for any K-Sea common units for which no effective election has been made by the election deadline. Upon completion of the merger, such K-Sea common units will be converted into the right to receive \$8.15 in cash, without interest.

Q: How do I exchange my K-Sea units for merger consideration?

A: Included with the election form being mailed to you is an information and instruction booklet, including instructions for exchanging your certificate or book-entry K-Sea common units for the merger consideration. You should read these instructions carefully. Assuming that you complete and submit the election form in accordance with the instructions, including by executing the transmittal materials included therein and including your certificates, if any, representing your K-Sea units, you will not need to take any further action in order to receive the merger consideration, which the exchange agent will forward to you as promptly as reasonably practicable after receipt of the certificate or book entry units. Any Kirby common stock you receive in the merger will be issued in book-entry form.

If you fail to make a timely and proper election and the merger closes, then the exchange agent will mail to you separate documentation and instructions for exchanging your certificate and book-entry K-Sea units for the merger consideration, in which case you will be paid the cash consideration payable to non-electing unitholders promptly upon adherence to the procedures set forth in the documentation and the surrender of your certificate and book-entry K-Sea units in accordance with such instructions.

Q: How will I receive the merger consideration to which I am entitled?

A. After receiving the proper documentation from you, the exchange agent will, following the closing of the merger, forward to you the cash and/or Kirby common stock to which you are entitled. More information on the documentation you are required to deliver to the exchange agent may be found under the section titled "Proposal 1 The Merger Manner and Procedure for Exchanging K-Sea Units" beginning on page 78 of this proxy statement/prospectus. K-Sea unitholders will not receive any fractional shares of Kirby common stock in the merger and will instead receive cash in lieu of any such fractional Kirby common shares.

Q: What happens if I sell my K-Sea units after the record date but before the special meeting?

A: The record date of the special meeting is earlier than the date of the special meeting and the date that the merger is expected to be completed. If you transfer your K-Sea units after the record date but before the date of the special meeting, you will retain your right to vote at the special meeting (provided that such units remain outstanding on the date of the special meeting), but you will not have the right to receive the merger consideration to be received by K-Sea unitholders in the merger. In order to receive the merger consideration, you must hold your units through completion of the merger. Once you properly submit an election form and related documentation as required thereby, selecting the type of consideration you wish to receive in the merger, you may not be able to transfer your units unless you subsequently revoke your election in accordance with the instructions set by the exchange agent to have your units returned to you prior to the election deadline.

Q: Do I have appraisal rights?

A: No. K-Sea unitholders neither have nor are entitled to exercise appraisal rights in connection with the merger under Delaware law or K-Sea's partnership agreement.

Q: Is completion of the merger subject to any conditions?

A: Yes. In addition to the approval of the merger agreement by K-Sea unitholders, completion of the merger requires the receipt of the necessary governmental and regulatory approvals and the satisfaction or, to the extent permitted by applicable law, waiver of the other conditions specified in the merger agreement.

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Q: When do you expect to complete the merger?

A: K-Sea and Kirby are working towards completing the merger promptly. K-Sea and Kirby currently expect to complete the merger in July of 2011, subject to receipt of approval of K-Sea unitholders, governmental and regulatory approvals and other usual and customary closing conditions. However, no assurance can be given as to when, or whether, the merger will occur.

Q: What happens if the merger is not completed?

A: If the merger agreement is not approved by the K-Sea unitholders or if the merger is not completed for any other reason, unitholders will not receive any payment for their units in connection with the merger. Instead, K-Sea would remain an independent public company and K-Sea common units would continue to be listed and traded on the New York Stock Exchange. Under specified circumstances, K-Sea may be required to pay Kirby a termination fee of \$12.0 million and/or reimburse Kirby for up to \$3.0 million in expenses as described under the caption "The Merger Agreement - Termination Fees and Expenses" beginning on page 97 of this proxy statement/prospectus.

Q: After completion of the merger, will I be able to vote to elect directors to the board of directors of Kirby?

A: If you elect to receive shares of Kirby common stock, you will be able to vote to elect directors to the board of directors of Kirby.

Q: After the merger, who will direct the activities of K-Sea?

A: Kirby will direct the activities of K-Sea.

Q: Why am I being asked to approve the Amended and Restated Incentive Plan?

A: After receiving a preferred equity investment from KA First Reserve, LLC in September 2010, the compensation committee of the K-Sea Board of Directors undertook a review of K-Sea's compensation practices, which included, among other things, a review of K-Sea's financial performance in fiscal 2009 and fiscal 2010, K-Sea's progress on its fiscal 2010 action plan, the implications of the KA First Reserve, LLC investment and the contributions of the K-Sea Management GP executive officers during this difficult period. Given the state of the economy and the challenges facing K-Sea's business, the executive officers had not received salary increases, cash bonuses or equity compensation grants since September 2008. On December 14, 2010, the compensation committee of the K-Sea Board of Directors set new base salaries for K-Sea Management GP's executive officers, approved retention bonuses for the executive officers, established a fiscal 2011 incentive compensation program for the executive officers and made grants of K-Sea phantom units to the executive officers. Also on December 14, 2010, the compensation committee of the K-Sea Board of Directors made grants of K-Sea phantom units to the independent directors on the K-Sea Board of Directors, who had last received an equity grant in August 2007. The compensation committee's approval of 112,194 of the granted K-Sea phantom units was subject to K-Sea unitholder approval of an increase in the number of common units available for issuance under the Amended and Restated Incentive Plan. The Amended and Restated Incentive Plan was approved by the compensation committee to aid K-Sea in recruiting and retaining directors, officers and employees capable of assuring the future success of K-Sea.

Q: What will happen if the Amended and Restated Incentive Plan is not approved?

- A: If the Amended and Restated Incentive Plan is not approved, then the 112,194 additional K-Sea phantom units that were conditionally awarded to certain executive officers and directors of K-Sea Management GP will be cancelled and no merger consideration will be paid with respect to such cancelled K-Sea phantom units. It is important to note, however, that the per share merger consideration amount is fixed and therefore the failure to approve the Amended and Restated Incentive Plan will not increase or decrease the per share merger consideration that will be paid with respect to any other K-Sea units.

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Q: Who can I contact with questions about the special meeting or the merger and related matters?

A: If you have any questions about the merger and the other matters contemplated by this proxy statement/prospectus or how to submit your proxy or voting instruction card, how to make an election for the consideration to be received in the merger or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card or voting instruction card, you should contact K-Sea Transportation Partners L.P., Attention: Secretary, One Town Center Boulevard, 17th Floor, East Brunswick, New Jersey 08816, (732) 565-3818. You may also contact Georgeson Inc., the information agent for the merger, toll-free at 866-278-8941 with any questions relating to the election materials or to obtain additional copies of the election form and related materials.

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SUMMARY

*This summary highlights selected information from this proxy statement/prospectus. You are urged to carefully read the entire proxy statement/prospectus and the other documents referred to in this proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the merger agreement, the merger and the other matters being considered at the meeting. See *Where You Can Find More Information* beginning on page 121 of this proxy statement/prospectus. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.*

Information about the Companies (page 37)

Kirby Corporation

Kirby Corporation, a publicly traded company based in Houston, Texas, conducts its business operations in the marine transportation and diesel engine services industries. Through its marine transportation subsidiaries, Kirby 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 owns and operates four ocean-going barge and tug units which transport dry-bulk commodities in United States coastwise trade. Through its diesel engine services subsidiaries, Kirby provides after-market service for medium-speed and high-speed diesel engines and reduction gears used in marine, power generation and railroad applications, distributes and services high-speed diesel engines, transmissions, pumps and compression products, and manufactures oilfield service equipment, including hydraulic fracturing equipment, for land-based pressure pumping and oilfield services markets. Kirby's principal executive offices are located at 55 Waugh Drive, Suite 1000, Houston, Texas 77007, and its telephone number is (713) 435-1000.

Additional information about Kirby and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. For further information, please see the section titled *Where You Can Find More Information* beginning on page 121 of this proxy statement/prospectus.

KSP Merger Sub, LLC

KSP Merger Sub, LLC is an indirect wholly owned subsidiary of Kirby. Merger Sub has not carried on any activities to date, other than activities incidental to its formation or undertaken in connection with the transactions contemplated by the merger agreement. The principal executive offices of Merger Sub are located at 55 Waugh Drive, Suite 1000, Houston, Texas 77007, and its telephone number is (713) 435-1000.

K-Sea Transportation Partners L.P.

K-Sea Transportation Partners L.P. is a publicly traded limited partnership, the common units of which are listed on the NYSE under the ticker symbol KSP. K-Sea and its subsidiaries provide marine transportation, distribution and logistics services for refined petroleum products in the United States. As of December 31, 2010, K-Sea operated a fleet of 57 tank barges and 64 tugboats with approximately 3.7 million barrels of capacity that serve a wide range of customers, including major oil companies, oil traders and refiners. As of December 31, 2010, approximately 98% of K-Sea's barrel-carrying capacity was double-hulled. As of December 31, 2010, all of K-Sea's tank vessels except two operated under the U.S. flag, and all but three were qualified to transport cargo between U.S. ports under the federal statutes that restrict foreign owners from operating in the U.S. maritime transportation industry, referred to as the Jones Act. K-Sea's principal executive office is located at One Tower Center Boulevard, 17th Floor, East Brunswick,

New Jersey 08816, and its telephone number at that address is (732) 565-3818.

Additional information about K-Sea and its subsidiaries is included in documents incorporated by reference into this proxy statement/prospectus. For further information, please see the section titled **Where You Can Find More Information** beginning on page 121 of this proxy statement/prospectus.

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Proposal 1 The Merger (page 42)

Kirby and K-Sea agreed to the acquisition of K-Sea by Kirby under the terms of the merger agreement that is described in this proxy statement/prospectus. In the merger, Merger Sub will merge with and into K-Sea, which will survive the merger as an indirect wholly owned subsidiary of Kirby. Kirby LP Sub, a direct wholly owned subsidiary of Kirby, will be the sole limited partner of K-Sea, and Kirby Holding Sub, a direct wholly owned subsidiary of Kirby, will be the sole general partner of K-Sea.

The merger agreement is attached as Annex A to this proxy statement/prospectus, and both Kirby and K-Sea encourage you to read it carefully and in its entirety because it is the legal document that governs the merger.

Merger Consideration; Election (page 85)

In the merger, each issued and outstanding K-Sea common unit (including each K-Sea phantom unit) will be cancelled and converted into the right to receive, at the election of the holder, either (a) \$8.15 in cash, without interest, or (b) \$4.075 in cash, without interest, and 0.0734 of a share of Kirby common stock (rounded to the nearest ten-thousandth of a share). Each outstanding preferred unit of K-Sea will be cancelled and converted into the right to receive \$4.075 in cash, without interest, and 0.0734 of a share of Kirby common stock (rounded to the nearest ten-thousandth of a share). If the application of the applicable exchange ratio to all units in respect of which a K-Sea unitholder is to receive Kirby common stock would cause such unitholder to receive a fraction of a Kirby common share, such unitholder will receive, in lieu of such fractional share, cash, without interest, with a value equal to the value of the fractional Kirby common share. K-Sea phantom units will accelerate and be treated as common units under the merger agreement (that is, holders thereof will be entitled to make the same election referenced in the first sentence of this paragraph).

In addition, each outstanding general partner unit of K-Sea will be cancelled and converted into the right to receive \$8.15 in cash, without interest, and the incentive distribution rights of K-Sea will be cancelled and converted into the right to receive an aggregate of \$18.0 million in cash, without interest.

Risk Factors (page 28)

The merger is, and upon the completion of the merger, the combined company will be, subject to a number of risks, which are described in the section titled Risk Factors beginning on page 28 of this proxy statement/prospectus. You should carefully read and consider these risks in deciding whether to vote for the approval of the merger agreement and the merger.

Special Meeting of Unitholders of K-Sea (page 38)

Where and when: The special meeting of K-Sea unitholders will take place at One Tower Center Boulevard, 17th Floor, East Brunswick, New Jersey 08816, on July 1, 2011 at 9:00 a.m., local time.

What K-Sea's unitholders are being asked to vote on: At the special meeting and any adjournment or postponement thereof, K-Sea's unitholders will be asked to consider and vote on the following matters:

- a proposal to approve the merger agreement and the transactions contemplated thereby, including the merger;
- a proposal to approve the Amended and Restated Incentive Plan;

a proposal to approve, on an advisory basis, the compensation to be received by K-Sea Management GP executive officers in connection with the merger; and

any proposal to transact such other business as may properly come before the special meeting and any adjournment or postponement thereof.

Who may vote: You may vote at the special meeting if you owned K-Sea common units or K-Sea preferred units at the close of business on the record date, May 26, 2011. You may cast one vote for each unit that you owned on the record date.

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How to vote: Please complete and submit the enclosed proxy card as soon as possible or transmit your voting instructions by using the telephone or internet procedures described on your proxy card.

Vote needed to approve the merger agreement and the transactions contemplated thereby: The merger agreement and the transactions contemplated thereby, including the merger, must receive the approval of the holders of a majority of the outstanding K-Sea common units and the outstanding K-Sea preferred units (voting on an as-converted to common units basis), voting together as a single class, and the approval of a majority of the holders of the outstanding K-Sea preferred units, voting separately as a class, in each case, by holders who are entitled to vote as of the record date to be effective. The approval of the merger agreement, including the merger, is a condition to consummation of the merger.

Vote needed to approve the Amended and Restated Incentive Plan: The approval of the Amended and Restated Incentive Plan requires the affirmative vote of the holders of a majority of the outstanding K-Sea common units and the outstanding K-Sea preferred units (voting on an as-converted to common units basis), voting together as a single class, who are entitled to vote as of the record date.

Vote needed to approve the compensation to be received by K-Sea Management GP executive officers in connection with the merger: The advisory vote on the compensation to be received by K-Sea Management GP executive officers in connection with the merger will be approved if the holders of a majority of the outstanding K-Sea common units and the outstanding K-Sea preferred units (voting on an as-converted to common units basis), voting together as a single class, vote For such proposal. The vote of K-Sea unitholders on the compensation to be received by K-Sea Management GP executive officers in connection with the merger is advisory in nature and will not be binding on K-Sea or the K-Sea Board of Directors and will not impact whether or not the compensation is paid.

Support Agreements (page 40)

In connection with the execution of the merger agreement, the Kirby Parties entered into support agreements with the K-Sea supporting unitholders. Pursuant to the support agreements, the K-Sea supporting unitholders, who own 3,790,000 K-Sea common units and 19,178,120 K-Sea preferred units, representing approximately 59.9% of the outstanding K-Sea common units (including the K-Sea preferred units on an as-converted to common units basis) and 100% of the outstanding K-Sea preferred units, have each agreed to vote the units of K-Sea beneficially owned by them (i) in favor of the approval of the merger agreement, any transactions contemplated by the merger agreement and any other action reasonably requested by Kirby in furtherance thereof submitted for the vote or written consent of K-Sea unitholders, (ii) against the approval or adoption of any acquisition proposal (as defined in the section of this proxy statement/prospectus titled *The Merger Agreement No Solicitation of Offers by K-Sea* beginning on page 93) and any action, agreement, transaction or proposal that would result in a breach of any covenant, agreement, representation or warranty or any other obligation or agreement of K-Sea contained in the merger agreement, and (iii) against any action, agreement or transaction that would impede, interfere with, delay, postpone, discourage, frustrate the purposes of or adversely affect the merger or the transactions contemplated by the merger agreement. Each support agreement may be terminated upon, among other things, the termination of the merger agreement or a change in recommendation by the K-Sea Board of Directors.

The foregoing description of the support agreements is qualified in its entirety by reference to the full text of the support agreements, which are attached as Annexes B through E to this proxy statement/prospectus and are incorporated by reference into this proxy statement/prospectus.

K-Sea's Reasons for the Merger; Recommendation of the K-Sea Board of Directors and the K-Sea Conflicts Committee (page 51)

The K-Sea Board of Directors, acting upon the unanimous recommendation of the K-Sea Conflicts Committee, which is comprised of independent directors, has unanimously (i) adopted and approved the merger agreement and the transactions contemplated thereby, including the merger, and (ii) determined that the merger agreement and the transactions contemplated thereby, including the merger, are fair and reasonable to, and in the best interests of, K-Sea and K-Sea's unitholders. Accordingly, the K-Sea Board of Directors

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unanimously recommends that K-Sea's unitholders vote **FOR** the proposal to approve the merger agreement and the transactions contemplated thereby, including the merger.

In determining whether to approve the merger agreement and the transactions contemplated thereby, including the merger, the K-Sea Board of Directors considered the factors described in the section titled "K-Sea's Reasons for the Merger; Recommendation of the K-Sea Board of Directors and the K-Sea Conflicts Committee" beginning on page 51 of this proxy statement/prospectus.

Opinion of K-Sea's Financial Advisor (page 55)

Stifel Nicolaus delivered its written opinion to the K-Sea Conflicts Committee, dated March 12, 2011, that, as of the date of the opinion and subject to and based on the assumptions made, procedures followed, matters considered and limitations of the review undertaken in such opinion, (i) the consideration to be paid to the holders of K-Sea common units (other than Jefferies Capital Partners, KA First Reserve, LLC and their respective affiliates) in connection with the merger and, (ii) for those holders of K-Sea common units (other than Jefferies Capital Partners, KA First Reserve, LLC and their respective affiliates) that will receive shares of Kirby common stock as a part of such consideration, the exchange ratio used in determining the number of such shares of Kirby common stock to be received by such holders of K-Sea common units, in each case, is fair to such common unitholders from a financial point of view.

The full text of the written opinion of Stifel Nicolaus, dated March 12, 2011, which sets forth the procedures followed, assumptions made, other matters considered and limits of the review undertaken in connection with the opinion, is attached as Annex F to this proxy statement/prospectus. The holders of K-Sea common units should read the opinion in its entirety. Stifel Nicolaus provided its opinion to the K-Sea Conflicts Committee for its information and assistance in connection with its evaluation of the financial terms of the merger. Stifel Nicolaus' opinion is not a recommendation as to how any holder of K-Sea units or any other person should vote with respect to the merger.

Interests of Certain Persons in the Merger (page 71)

In considering the recommendations of the K-Sea Conflicts Committee and the K-Sea Board of Directors, K-Sea's unitholders should be aware that some of the executive officers and directors of K-Sea Management GP have interests in the merger that may differ from, or may be in addition to, the interests of K-Sea's unitholders. These interests may present such executive officers and directors with actual or potential conflicts of interest, and these interests, to the extent material, are described below:

Ownership of K-Sea and K-Sea GP. Some of the officers and directors of K-Sea Management GP currently own K-Sea common units and have been granted K-Sea phantom units. As of May 26, 2011, such officers and directors beneficially owned an aggregate of 4,030,002 K-Sea common units and 258,896 K-Sea phantom units and, subject to the approval of the Amended and Restated Incentive Plan, will own an additional 112,194 K-Sea phantom units. Outstanding K-Sea common units and K-Sea phantom units will be converted, at the election of the holder, into the right to receive either cash or a combination of cash and Kirby common stock in the merger. In addition, certain officers and directors of K-Sea Management GP currently have a beneficial interest in the equity interests of K-Sea GP. In addition to the general partner interests of K-Sea held by K-Sea GP, for which K-Sea GP will be entitled to receive cash in the merger, K-Sea IDR Holdings, a wholly owned subsidiary of K-Sea GP and the owner of K-Sea's incentive distribution rights, will receive \$18.0 million in cash with respect to the incentive distribution rights.

Interests in KA First Reserve, LLC. Some of the directors of K-Sea Management GP currently own equity interests in KA First Reserve, LLC, the holder of all 19,178,120 outstanding K-Sea preferred units. The K-Sea preferred units will be converted into the right to receive a combination of cash and Kirby common stock in the

merger.

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Interests in affiliates of Jefferies Capital Partners. Certain officers and directors own interests in affiliates of Jefferies Capital Partners. These affiliates own K-Sea common units and will be entitled, at their election, to receive either cash or a combination of cash and Kirby common stock in the merger.

Indemnification and Insurance. The merger agreement provides for indemnification by K-Sea and Kirby of present and former officers and directors acting in specified capacities for any of the K-Sea entities and for the maintenance of directors and officers liability insurance covering current and former directors and officers of the K-Sea entities for a period of six years following the merger. K-Sea and Kirby also agreed that all rights to indemnification now existing in favor of indemnified parties as provided in K-Sea's partnership agreement (or, as applicable, the charter, bylaws, partnership agreement, limited liability company agreement, or other organizational documents of any other K-Sea entity) and the indemnification agreements of the K-Sea entities shall survive the merger and continue in full force and effect in accordance with their terms.

Support Agreements. As noted above certain of the directors of K-Sea Management GP have a beneficial interest in KA First Reserve, LLC, which owns all of the outstanding K-Sea preferred units, and certain other directors have a beneficial interest in affiliates of Jefferies Capital Partners. Together, KA First Reserve, LLC and the affiliates of Jefferies Capital Partners own approximately 59.9% of the outstanding K-Sea common units (including the K-Sea preferred units on an as-converted to common units basis) and have entered into support agreements whereby, subject to the terms of those agreements, they have agreed to vote in favor of the merger. For more information on the support agreements, please read Proposal 1 The Merger Transactions Related to the Merger.

Vesting in Phantom Units. Some of the officers and directors of K-Sea Management GP have been granted K-Sea phantom units, which are subject to vesting requirements. If the merger is completed, these K-Sea phantom units will vest and will entitle the officers and directors to receive, at the election of the holder, either cash or a combination of cash and Kirby common stock in the merger as if such K-Sea phantom units were K-Sea common units.

Severance and Employee Benefits. Kirby agreed that K-Sea would amend the employment agreements with Timothy J. Casey, Richard P. Falcinelli and Thomas M. Sullivan to extend their employment terms to one year following the merger, and to provide severance benefits in the event their employment is terminated without cause or for good reason under such agreements. Kirby has agreed that if Terrence P. Gill, Gregg Haslinsky or Gordon Smith are terminated without cause or they terminate their employment for good reason within one year following the merger they will be entitled to eighteen months base salary and target bonus as severance. For this purpose, good reason means (a) a material diminution in scope of responsibilities as in effect immediately prior to the merger, (b) material diminution in compensation opportunities, or (c) relocation of the officer's principal work location by 75 miles or more. Except as set forth in the merger agreement, there are no agreements or understandings between Kirby and any of K-Sea's officers or employees concerning employment or severance benefits.

Other Employee Benefits. Kirby agreed to maintain base salary, annual incentive bonus opportunities and other benefit plans and arrangements for all K-Sea shoreside employees (including officers) for one year following the merger. If the K-Sea employees become covered under Kirby's or a Kirby subsidiary's benefit plans, Kirby will waive any waiting periods, actively-at-work requirements or other restrictions that would prohibit immediate or full participation under any welfare plans or pre-existing condition limitations of health benefit plans, to the extent that such waiting periods, pre-existing condition limitations, actively-at-work requirements or other restrictions would not have applied to the K-Sea employees under the terms of the K-Sea benefit plans. Kirby also agreed to use commercially reasonable efforts to give full credit under its health benefit plans for all

co-payments and deductibles satisfied at the time of the merger and for any lifetime maximums as if K-Sea and Kirby had been a single employer.

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Each of the K-Sea Conflicts Committee and the K-Sea Board of Directors was aware of these different and/or additional interests and considered them, among other matters, in their respective evaluations and negotiations of the merger agreement.

Regulatory Approvals Required for the Merger (page 78)

Kirby and K-Sea have agreed to use their reasonable best efforts to obtain all governmental and regulatory approvals required to complete the transactions contemplated by the merger agreement. These approvals include approval under, or notices pursuant to, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to in this proxy statement/prospectus as the HSR Act. Under the HSR Act and the rules promulgated by the Federal Trade Commission (the "FTC"), the merger may not be completed until (1) certain information and materials are furnished to the Department of Justice (the "DOJ") and the FTC, and (2) the applicable waiting period under the HSR Act is terminated or expires. Kirby and K-Sea each filed the required HSR notification and report forms on April 1, 2011, commencing a 30-day statutory waiting period. On April 13, 2011, the FTC granted early termination of such statutory waiting period. Despite the early termination of the statutory waiting period under the HSR Act, the DOJ, the FTC and others may still challenge the merger on antitrust grounds. Accordingly, at any time before or after the completion of the merger, the DOJ, the FTC or others could take action under the antitrust laws as deemed necessary or desirable in the public interest, including without limitation seeking to enjoin the completion of the merger or to permit completion only subject to regulatory concessions or conditions.

Kirby and K-Sea also intend to make all required filings under the Securities Act and the Exchange Act relating to the merger and obtain all other approvals and consents which may be necessary to give effect to the merger.

Appraisal Rights (page 79)

K-Sea unitholders do not have and are not entitled to exercise appraisal rights in connection with the merger under Delaware law or K-Sea's partnership agreement.

NYSE Listing of Kirby Shares (page 82)

Shares of Kirby common stock currently trade on the New York Stock Exchange, or the NYSE, under the stock symbol "KEX". It is a condition to completion of the merger that the shares of Kirby common stock to be issued by Kirby to K-Sea unitholders in connection with the merger be approved for listing on the NYSE, subject to official notice of issuance. Kirby has agreed to use its commercially reasonable efforts to cause the shares of Kirby common stock issuable in connection with the merger to be authorized for listing on the NYSE and expects to obtain the NYSE's approval to list such shares prior to completion of the merger, subject to official notice of issuance.

Delisting and Deregistration of K-Sea Common Units (page 83)

K-Sea's common units currently trade on the NYSE under the stock symbol "KSP". If the merger is completed, K-Sea common units will cease to be listed on the NYSE and will be deregistered under the Exchange Act.

Conditions to Completion of the Merger (page 96)

The obligations of each of Kirby and Merger Sub, on one hand, and K-Sea, on the other hand, to complete the merger are subject to the satisfaction (or waiver) of the following conditions:

the merger agreement having been approved by the required vote of the holders of K-Sea common and preferred units;

the absence of any temporary restraining order, preliminary or permanent injunction, or other order or legal restraint or prohibition, or law enacted, preventing the completion of the merger;

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the expiration or termination of the applicable waiting period under the HSR Act, or any applicable waiting period under any other antitrust law, and any required approvals or consents from governmental entities having been obtained;

the effectiveness of the registration statement on Form S-4 (of which this proxy statement/prospectus forms a part) and no stop order or pending or threatened proceeding seeking a stop order;

the representations and warranties of the other party being true and correct, subject to certain materiality thresholds, as of the date of the merger agreement and as of the closing of the merger;

the other party having performed or complied with, in all material respects, all of the obligations, covenants and agreements required to be performed or complied with by it under the merger agreement at or prior to the closing date of the merger; and

the approval of listing on the NYSE of the shares of Kirby common stock deliverable to K-Sea unitholders as consideration in the merger, subject to official notice of issuance.

In addition, Kirby's and Merger Subsidiaries' obligations to complete the merger are further subject to the following conditions:

Kirby being satisfied in its reasonable discretion with the classification of K-Sea as a partnership and each of the other K-Sea Parties as either a partnership or a disregarded entity for U.S. federal income tax purposes; and

delivery by K-Sea GP of a certificate certifying that the transactions contemplated by the merger agreement are exempt from withholding pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended.

The merger agreement does not contain any condition to the closing of the merger relating to Kirby's ability to obtain financing for the transaction.

Neither Kirby nor K-Sea can give any assurance that all of the conditions to the merger will either be satisfied or waived or that the merger will occur.

Expected Timing of the Merger (page 79)

Kirby and K-Sea currently expect to complete the merger in June or July 2011, subject to the receipt of required K-Sea unitholder and regulatory approvals and the satisfaction or waiver of the other conditions to completion of the merger. Because many of the conditions to completion of the merger are beyond the control of Kirby and K-Sea, exact timing for completion of the merger cannot be predicted with any amount of certainty.

No Solicitation of Offers by K-Sea (page 93)

The merger agreement contains detailed provisions that restrict the K-Sea Parties, their subsidiaries and their respective officers, partners, managers, directors, employees and other representatives from, directly or indirectly, soliciting, initiating or knowingly encouraging, or taking other actions intended to facilitate, the submission of any other acquisition proposal (as defined in the section of this proxy statement/prospectus titled "The Merger Agreement No Solicitation of Offers by K-Sea" on page 93). The merger agreement also contains restrictions on the K-Sea Parties, their subsidiaries and their respective officers, partners, managers, directors, employees and other representatives from participating in any discussions or negotiations regarding any other acquisition proposal. The merger agreement does

not, however, prohibit the K-Sea Board of Directors from considering and recommending to K-Sea unitholders an alternative transaction with a third party if specified conditions are met, including the payment of the termination fee required by the merger agreement to Kirby.

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Termination of Merger Agreement (page 96)

The merger agreement may be terminated at any time prior to the completion of the merger by mutual consent of Kirby and K-Sea. The merger agreement may also be terminated by either Kirby or K-Sea if:

any injunction or restraint preventing the merger is final and non-appealable and the party seeking to terminate used its required efforts to prevent such final, non-appealable order; or

the merger does not close by September 30, 2011 (or November 29, 2011, if the applicable waiting period under the HSR Act or other antitrust law has not expired, or the required approvals under any antitrust law have not been obtained), such date referred to herein as the outside date, unless the party seeking to terminate has breached the merger agreement and such breach caused the failure of the closing to occur by such time.

Kirby may also terminate the merger agreement if:

a K-Sea Party has breached or failed to perform any of its representations, warranties, covenants or agreements, such that the applicable conditions to completion of the merger related to such representations, warranties, covenants and agreements of the K-Sea Parties are not capable of being satisfied on or before the outside date;

the K-Sea common or preferred unitholders do not approve the merger at a duly held meeting called for such purposes;

the K-Sea Board of Directors or any committee thereof, including the K-Sea Conflicts Committee, withdraws or modifies its recommendation of the merger in a manner adverse to Kirby or Merger Sub, K-Sea fails to include the K-Sea Board of Directors' recommendation of the merger and related matters in this proxy statement/prospectus or any of the K-Sea Parties (or any of their representatives) materially breach their non-solicitation obligations;

a material adverse effect with respect to K-Sea occurs; or

a permanent injunction, order or other legal restraint or prohibition has occurred that (i) would require or permit any K-Sea Party or any representative of any K-Sea Party to act or fail to act in a manner that would, in the absence of such injunction, order, restraint or prohibition, constitute a material violation of their obligation not to solicit, initiate or knowingly encourage an acquisition proposal, or (ii) reduces or otherwise limits Kirby's rights in any material respect with regard to the non-solicitation obligations set forth in the merger agreement or the payment by K-Sea of any termination fee or transaction expenses of Kirby.

K-Sea may also terminate the merger agreement:

if Kirby has breached or failed to perform any of its representations, warranties, covenants or agreements, such that the applicable conditions to completion of the merger related to such representations, warranties, covenants and agreements of Kirby are not capable of being satisfied on or before the outside date;

prior to obtaining the approval of the K-Sea common and preferred unitholders, to enter into an agreement relating to a superior proposal (as defined in the section of this proxy statement/prospectus titled "The Merger Agreement - No Solicitation of Offers by K-Sea" on page 93) in accordance with the provisions of the merger agreement related to non-solicitation, provided that K-Sea has not breached the non-solicitation obligations set

forth in the merger agreement and K-Sea has paid all applicable termination fees and expenses to Kirby; or
if a material adverse effect with respect to Kirby occurs.

Termination Fees and Expenses (page 97)

K-Sea has agreed to pay up to \$3.0 million of Kirby's fees and expenses paid or incurred in connection with the preparation and negotiation of the merger agreement, the support agreements or any of the other

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transactions contemplated thereby, if the merger agreement is terminated under any of the following circumstances:

by Kirby due to a K-Sea Party breaching or failing to perform any of its representations, warranties, covenants or agreements such that the applicable conditions to completion of the merger related to such representations, warranties, covenants and agreements of the K-Sea Parties are not capable of being satisfied on or prior to the outside date;

by Kirby due to the K-Sea common or preferred unitholders failing to approve the merger at a duly held meeting called for such purposes;

by Kirby due to the K-Sea Board of Directors or any committee thereof, including the K-Sea Conflicts Committee, withdrawing or modifying its recommendation of the merger in a manner adverse to Kirby or Merger Sub, K-Sea failing to include the K-Sea Board of Directors' recommendation of the merger and related matters in this proxy statement/prospectus or any of the K-Sea Parties (or any of their representatives) materially breaching their non-solicitation obligations;

by Kirby due to a permanent injunction, order or other legal restraint or prohibition occurring that (i) would require or permit any K-Sea Party or any representative of any K-Sea Party to act or fail to act in a manner that would, in the absence of such injunction, order, restraint or prohibition, constitute a material violation of their obligation not to solicit, initiate or knowingly encourage an acquisition proposal, or (ii) reduces or otherwise limits Kirby's rights in any material respect with regard to the non-solicitation obligations set forth in the merger agreement or the payment by K-Sea of any termination fee or transaction expenses of Kirby; or

by K-Sea to enter into an agreement relating to a superior proposal prior to obtaining the approval of the K-Sea common and preferred unitholders.

In addition to any payment to Kirby for its fees and expenses, K-Sea has agreed to pay Kirby a termination fee of \$12.0 million if:

Kirby terminates the merger agreement because (i) the merger has not occurred by the outside date, (ii) a K-Sea Party has breached or failed to perform any of its representations, warranties, covenants or agreements, such that the applicable conditions to completion of the merger related to such representations, warranties, covenants and agreements of the K-Sea Parties are not capable of being satisfied on or prior to the outside date, or (iii) the K-Sea common or preferred unitholders have not approved the merger at a duly held meeting called for such purpose, and (A) at or prior to the time of the termination, an acquisition proposal has been disclosed, announced, commenced, submitted or made and not withdrawn prior to termination, and (B) within twelve months after the date of such termination, any acquisition proposal is consummated or a definitive agreement contemplating an acquisition proposal is executed that is subsequently consummated (such termination fee to be paid at the time such acquisition proposal is consummated); or

(i) Kirby terminates the merger agreement because the K-Sea Board of Directors or any committee thereof (including the K-Sea Conflicts Committee) withdraws or modifies its recommendation of the merger in a manner adverse to Kirby or Merger Sub, K-Sea fails to include the K-Sea Board of Directors' recommendation of the merger and related matters in this proxy statement/prospectus or any of the K-Sea Parties (or any of their representatives) materially breaches their non-solicitation obligations, or (ii) K-Sea terminates the merger agreement prior to obtaining the approval of the K-Sea common and preferred unitholders to enter into an agreement relating to a superior proposal in accordance with the provisions of the merger agreement related to non-solicitation (such termination fee to be paid within two business days of such termination).

Accounting Treatment (page 79)

In accordance with accounting principles generally accepted in the United States, or GAAP, Kirby will account for the merger using the acquisition method of accounting for business combinations.

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Material U.S. Federal Income Tax Consequences of the Merger and of Owning and Disposing of Shares of Kirby Common Stock Received in the Merger (page 80)

For U.S. federal income tax purposes, a K-Sea common unitholder who is a U.S. holder (as defined below) that receives cash or cash and Kirby shares in exchange for such unitholder's K-Sea common units pursuant to the merger will generally recognize capital gain or loss in an amount equal to the difference between (i) the sum of (A) the amount of cash received, (B) the fair market value of any Kirby shares received, and (C) such K-Sea common unitholder's share of K-Sea's nonrecourse debt immediately prior to the merger, and (ii) such K-Sea common unitholder's adjusted tax basis in the K-Sea common units exchanged therefor. However, a portion of this gain or loss will be separately computed and taxed as ordinary income or loss under Section 751 of the Code (as defined below) to the extent attributable to assets giving rise to unrealized receivables or to inventory items of K-Sea. Please read the sections entitled Risk Factors Tax Risks Related to the Merger beginning on page 34, and Material U.S. Federal Income Tax Consequences of the Merger and of Owning and Disposing of Shares of Kirby Common Stock Received in the Merger, beginning on page 80.

Comparative Rights of Kirby Stockholders and K-Sea Unitholders (page 103)

The rights of K-Sea unitholders are currently governed by K-Sea's partnership agreement and applicable Delaware law. K-Sea common unitholders who elect to receive a portion of the merger consideration in Kirby common stock and K-Sea preferred unitholders will become stockholders of Kirby upon completion of the merger. Thereafter, their rights will be governed by Kirby's restated articles of incorporation, as amended, Kirby's bylaws and Nevada law. As a result, these K-Sea unitholders will have different rights once they become stockholders of Kirby due to the differences in the governing documents of and laws applicable to Kirby and K-Sea. The key differences are described in the section titled Comparison of Rights of Kirby Stockholders and K-Sea Unitholders beginning on page 103 of this proxy statement/prospectus.

Litigation Relating to the Merger (page 83)

As of May 26, 2011, nine class action complaints have been filed in connection with the proposed merger. Five of these complaints were filed in the Court of Chancery of the State of Delaware (the Delaware Court), all of which have been consolidated into one action. On May 18, 2011, a verified consolidated class action complaint was filed with the Delaware Court (the Delaware Consolidated Complaint). The Delaware Consolidated Complaint generally alleges, among other things, that K-Sea, K-Sea GP, K-Sea Management GP, KA First Reserve, LLC, and the directors of K-Sea Management GP have either breached their fiduciary duties of due care, loyalty and/or disclosure, and/or breached the limited partnership agreement, in connection with the proposed merger. The Delaware Consolidated Complaint seeks to enjoin the proposed merger or, alternatively, if the merger is consummated, to rescind the merger or to obtain recessionary damages.

Four complaints were filed in the Superior Court of New Jersey. The first filed complaint in New Jersey was subsequently withdrawn, and an order consolidating the remaining three cases was entered on May 25, 2011. The consolidated New Jersey case was stayed in favor of the Delaware action the same day. K-Sea and Kirby cannot predict the outcome of these or any other lawsuits that might be filed subsequent to the date of the filing of this proxy statement/prospectus, nor can K-Sea and Kirby predict the amount of time and expense that will be required to resolve these lawsuits. K-Sea and Kirby intend to vigorously defend against these and any other actions.

Proposal 2 Approval of Amended and Restated Incentive Plan (page 115)

On December 14, 2010, the compensation committee of the K-Sea Board of Directors approved and adopted the Amended and Restated Incentive Plan. The Amended and Restated Incentive Plan includes an increase in the number of common units of K-Sea authorized for issuance in connection with the Amended and Restated Incentive Plan from 440,000 common units to 940,000 common units (such amounts to be increased by adjustments, if any, made pursuant to the Amended and Restated Incentive Plan). K-Sea is

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submitting the Amended and Restated Incentive Plan to its unitholders for approval as required by the NYSE. The K-Sea Board of Directors unanimously recommends that you vote **FOR** the proposal to approve the Amended and Restated Incentive Plan.

The terms of the merger agreement generally restrict K-Sea from issuing any awards under the Amended and Restated Incentive Plan other than the 112,194 K-Sea phantom units granted to certain executive officers of K-Sea Management GP and certain members of the K-Sea Board of Directors. Moreover, if the merger is completed, no additional awards will be issued pursuant to the Amended and Restated Incentive Plan and the Amended and Restated Incentive Plan will be terminated. In the event that the merger is not completed, K-Sea may grant additional awards under the Amended and Restated Incentive Plan, subject to the terms thereof.

The full text of the Amended and Restated Incentive Plan is attached as Annex G to this proxy statement/prospectus and is incorporated by reference into this proxy statement/prospectus.

Proposal 3 Approval of Executive Compensation (page 120)

In accordance with Section 14A of the Exchange Act, K-Sea is providing unitholders with the opportunity to cast an advisory vote on the compensation that may be payable to the K-Sea Management GP named executive officers in connection with the merger as reported on the Golden Parachute Compensation table on page 74. The K-Sea Board of Directors unanimously recommends that you vote **FOR** the proposal to approve the executive compensation payable in connection with the merger.

Recent Developments

On April 15, 2011, Kirby Engine Systems, Inc., a wholly owned subsidiary of Kirby, completed its purchase of United Holdings LLC, a privately held distributor and service provider of engine and transmission related products for the oil and gas services, power generation and transportation industries, and manufacturer of oilfield service equipment. The base purchase price was \$270.0 million in cash, before post-closing adjustments, plus a three-year earnout provision for up to an additional \$50.0 million payable in 2014.

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF KIRBY**

The following tables show Kirby's selected consolidated historical financial data as of and for each of the fiscal years ended December 31, 2010, 2009, 2008, 2007 and 2006 and for the three months ended March 31, 2011 and are derived from Kirby's consolidated financial statements. You should read the following data in connection with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto set forth in Kirby's Annual Report on Form 10-K for the year ended December 31, 2010, and in Kirby's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2011, which are incorporated by reference into this document. See "Where You Can Find More Information" beginning on page 121 of this proxy statement/prospectus. See also the pro forma information set forth elsewhere in this proxy statement/prospectus regarding the proposed merger with K-Sea. The following information is only a summary and is not necessarily indicative of the results of future operations of Kirby.

**KIRBY CORPORATION AND CONSOLIDATED SUBSIDIARIES
STATEMENT OF EARNINGS DATA**

	Three Months Ended March 31, 2011 (Unaudited)	2010	Fiscal Year Ended December 31,				2006
			2009	2008	2007		
(In thousands, except per share amounts)							
Revenues:							
Marine transportation	\$ 241,677	\$ 915,046	\$ 881,298	\$ 1,095,475	\$ 928,834	\$ 807,216	
Diesel engine services	57,682	194,511	200,860	264,679	243,791	177,002	
Total revenues	299,359	1,109,557	1,082,158	1,360,154	1,172,625	984,218	
Costs and expenses:							
Cost of sales and operating expenses	185,499	683,236	637,833	843,310	735,427	631,334	
Selling, general and administrative	29,457	117,694	121,401	142,171	121,952	107,728	
Taxes, other than income	3,501	13,209	12,104	13,120	13,159	12,826	
Depreciation and amortization	25,193	95,296	93,968	91,199	80,916	64,396	
Impairment of goodwill			1,901				
Loss (gain) on disposition of assets	66	78	(1,079)	(142)	383	(1,436)	
Total costs and expenses	243,716	909,513	866,128	1,089,658	951,837	814,848	

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Operating income	55,643	200,044	216,030	270,496	220,788	169,370
Other income (expense)	51	556	608	(515)	45	591
Interest expense	(2,833)	(10,960)	(11,080)	(14,064)	(20,284)	(15,201)
Earnings before taxes on income	52,861	189,640	205,558	255,917	200,549	154,760
Provision for taxes on income	(19,961)	(72,258)	(78,020)	(97,444)	(76,491)	(58,751)
Net earnings	32,900	117,382	127,538	158,473	124,058	96,009
Less: Net earnings attributable to noncontrolling interests	(470)	(1,133)	(1,597)	(1,305)	(717)	(558)
Net earnings attributable to controlling interests	\$ 32,430	\$ 116,249	\$ 125,941	\$ 157,168	\$ 123,341	\$ 95,451
Net earnings per share attributable to common stockholders:						
Basic	\$ 0.60	\$ 2.16	\$ 2.34	\$ 2.92	\$ 2.31	\$ 1.81
Diluted	\$ 0.60	\$ 2.15	\$ 2.34	\$ 2.91	\$ 2.29	\$ 1.79

Table of Contents**KIRBY CORPORATION AND CONSOLIDATED SUBSIDIARIES****BALANCE SHEET DATA**

	As of March 31, 2011 (Unaudited)	2010	2009	As of December 31, 2008	2007	2006
				(In thousands)		
Cash and cash equivalents	\$ 172,093	\$ 195,600	\$ 97,836	\$ 8,647	\$ 5,117	\$ 2,653
Property and equipment, net	\$ 1,176,746	\$ 1,118,161	\$ 1,085,057	\$ 990,932	\$ 906,098	\$ 766,606
Total assets	\$ 1,844,092	\$ 1,794,937	\$ 1,635,963	\$ 1,526,098	\$ 1,430,475	\$ 1,271,119
Long-term debt, including						
current portion	\$ 200,124	\$ 200,134	\$ 200,239	\$ 247,307	\$ 297,383	\$ 310,362
Total equity	\$ 1,197,714	\$ 1,159,139	\$ 1,056,095	\$ 893,555	\$ 772,807	\$ 635,013

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF K-SEA**

The following tables show K-Sea's selected consolidated historical financial data as of and for the nine months ended March 31, 2011 and as of and for each of the fiscal years ended June 30, 2010, 2009, 2008, 2007 and 2006 and are derived from K-Sea's consolidated financial statements. You should read the following data in connection with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto set forth in K-Sea's Annual Report on Form 10-K for the year ended June 30, 2010 and in K-Sea's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2011, which are incorporated by reference into this document. See "Where You Can Find More Information" beginning on page 121 of this proxy statement/prospectus. See also the pro forma information set forth elsewhere in this proxy statement/prospectus regarding the proposed merger with Kirby. The following information is only a summary and is not necessarily indicative of the results of future operations of K-Sea.

K-SEA TRANSPORTATION PARTNERS L.P.**CONSOLIDATED STATEMENT OF OPERATIONS DATA**

	Nine Months Ended March 31, 2011 (Unaudited)	2010	2009	Year Ended June 30,			2006
				2008	2007		
	(In thousands, except per unit amounts)						
Voyage revenue	\$ 187,584	\$ 248,092	\$ 310,429	\$ 312,680	\$ 216,924	\$ 176,650	
Other revenue	11,105	17,333	20,033	13,600	9,650	6,118	
Total revenues	198,689	265,425	330,462	326,280	226,574	182,768	
Voyage expenses	35,988	45,890	67,029	79,427	45,875	37,973	
Vessel operating expenses	96,596	138,051	144,291	124,551	96,005	77,325	
General and administrative expenses	20,258	27,238	29,806	28,947	20,472	17,309	
Depreciation and amortization	37,714	64,196	53,582	48,311	33,415	26,810	
Loss on acquisition of land and building		1,697					
Net (gain) loss on sale of vessels	(8,803)	(801)	(702)	(601)	102	(313)	
Other operating expenses	4,027						
Impairment of goodwill		54,300					
Total operating expenses	185,780	330,571	294,006	280,635	195,869	159,104	
Operating (loss) income	12,909	(65,146)	36,456	45,645	30,705	23,664	
Interest expense, net	18,051	22,588	21,503	21,275	14,097	10,118	
Net loss on reduction of debt(1)						7,224	

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Other expense (income), net	1,284	(535)	402	(2,164)	(63)	(64)
Income (loss) before provision for income taxes	(6,426)	(87,199)	14,551	26,534	16,671	6,386
Provision for (benefit of) income taxes	432	(218)	287	529	851	484
Net income (loss)	(6,858)	(86,981)	14,264	26,005	15,820	5,902
Less net income attributable to non-controlling interest	372	398	317	337		
Net income (loss) attributable to K-Sea Transportation Partners L.P. unitholders						
(net income (loss) of K-Sea) \$	(7,230)	\$ (87,379)	\$ 13,947	\$ 25,668	\$ 15,820	\$ 5,902

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	Nine Months Ended March 31, 2011 (Unaudited)		Year Ended June 30, 2010 2009 2008 2007 2006			
	(In thousands, except per unit amounts)					
Allocation of net income (loss) of K-Sea:						
General partner's interest in net income (loss) of K-Sea	\$ (156)	\$ (916)	\$ 4,474	\$ 3,311	\$ 1,320	\$ 391
Limited partner's interest in net income (loss) of K-Sea	\$ (7,074)	\$ (86,463)	\$ 9,473	\$ 22,357	\$ 14,500	\$ 5,511
Net income (loss) of K-Sea	\$ (7,230)	\$ (87,379)	\$ 13,947	\$ 25,668	\$ 15,820	\$ 5,902
Basic net income (loss) of K-Sea per unit	\$ (0.77)	\$ (4.60)	\$ 0.61	\$ 1.73	\$ 1.45	\$ 0.57
Diluted net income (loss) of K-Sea per unit	\$ (0.77)	\$ (4.60)	\$ 0.61	\$ 1.73	\$ 1.45	\$ 0.57

(1) Fiscal 2006 includes a loss of \$7.2 million in connection with the restructuring of K-Sea's revolving credit facility and repayment of certain term loans, including K-Sea's private placement bonds guaranteed by the Maritime Administration of the U.S. Department of Transportation pursuant to Title XI of the Merchant Marine Act of 1936 in fiscal 2006.

K-SEA TRANSPORTATION PARTNERS L.P.**CONSOLIDATED BALANCE SHEET DATA**

	As of March 31, 2011 (Unaudited)	2010	2009	As of June 30, 2011		
				2008	2007	2006
	(In thousands)					
Vessels and equipment, net	\$ 575,694	\$ 604,197	\$ 533,996	\$ 608,209	\$ 358,580	\$ 316,237
Total assets	\$ 658,838	\$ 696,137	\$ 738,803	\$ 798,308	\$ 439,833	\$ 389,220
Total debt	\$ 256,936	\$ 382,935	\$ 383,013	\$ 439,206	\$ 244,287	\$ 193,380
K-Sea Transportation Partners capital	\$ 326,002	\$ 230,420	\$ 279,414	\$ 275,178	\$ 152,653	\$ 163,943
Non-controlling interest capital	\$ 5,224	\$ 4,589	\$ 4,514	\$ 4,519	\$	\$

Table of Contents**SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

The following selected unaudited pro forma condensed combined statement of earnings data of Kirby for the year ended December 31, 2010 and for the three months ended March 31, 2011 have been prepared to give effect to the merger as if the merger had occurred on January 1, 2010. The unaudited pro forma condensed combined balance sheet data as of March 31, 2011 of Kirby has been prepared to give effect to the merger as if the merger had occurred on March 31, 2011.

The following selected unaudited pro forma condensed combined financial information is not necessarily indicative of the results that might have occurred had the merger taken place on January 1, 2010 for statement of earnings purposes, and on March 31, 2011 for balance sheet purposes, and is not intended to be a projection of future results. Future results may vary significantly from the results reflected because of various factors, including those discussed in the section titled Risk Factors. The following selected unaudited pro forma condensed combined financial information should be read in conjunction with the Unaudited Pro Forma Condensed Combined Financial Statements and related notes included elsewhere in this proxy statement/prospectus.

PRO FORMA CONDENSED COMBINED STATEMENT OF EARNINGS DATA

	Three Months Ended March 31, 2011	Fiscal Year Ended December 31, 2010
	(In thousands, except per share amounts)	
Revenues	\$ 362,663	\$ 1,371,179
Operating expenses	306,087	1,158,164
Operating income	56,576	213,015
Earnings before taxes on income	49,241	189,632
Provision for taxes on income	18,613	72,250
Net earnings attributable to controlling interests	30,029	115,807
Net earnings per share attributable to common stockholders:		
Basic	0.55	2.10
Diluted	0.54	2.09

PRO FORMA CONDENSED COMBINED BALANCE SHEET DATA

	As of March 31, 2011 (In thousands)
Cash and cash equivalents	\$ 187,855
Property and equipment, net	1,673,937
Total assets	2,537,447
Long-term debt, less current portion	740,004
Total equity	1,275,393

On March 13, 2011, Kirby and K-Sea entered into a merger pursuant to which, subject to the conditions set forth therein, Merger Sub will merge with and into K-Sea, with K-Sea surviving the merger as an indirect wholly owned subsidiary of Kirby.

Subject to the terms and conditions of the merger agreement, upon the consummation of the merger (i) each outstanding K-Sea common unit (including each K-Sea phantom unit) will be converted into the right to receive, at the election of the holder, either (a) \$8.15 in cash or (b) \$4.075 in cash and 0.0734 of a share of Kirby's common stock, (ii) each outstanding preferred unit of K-Sea will be converted into the right to receive \$4.075 in cash and 0.0734 of a share of Kirby's common stock and (iii) each outstanding general partner unit of K-Sea will be converted into the right to receive \$8.15 in cash. The incentive distribution rights of K-Sea, which are owned by K-Sea IDR Holdings, will be converted into the right to receive \$18.0 million in cash.

Table of Contents**KIRBY CORPORATION AND CONSOLIDATED SUBSIDIARIES****UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET****March 31, 2011**

	Historical		Pro Forma	
	Kirby	K-Sea	Adjustments	Combined
	(In thousands)			
Current assets:				
Cash and cash equivalents	\$ 172,093	\$ 875	\$ 14,887(c)	\$ 187,855
Accounts receivable net	171,987	27,049		199,036
Inventory finished goods	35,839			35,839
Other current assets	28,861	21,683		50,544
Total current assets	408,780	49,607	14,887	473,274
Property and equipment net	1,176,746	575,694	(78,503)(b)	1,673,937
Goodwill net	237,137		93,124(a)	330,261
Other assets	21,429	33,537	5,009(d)	59,975
Total assets	\$ 1,844,092	\$ 658,838	\$ 34,517	\$ 2,537,447
Current liabilities:				
Current portion of long-term debt	\$ 120	\$ 16,601	\$ (16,601)(c)	\$ 120
Accounts payable	81,917	18,381	5,000(e)	105,298
Other current liabilities	75,605	38,140		113,745
Total current liabilities	157,642	73,122	(11,601)	219,163
Long-term debt less current portion	200,004	240,335	299,665(c)	740,004
Deferred income taxes	246,086	3,813		249,899
Other long-term liabilities	42,646	10,342		52,988
Total long-term liabilities	488,736	254,490	299,665	1,042,891
Contingencies and commitments				
Equity:				
Stockholders equity:				
Common stock	5,734		141(f)	5,875
Additional paid-in capital	236,104		77,314(f)	313,418
Partners capital		338,233	(338,233)(f)	0
Accumulated other comprehensive income net	(32,426)	(12,231)	12,231(f)	(32,426)
Retained earnings	1,079,045		(5,000)(e)	1,074,045
Treasury stock	(97,834)			(97,834)
Total stockholders equity	1,190,623	326,002	(253,547)	1,263,078
Noncontrolling interests	7,091	5,224		12,315

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Total equity	1,197,714	331,226	(253,547)	1,275,393
Total liabilities and equity	\$ 1,844,092	\$ 658,838	\$ 34,517	\$ 2,537,447

See accompanying notes to unaudited pro forma condensed combined financial statements.

Table of Contents**KIRBY CORPORATION AND CONSOLIDATED SUBSIDIARIES****UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF EARNINGS
FOR THE THREE MONTHS ENDED MARCH 31, 2011**

	Historical		Pro Forma	
	Kirby	K-Sea	Adjustments	Combined
	(In thousands, except per share amounts)			
Revenues:				
Marine transportation	\$ 241,677	\$ 63,304	\$	\$ 304,981
Diesel engine services	57,682			57,682
Total revenues	299,359	63,304	0	362,663
Costs and expenses:				
Cost of sales and operating expenses	185,499	46,052	2,449(g)	234,000
Selling, general and administrative	29,457	7,149	(78)(h)	36,528
Taxes, other than income	3,501		78(h)	3,579
Depreciation and amortization	25,193	12,144	(3,055)(g)	34,282
Loss (gain) on disposition of assets	66	(2,368)		(2,302)
Total costs and expenses	243,716	62,977	(606)	306,087
Operating income	55,643	327	606	56,576
Other income (expense)	51	(1,313)		(1,262)
Interest expense	(2,833)	(4,750)	1,510(j)	(6,073)
Earnings before taxes on income	52,861	(5,736)	2,116	49,241
Provision for taxes on income	(19,961)	(55)	1,403(k)	(18,613)
Net earnings	32,900	(5,791)	3,519	30,628
Less: Net earnings attributable to noncontrolling interests	(470)	(129)		(599)
Net earnings attributable to controlling interests	\$ 32,430	\$ (5,920)	\$ 3,519	\$ 30,029
Net earnings per share attributable to common stockholders:				
Basic	\$ 0.60			\$ 0.55
Diluted	\$ 0.60			\$ 0.54
Weighted average common stock outstanding:				
Basic	53,167		1,407(l)	54,574
Diluted	53,368		1,407(l)	54,775

See accompanying notes to unaudited pro forma condensed combined financial statements.

Table of Contents**KIRBY CORPORATION AND CONSOLIDATED SUBSIDIARIES****UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Historical		Pro Forma	
	Kirby	K-Sea	Adjustments	Combined
	(In thousands, except per share amounts)			
Revenues:				
Marine transportation	\$ 915,046	\$ 261,622	\$	\$ 1,176,668
Diesel engine services	194,511			194,511
Total revenues	1,109,557	261,622	0	1,371,179
Costs and expenses:				
Cost of sales and operating expenses	683,236	182,341	7,898(g)	873,475
Selling, general and administrative	117,694	26,826	(329)(h)	144,191
Taxes, other than income	13,209		329(h)	13,538
Depreciation and amortization	95,296	57,961	(19,175)(g)	134,082
Impairment of goodwill		54,300	(54,300)(i)	
Loss (gain) on disposition of assets	78	(7,200)		(7,122)
Total costs and expenses	909,513	314,228	(65,577)	1,158,164
Operating income	200,044	(52,606)	65,577	213,015
Other income (expense)	556	35		591
Interest expense	(10,960)	(26,372)	13,358(j)	(23,974)
Earnings before taxes on income	189,640	(78,943)	78,935	189,632
Provision for taxes on income	(72,258)	139	(131)(k)	(72,250)
Net earnings	117,382	(78,804)	78,804	117,382
Less: Net earnings attributable to noncontrolling interests	(1,133)	(442)		(1,575)
Net earnings attributable to controlling interests	\$ 116,249	\$ (79,246)	\$ 78,804	\$ 115,807
Net earnings per share attributable to common stockholders:				
Basic	\$ 2.16			\$ 2.10
Diluted	\$ 2.15			\$ 2.09
Weighted average common stock outstanding:				
Basic	53,331		1,407(l)	54,738
Diluted	53,466		1,407(l)	54,873

See accompanying notes to unaudited pro forma condensed combined financial statements.

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Accounting Treatment

Kirby prepares its financial statements in accordance with GAAP. The merger will be accounted for using the acquisition method of accounting with Kirby identified as the acquirer of K-Sea. Under the acquisition method of accounting, Kirby will record all assets acquired and liabilities assumed at their respective acquisition date fair values with the excess purchase price being recorded as goodwill. Under the acquisition method of accounting, goodwill is not amortized but is tested for impairment at least annually.

Basis of Pro Forma Presentation

The following unaudited pro forma condensed combined financial statements and related notes combine the historical consolidated balance sheet and results of operations of Kirby and of K-Sea. The pro forma balance sheet gives effect to the merger as if it had occurred on March 31, 2011. The pro forma statement of earnings for the three months ended March 31, 2011 and for the fiscal year ended December 31, 2010, gives effect to the merger as if the merger had occurred on January 1, 2010. The pro forma statement of earnings for fiscal year 2010 was prepared by combining the Kirby historical consolidated statement of earnings for the fiscal year ended December 31, 2010 and the K-Sea unaudited condensed historical consolidated statements of operations for the three months ended March 31, 2010, the three months ended June 30, 2010, the three months ended September 30, 2010 and the three months ended December 31, 2010. The pro forma statement of earnings for the three months ended March 31, 2011 was prepared by combining the Kirby unaudited historical consolidated statement of earnings for the three months ended March 31, 2011 and the K-Sea unaudited historical consolidated statement of operations for the three months ended March 31, 2011. The historical consolidated financial statements of K-Sea have been adjusted to reflect certain reclassifications in order to conform to Kirby's financial statement presentation.

The unaudited pro forma condensed combined financial statements reflect the estimated merger consideration expected to be transferred, which does not purport to represent what the actual merger consideration transferred will be at the effective time of the closing. In accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 805, Business Combinations, as amended, the fair value of equity securities issued as part of the consideration transferred will be measured on the closing date of the merger at the then current market price.

Kirby has estimated the total consideration expected to be issued and paid in the merger to be approximately \$594.1 million, consisting of approximately \$516.6 million to be paid in cash and approximately \$77.5 million to be paid through the issuance of approximately 1.4 million shares of Kirby common stock valued at the May 25, 2011 closing share price of \$55.07 per share, the latest practicable trading day before the date of this proxy statement/prospectus. The value of the merger consideration will fluctuate based upon changes in the price of shares of Kirby common stock and the number of K-Sea's common and phantom unitholders who elect to take Kirby common stock as part of the merger consideration. K-Sea's common unitholders and the holders of K-Sea phantom units will have the option to receive for each unit either \$8.15 in cash or \$4.075 in cash and .0734 of a share of Kirby common stock. The estimated merger consideration below assumes the common and phantom unitholders take the all cash option. Under FASB ASC Topic 805, acquisition-related transaction costs (i.e., investment banking, legal, accounting, valuation and other professional fees) are not included as a component of consideration transferred but are accounted for as expenses in the periods in which the costs are incurred.

As of the date of this proxy statement/prospectus, Kirby has not completed the final valuation analysis and calculations in sufficient detail necessary to arrive at the final required estimates of the fair market value of the K-Sea assets to be acquired and liabilities to be assumed and the related allocations to such items, including goodwill, of the merger consideration. A preliminary valuation analysis of the vessels has been conducted and its results are incorporated into the pro forma condensed combined financial statements. Kirby has retained a third party advisor to

assist in its valuation of certain assets and liabilities and their final valuation report will not be completed until shortly after the completion of the merger when final valuations will be performed. Accordingly, assets and liabilities are presented at their respective carrying amounts, with the exception of the preliminary determination of the fair value of the vessels, and should be treated as

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preliminary values. In addition, Kirby has not identified the adjustments necessary to conform the K-Sea financial records to Kirby's accounting policies with the exception of the preliminary adjustments to the pro forma condensed combined financial statements to confirm to Kirby's accounting policy related to vessel equipment maintenance and capitalization. As a result, actual results will differ from this unaudited pro forma condensed combined financial information once Kirby has determined the final merger consideration, completed the detailed valuation analysis and calculations necessary to finalize the required purchase price allocations, and identified and finalized any necessary conforming accounting policy changes for K-Sea. Accordingly, the final allocations of merger consideration, which will be determined subsequent to the closing of the merger, and their effects on the results of operations, may differ materially from the estimated allocations and unaudited pro forma combined amounts included herein.

The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and are not intended to represent or be indicative of the consolidated results of operations or financial position of Kirby that would have been recorded had the merger been completed as of the dates presented, and should not be taken as representative of future results of operations or financial position of the combined company. The unaudited pro forma condensed combined financial statements do not reflect the impacts of any potential operational efficiencies, cost savings or economies of scale that Kirby may achieve with respect to the combined operations of Kirby and K-Sea. Additionally, the pro forma statements of operations do not include any non-recurring charges or credits and the related tax effects which result directly from the transaction nor do they include any costs of integration activities.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the historical consolidated financial statements and accompanying notes contained in the Kirby and K-Sea Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

Note 1 Estimated Merger Consideration and Allocation (\$ in thousands except per unit and per share amounts)

The estimated merger consideration is approximately \$594,068 based on a Kirby share price of \$55.07, which is the closing price of Kirby's common stock on the NYSE on May 25, 2011, the latest practicable trading day before the day of this proxy statement/prospectus. The value of the merger consideration will fluctuate based upon changes in the price of shares of Kirby common stock and the number of K-Sea's common unitholders and holders of K-Sea phantom units who elect to take a portion of the consideration in Kirby common stock. K-Sea's common and phantom unitholders will have the option to receive for each unit either \$8.15 in cash or \$4.075 in cash and .0734 of a share of Kirby common stock. The estimated merger consideration below assumes the common and phantom unitholders take the all cash option.

The following table summarizes the components of the estimated merger consideration:

Estimated cash consideration payable upon closing:	
19.16 million common unitholders at \$8.15 per unit	\$ 156,154
.6 million long-term incentive and general partnership units at \$8.15 per unit	4,890
General partnership interest	18,000
19.18 million preferred units at \$4.075 per unit	78,159
K-Sea debt assumed and refinanced at closing, including change in control prepayment penalties	259,410
	516,613
Estimated share consideration payable upon closing:	
	77,455

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19.18 million preferred units at \$4.075 per unit convert to 1.407 million shares of Kirby common shares using ratio of .0734 and valued at \$55.07 per share as of May 25, 2011

Total merger consideration

\$ 594,068

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In order to fund the cash portion of the merger consideration, Kirby expects to enter into a five-year term loan of up to \$540,000. A 10% increase or decrease in Kirby's share price as of May 25, 2011 of \$55.07 would result in an increase or decrease in the merger consideration of \$7,746.

The estimated goodwill included in the pro forma adjustments is calculated as the difference between the estimated merger consideration to be transferred and the carrying values assigned to the assets acquired and liabilities assumed. The following table summarizes the estimated goodwill calculation as of March 31, 2011:

Current assets	\$ 49,607
Non-current assets	609,231
Less:	
Adjustment to historical deferred financing costs net	(3,491)
Adjustment to historical property and equipment net	(78,503)
Total assets acquired	576,844
Liabilities assumed	(70,676)
Non-controlling interests	(5,224)
Net assets acquired	500,944
Less: estimated merger consideration	(594,068)
Estimated goodwill	\$ 93,124

Kirby has not completed the final valuation analysis and calculations in sufficient detail necessary to arrive at the final required estimates of the fair market value of the K-Sea assets to be acquired and liabilities to be assumed and the related allocations to such items, including goodwill, of the merger consideration. Accordingly, assets and liabilities, with the exception of net deferred financing costs and net vessel property, are presented at their respective carrying amounts and should be treated as preliminary values. This preliminary allocation of the merger consideration is based upon management's estimates. These estimates and assumptions are subject to change upon final valuation. The final allocation of consideration may include (1) changes in historical carrying values of property and equipment, (2) allocations to intangible assets, including but not limited to customer related assets, and (3) other changes to assets and liabilities. Any changes to the initial estimates of fair value of assets and liabilities will be recorded as adjustments to those assets and liabilities and the residual amounts will be allocated to goodwill. As a result, actual results may differ once Kirby has determined the final merger consideration and completed the final detailed valuation analysis and calculations necessary to finalize the required purchase price allocations. Accordingly, the final allocations of merger consideration, which will be determined subsequent to the closing of the merger, may differ materially from the estimated allocations and unaudited pro forma combined amounts included herein.

Note 2 Pro Forma Adjustments (\$ in thousands except per share amounts)

- a) To record goodwill associated with the merger.
- b) To reflect the adjustment to the preliminary fair value of the owned vessels of K-Sea.
- c) To reflect the issuance of new debt of \$540,000 used to refinance K-Sea's existing debt of \$256,936, pay debt prepayment penalties of \$2,474 related to a change in control and finance the cash portion of the purchase price.

d) Represents estimated deferred debt issue costs, including underwriting, legal and other costs incurred in connection with the merger, offset by eliminating historical debt issue costs of K-Sea.

e) Reflects estimated direct transaction costs for the merger including but not limited to investment banking, legal, accounting and other professional fees. These charges are non-recurring charges and have been excluded from the pro forma statement of earnings.

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f) To record the issuance of an estimated 1.407 million shares of new common stock for the stock portion of the purchase price at an estimated price of \$55.07 per share and the reversal of K-Sea's historical equity balances.

g) To adjust K-Sea's historical cost of sales and operating expenses and depreciation and amortization expense by \$2,449 and \$7,898 for the first three months of 2011 and the 2010 year, respectively, to conform K-Sea's equipment maintenance and capitalization policy to that of Kirby's. In addition, K-Sea's historical depreciation and amortization expense was adjusted downward by \$606 and \$5,276 for the first three months of 2011 and the 2010 year, respectively, to reflect the lower preliminary fair value adjustment and adjustment of the vessel lives to conform to that of Kirby. Finally, \$6,001 of vessel impairment charges incurred by K-Sea during the 2010 year is eliminated as this is considered a non-recurring item outside of normal business operations and is excluded to facilitate a presentation of earnings that is more meaningful.

h) Represents certain reclassifications to conform to Kirby presentation.

i) Reflects the elimination of K-Sea's impairment of goodwill charge of \$54,300 in 2010. This is considered a non-recurring item outside of normal business operations and is excluded to facilitate a presentation of earnings that is more meaningful.

j) Represents a reduction in interest expense to \$3,240 and \$13,014 for the first three months of 2011 and the 2010 year, respectively, resulting from the issuance of new debt of \$540,000 to finance the cash portion of the purchase price and the repayment of K-Sea's existing debt including prepayment penalties. An average interest rate of 2.4%, including debt issue costs amortized over five years, was assumed based on historical LIBOR rates and anticipated terms of the new debt agreement.

k) Reflects the incremental income tax benefit (provision) associated with pro forma adjustments and applying statutory income tax rates to the losses of K-Sea.

l) Reflects the issuance of 1.407 million shares of Kirby common stock pursuant to the merger agreement.

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The following table summarizes earnings per share/unit data for Kirby and K-Sea on a historical basis and on a pro forma condensed combined basis giving effect to the merger. It has been assumed for purposes of the pro forma condensed combined financial information provided below that the merger was completed on January 1, 2010 for statement of earnings purposes, and on March 31, 2011 for the book value per share/unit data. The following information should be read in conjunction with the Unaudited Pro Forma Condensed Combined Financial Statements and related notes included elsewhere in this proxy statement/prospectus.

	Kirby Corporation Fiscal Year Ended December 31, 2010	K-Sea Transportation Partners L.P. Twelve Months Ended December 31, 2010	Pro Forma Combined(1)	Pro Forma Combined Equivalent Data(3)
Basic earnings (loss) per share/unit	\$ 2.16	\$ (4.30)	\$ 2.10	\$ 1.94
Diluted earnings (loss) per share/unit	\$ 2.15	\$ (4.30)	\$ 2.09	\$ 1.94
Book value per share/unit at period end(4)	\$ 21.47	\$ 8.65	\$ 22.37	\$ 20.76
Cash dividends declared per share	\$	\$	\$	\$

	Kirby Corporation Three Months Ended March 31, 2011	K-Sea Transportation Partners L.P. Three Months Ended March 31, 2011	Pro Forma Combined(2)	Pro Forma Combined Equivalent Data(3)
Basic earnings (loss) per share/unit	\$.60	\$ (.49)	\$.55	\$.51
Diluted earnings (loss) per share/unit	\$.60	\$ (.49)	\$.54	\$.50
Book value per share/unit at period end(4)	\$ 22.25	\$ 8.55	\$ 23.08	\$ 21.42
Cash dividends declared per share	\$	\$	\$	\$

(1) The pro forma statement of earnings for fiscal year 2010 was prepared by combining the Kirby historical statement of earnings for the fiscal year ended December 31, 2010 and the K-Sea historical statement of operations for the three months ended March 31, 2010, the three months ended June 30, 2010, the three months ended September 30, 2010 and the three months ended December 31, 2010. Excludes goodwill impairment charge of \$54.3 million incurred in K-Sea's three months ended June 30, 2010.

- (2) The pro forma statement of earnings for three months ending March 31, 2011 was prepared by combining the Kirby historical statement of earnings for the three months ended March 31, 2011 and the K-Sea historical statement of operations for the three months ended March 31, 2011.
- (3) Pro forma combined equivalent data is calculated by dividing the combined pro forma amounts by the outstanding shares assuming conversion of all K-Sea units and incentive distribution rights into Kirby shares using the stock exchange ratio of .1467.
- (4) Historical book value per share for Kirby is computed by dividing total equity by the number of common shares outstanding assuming stock option dilution. Historical book value per unit for K-Sea is computed by dividing partners' capital by the number of units outstanding assuming conversion of preferred units and incentive units to common units. Pro forma book value per share is computed by dividing pro forma stockholders' equity by the pro forma number of Kirby common shares outstanding assuming stock option dilution.

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PER SHARE/UNIT MARKET PRICE DATA**

Kirby common stock is listed on the NYSE under the symbol KEX. K-Sea common units are listed on the NYSE under the symbol KSP.

The following table presents closing prices for shares of Kirby common stock and K-Sea common units on March 11, 2011, the last trading day before the public announcement of the execution of the merger agreement by Kirby and K-Sea and May 25, 2011, the latest practicable trading day before the date of this proxy statement/prospectus. This table also presents the equivalent market value per unit of K-Sea common units on March 11, 2011 and May 25, 2011, as determined by multiplying the closing prices of shares of Kirby common stock on those dates by the stock exchange ratio of 0.0734, plus \$4.075 in cash.

Although the stock exchange ratio is fixed, the market prices of Kirby common stock and K-Sea common units will fluctuate before the merger is completed and the market value of the merger consideration ultimately received by K-Sea unitholders will depend on the closing price of Kirby common stock on the day the merger is consummated. Because the merger consideration is fixed and the market price of shares of Kirby common stock will fluctuate, K-Sea unitholders who elect to take a portion of the merger consideration in Kirby common stock will not know the exact value of the merger consideration they will receive until the closing of the merger.

	Kirby Corporation Common Stock	K-Sea Transportation Partners LP Common Units	Equivalent per Unit of K-Sea Common Units
March 11, 2011	\$ 55.33	\$ 6.47	\$ 8.14
May 25, 2011	\$ 55.07	\$ 8.13	\$ 8.12

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The tables below set forth, for the calendar quarters indicated, the high and low sale prices per share of Kirby common stock and per unit of K-Sea common units on the NYSE. The tables also show the amount of cash dividends declared on Kirby common stock and K-Sea common units for the calendar quarters indicated.

	Kirby Corporation Common Stock		
	High	Low	Cash Dividends Declared
Fiscal Year Ended December 31, 2011			
Second Quarter (through May 25, 2011)	\$ 58.25	\$ 51.82	\$ 0.00
First Quarter	\$ 60.00	\$ 43.29	\$ 0.00
Fiscal Year Ended December 31, 2010			
Fourth Quarter	\$ 45.78	\$ 39.25	\$ 0.00
Third Quarter	\$ 43.33	\$ 35.78	\$ 0.00
Second Quarter	\$ 43.96	\$ 36.60	\$ 0.00
First Quarter	\$ 38.77	\$ 30.83	\$ 0.00
Fiscal Year Ended December 31, 2009			
Fourth Quarter	\$ 37.28	\$ 32.30	\$ 0.00
Third Quarter	\$ 39.16	\$ 28.71	\$ 0.00
Second Quarter	\$ 36.32	\$ 25.93	\$ 0.00
First Quarter	\$ 31.16	\$ 19.46	\$ 0.00
Fiscal Year Ended December 31, 2008			
Fourth Quarter	\$ 39.87	\$ 19.54	\$ 0.00
Third Quarter	\$ 51.09	\$ 34.13	\$ 0.00
Second Quarter	\$ 61.65	\$ 47.45	\$ 0.00
First Quarter	\$ 58.10	\$ 37.72	\$ 0.00
Fiscal Year Ended December 31, 2007			
Fourth Quarter	\$ 50.72	\$ 42.00	\$ 0.00
Third Quarter	\$ 44.90	\$ 35.68	\$ 0.00
Second Quarter	\$ 40.02	\$ 34.85	\$ 0.00
First Quarter	\$ 38.20	\$ 33.06	\$ 0.00

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	K-Sea Transportation Partners L.P.		
	Units		
	High	Low	Cash Dividends Declared
Calendar Year Ended December 31, 2011			
Second Quarter (through May 25, 2011)	\$ 8.24	\$ 8.08	\$ 0.00
First Quarter	\$ 8.35	\$ 4.60	\$ 0.00
Calendar Year Ended December 31, 2010			
Fourth Quarter	\$ 5.85	\$ 3.80	\$ 0.00
Third Quarter	\$ 6.70	\$ 3.98	\$ 0.00
Second Quarter	\$ 10.12	\$ 4.30	\$ 0.00
First Quarter	\$ 15.36	\$ 8.63	\$ 0.00
Calendar Year Ended December 31, 2009			
Fourth Quarter	\$ 23.50	\$ 10.36	\$ 0.00
Third Quarter	\$ 24.59	\$ 18.03	\$ 0.45
Second Quarter	\$ 21.44	\$ 16.46	\$ 0.77
First Quarter	\$ 20.43	\$ 13.25	\$ 0.77
Calendar Year Ended December 31, 2008			
Fourth Quarter	\$ 20.50	\$ 10.80	\$ 0.77
Third Quarter	\$ 31.75	\$ 19.05	\$ 0.77
Second Quarter	\$ 38.08	\$ 31.53	\$ 0.77
First Quarter	\$ 38.22	\$ 31.14	\$ 0.76
Calendar Year Ended December 31, 2007			
Fourth Quarter	\$ 40.67	\$ 33.90	\$ 0.74
Third Quarter	\$ 48.50	\$ 36.23	\$ 0.72
Second Quarter	\$ 48.00	\$ 40.01	\$ 0.70
First Quarter	\$ 40.97	\$ 35.15	\$ 0.68

The information in the preceding tables is historical only. Kirby and K-Sea urge Kirby stockholders and K-Sea unitholders to obtain current market quotations for shares of Kirby common stock and K-Sea common units before making any decision regarding the issuance of shares of Kirby common stock pursuant to the merger agreement or the approval of the merger agreement, as applicable.

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In addition to the other information included and incorporated by reference into this proxy statement/prospectus, including the matters addressed in the section titled "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 36, you should carefully consider the following risks before deciding whether to vote for the approval of the merger agreement and the merger and, if you are a K-Sea common unitholder, before making your election. In addition, you should read and consider the risks associated with each of the businesses of K-Sea and Kirby. These risks can be found in K-Sea's and Kirby's respective Annual Reports on Form 10-K for the years ended June 30, 2010 and December 31, 2010, respectively, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this proxy statement/prospectus. For further information regarding the documents incorporated into this proxy statement/prospectus by reference, please see the section titled "Where You Can Find More Information" beginning on page 121.

Risks Related to the Merger

Because the market price of Kirby common stock will fluctuate, K-Sea unitholders electing to receive Kirby common stock cannot be sure of the market value of Kirby common stock that they will receive in the merger.

At the time the merger is completed, (i) each K-Sea common unit (including each K-Sea phantom unit) will be converted into the right to receive, at the election of the K-Sea unitholder, either (1) \$8.15 in cash, without interest, or (2) a combination of \$4.075 in cash, without interest, and a 0.0734 of a share of Kirby common stock (rounded to the nearest ten-thousandth of a share), and (ii) each K-Sea preferred unit will be converted into the right to receive a combination of \$4.075 in cash, without interest, and a 0.0734 of a share of Kirby common stock (rounded to the nearest ten-thousandth of a share). Kirby will pay cash in lieu of any fractional share of Kirby common stock that would otherwise be issued as merger consideration. The exchange ratio in the merger agreement is fixed based upon a per share value of Kirby common stock of \$55.54. As the exchange ratio used to determine the shares of Kirby common stock in the merger is fixed, the value of the consideration to be received in the form of Kirby common stock will change up until the closing date. Accordingly, if the trading value of shares of Kirby common stock is less than \$55.54, the value of a share of Kirby common stock used to determine the exchange ratio in the merger agreement, then the value of the share portion of the merger consideration to be paid per K-Sea common unit will be less than the cash equivalent had a cash election been made by the K-Sea unitholder. Conversely, if the trading value of shares of Kirby common stock is greater than \$55.54, then the value of the share portion of the merger consideration to be paid per K-Sea common unit will be greater than the cash equivalent had a cash election been made by the K-Sea unitholder.

There will be a time lapse between the date on which K-Sea unitholders make an election with respect to the form of merger consideration to be received by them in exchange for their K-Sea common units and the date on which K-Sea unitholders entitled to receive shares of Kirby common stock actually receive such shares. The market value of Kirby common stock will fluctuate during this period. These fluctuations may be caused by changes in the businesses, operations, results and prospects of both Kirby and K-Sea, market expectations of the likelihood that the merger will be completed and the timing of the completion, general market and economic conditions or other factors. At the time K-Sea unitholders make their election in respect of the merger consideration to be paid to them (and at the time they cast their votes regarding approval of the merger agreement and the merger), K-Sea unitholders will not know the actual market value of the shares of Kirby common stock they will receive when the merger is finally completed. The actual market value of shares of Kirby common stock, when received by K-Sea unitholders, will depend on the market value of those shares on that date. This market value may be less than the value used to determine the number of shares to be received, as the determination will be made with respect to a period occurring prior to the consummation

of the merger.

K-Sea unitholders are urged to obtain current market quotations for Kirby common stock when they make their election.

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The failure to successfully combine the businesses of Kirby and K-Sea in the expected time frame may adversely affect Kirby's future results, which may adversely affect the value of the shares of Kirby common stock that K-Sea unitholders may receive in the merger.

The success of the merger will depend, in part, on the ability of Kirby to realize the anticipated benefits from combining the businesses of Kirby and K-Sea. To realize these anticipated benefits, Kirby's and K-Sea's businesses must be successfully combined. If the combined company is not able to achieve these objectives, the anticipated benefits of the merger may not be realized fully at all or may take longer to realize than expected. In addition, the actual integration may result in additional and unforeseen expenses, which could reduce the anticipated benefits of the merger.

Kirby and K-Sea, including their respective subsidiaries, have operated and, until the completion of the merger, will continue to operate independently. It is possible that the integration process could result in the loss of key employees, as well as the disruption of each company's ongoing businesses or inconsistencies in their standards, controls, procedures and policies. Any or all of those occurrences could adversely affect Kirby's ability to maintain relationships with customers and employees after the merger or to achieve the anticipated benefits of the merger. Integration efforts between the two companies will also divert management attention and resources. These integration matters could have an adverse effect on each of Kirby and K-Sea.

The pendency of the merger could materially adversely affect the future business and operations of Kirby or K-Sea or result in a loss of K-Sea employees.

In connection with the pending merger, it is possible that some customers, suppliers and other persons with whom Kirby or K-Sea have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationship with K-Sea as a result of the merger, which could negatively impact revenues, earnings and cash flows of Kirby or K-Sea, as well as the market prices of Kirby common stock or K-Sea common units, regardless of whether the merger is completed. Similarly, current and prospective employees of K-Sea may experience uncertainty about their future roles with K-Sea and Kirby following completion of the merger, which may materially adversely affect the ability of K-Sea to attract and retain key employees.

Failure to complete the merger could negatively impact the stock price and unit price, respectively, of Kirby and K-Sea and their respective future businesses and financial results.

If the merger is not completed, the ongoing businesses of Kirby and K-Sea may be adversely affected and Kirby and K-Sea will be subject to several risks and consequences, including the following:

under the merger agreement, K-Sea may be required, under certain circumstances, to pay Kirby a termination fee of \$12.0 million and up to \$3.0 million of Kirby's expenses;

Kirby and K-Sea will be required to pay certain costs relating to the merger, whether or not the merger is completed, such as legal, accounting, financial advisor and printing fees;

Kirby and K-Sea would not realize the expected benefits of the merger;

under the merger agreement, each of Kirby and K-Sea is subject to certain restrictions on the conduct of its business prior to completing the merger which may adversely affect its ability to execute certain of its business strategies; and

matters relating to the merger may require substantial commitments of time and resources by Kirby and K-Sea management, which could otherwise have been devoted to other opportunities that may have been beneficial to Kirby and K-Sea as independent companies.

In addition, if the merger is not completed, Kirby and/or K-Sea may experience negative reactions from the financial markets and from their respective customers and employees. Kirby and/or K-Sea also could be subject to litigation related to any failure to complete the merger or to enforcement proceedings commenced against Kirby or K-Sea to attempt to force them to perform their respective obligations under the merger agreement.

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The merger agreement includes restrictions on the ability of K-Sea to make cash or other distributions to its common unitholders, even if it would otherwise have available cash to make such a distribution.

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