

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): February 2, 2006

GULF ISLAND FABRICATION, INC.  
(Exact name of registrant as specified in its charter)

|  |  |  |
|--|--|--|
| Louisiana<br>(State or other jurisdiction<br>of incorporation) | 0-22303<br>(Commission<br>File Number) | 72-1147390<br>(IRS Employer<br>Identification No.) |
|--|--|--|

583 Thompson Road  
Houma, Louisiana 70363  
(Address of principal executive offices) (Zip Code)

(985) 872-2100  
(Registrant's telephone number, including area code)

Not applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On February 1, 2006, Gulf Island Fabrication, Inc. issued a press release announcing fourth quarter 2005 earnings. A copy of the press release is attached as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

The following exhibit is filed herewith:

| Exhibit No. | Description                          |
|-------------|--------------------------------------|
| 99.1        | Press Release dated February 1, 2006 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the

registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GULF ISLAND FABRICATION, INC.

By: /s/ Joseph P. Gallagher, III

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Joseph P. Gallagher, III  
Vice President - Finance,  
Chief Financial Officer  
and Treasurer  
(Principal Financial Officer  
and Duly Authorized Officer)

Dated: February 2, 2006

## Gulf Island Fabrication, Inc. Reports Fourth Quarter Earnings

HOUMA, La.--(BUSINESS WIRE)--Feb. 1, 2006--Gulf Island Fabrication, Inc. (NASDAQ: GIFI) today reported net income of \$2.7 million (\$.22 diluted EPS) on revenue of \$41.4 million for its fourth quarter ended December 31, 2005, compared to net income of \$2.9 million (\$.23 diluted EPS) on revenue of \$45.9 million for the fourth quarter ended December 31, 2004. Net income for the twelve months ended December 31, 2005 was \$13.0 million (\$1.05 diluted EPS) on revenue of \$188.5 million, compared to net income of \$12.0 million (\$.99 diluted EPS) on revenue of \$173.9 million for the twelve months ended December 31, 2004.

The company had a revenue backlog of \$114.6 million and a labor backlog of approximately 1.4 million man-hours remaining to work, which consist of work remaining at December 31, 2005 and commitments received since December 31, 2005. This backlog excludes contracts assumed in the Gulf Marine Fabricators asset purchase. The Company anticipates that approximately 93% of this backlog will be completed during the year 2006.

Selected Balance Sheet Information  
(in thousands)

|   | December 31,<br>2005 | December 31,<br>2004 |
|---|----------------------|----------------------|
|   | -----                | -----                |
| Cash, cash equivalents and short-term investments | \$ 35,901            | \$ 40,397            |
| Total current assets                              | 103,595              | 91,290               |
| Property, plant and equipment, at cost, net       | 59,561               | 60,346               |
| Total assets                                      | 163,806              | 152,285              |
| Total current liabilities                         | 16,271               | 16,076               |
| Debt  | 0                    | 0                    |
| Shareholders' equity                              | 138,265              | 126,584              |
| Total liabilities and shareholders' equity        | 163,806              | 152,285              |

The management of Gulf Island Fabrication, Inc. will hold a conference call on Wednesday, February 1, 2006, at 9:00 a.m. Central Time (10:00 a.m. Eastern Time) to discuss the Company's financial results for the quarter ended December 31, 2005. The call is accessible by webcast ([www.gulfisland.com](http://www.gulfisland.com)) through CCBN and by dialing 1.800.946.0741. A digital rebroadcast of the call is available two hours after the call and ending February 10, 2006 by dialing 1.888.203.1112, replay passcode: 2962496.

Gulf Island Fabrication, Inc., based in Houma, Louisiana, is a leading fabricator of offshore drilling and production platforms, offshore living quarters and other specialized structures used in the development and production of offshore oil and gas reserves. The Company also offers offshore interconnect pipe hook-up, inshore marine construction, manufacture and repair of pressure vessels, and steel warehousing and sales.

GULF ISLAND FABRICATION, INC.  
CONSOLIDATED STATEMENTS OF INCOME  
(UNAUDITED)  
(in thousands, except per share data)

|                                     | Three Months<br>Ended<br>December 31, |          | Twelve Months<br>Ended<br>December 31, |           |
|-------------------------------------|---------------------------------------|----------|--|-----------|
|                                     | 2005                                  | 2004     | 2005                                   | 2004      |
|                                     | -----                                 | -----    | -----                                  | -----     |
| Revenue                             | \$41,426                              | \$45,888 | \$188,545                              | \$173,878 |
| Cost of revenue                     | 36,973                                | 40,740   | 164,548                                | 151,205   |
| Gross profit                        | 4,453                                 | 5,148    | 23,997                                 | 22,673    |
| General and administrative expenses | 1,303                                 | 1,055    | 5,681                                  | 4,818     |
| Operating income                    | 3,150                                 | 4,093    | 18,316                                 | 17,855    |
| Other income (expense):             |                                       |          |  |           |
| Interest expense                    | (10)                                  | (111)    | (55)                                   | (147)     |
| Interest income                     | 440                                   | 270      | 1,395                                  | 625       |

|  |         |         |          |          |
|--|---------|---------|----------|----------|
| Other  | (455)   | (72)    | (460)    | (21)     |
|  | (25)    | 87      | 880      | 457      |
| Income before income taxes                                 | 3,125   | 4,180   | 19,196   | 18,312   |
| Income taxes   | 423     | 1,324   | 6,209    | 6,270    |
| Net income   | \$2,702 | \$2,856 | \$12,987 | \$12,042 |
| Per share data:  |         |         |          |          |
| Basic earnings (loss) per share                            | \$0.22  | \$0.24  | \$1.06   | \$1.00   |
| Diluted earnings (loss) per share                          | \$0.22  | \$0.23  | \$1.05   | \$0.99   |
| Weighted-average shares                                    | 12,275  | 12,150  | 12,242   | 12,054   |
| Effect of dilutive securities:<br>employee stock options   | 172     | 126     | 134      | 134      |
| Adjusted weighted-average shares<br>(1)                    | 12,447  | 12,276  | 12,376   | 12,188   |
| Depreciation and amortization<br>included in expense above | \$1,574 | \$1,545 | \$6,279  | \$6,041  |
| Cash dividend declared per<br>common share                 | \$0.075 | \$0.050 | \$0.300  | \$0.200  |

(1) The calculation of diluted earnings per share assumes that all stock options are exercised and that the assumed proceeds are used to purchase shares at the average market price for the period.

CONTACT: Gulf Island Fabrication Inc., Houma  
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or  
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