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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 12 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File Number 0-22303

GULF ISLAND FABRICATION, INC.
(Exact Name of Registrant as Specified in its Charter)

LOUISIANA	72-1147390
(State or Other jurisdiction of Incorporation or Organization)	(I.R.S Employer Identification No.)

583 THOMPSON ROAD HOUMA, LOUISIANA	70363
(Address of Principal Executive Offices)	(Zip Code)

(504) 872-2100
(Registrant's Telephone Number, Including Area Code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes __X__   No _____

As of November 11, 1997, there were 11,600,000 shares of common stock, no par value, outstanding.

GULF ISLAND FABRICATION, INC.

INDEX

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GULF ISLAND FABRICATION, INC.
CONSOLIDATED BALANCE SHEET

(in thousands, except share data)

<TABLE>

<CAPTION>

<S>	December 31, 1996 <C>	September 30, 1997 (unaudited) <C>
ASSETS		
Current assets:		
Cash	$ 1,357	$ 4,774
Contracts receivable, net	11,674	23,777
Contract retainage	1,806	1,209
Costs and estimated earnings in excess of billings on uncompleted contracts	1,306	3,333
Prepaid expenses	500	579
Inventory	1,113	1,221
Total current assets	17,756	34,893
Property, plant and equipment, net	17,735	31,533
Other assets	418	428
	$ 35,909	$ 66,854
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,081	$ 5,499
Billings in excess of costs and estimated earnings on uncompleted contracts	2,205	5,635
Accrued employee costs	1,903	3,072
Accrued expenses	1,036	2,359
Income taxes payable	-	1,441
Current portion of notes payable	530	-
Total current liabilities	6,755	18,006
Deferred income taxes	-	1,218
Notes payable	5,657	-
Total liabilities	12,412	19,224
Contingencies (Note 5)		
Shareholders' equity (Note 1):		
Preferred stock, no par value, 5,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, no par value, 20,000,000 shares authorized, outstanding 7,000,000 shares at December 31, 1996 and 11,600,000 shares at September 30, 1997	1,000	4,133
Additional paid-in capital	6,670	34,865
Retained earnings	15,827	8,632
Total shareholders' equity	23,497	47,630
	$ 35,909	$ 66,854

See Accompanying Notes to Consolidated Financial Statements (Unaudited)

</TABLE>

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

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	Three months ended September 30,		Nine months ended September 30,	
<S>	1996 <C>	1997 <C>	1996 <C>	1997 <C>
Revenue	$ 19,168	$ 36,311	$ 60,376	$ 101,556
Cost of revenue	16,039	29,325	53,275	83,282
Gross profit	3,129	6,986	7,101	18,274
General and administrative expense	567	1,115	1,567	3,262
Operating income	2,562	5,871	5,534	15,012
Interest expense (income), net	104	(61)	297	212
Income before income taxes	2,458	5,932	5,237	14,800
Provision for income taxes	-	2,234	-	4,210
Cumulative deferred tax provision	-		-	1,144
Net income	$ 2,458	$ 3,698	$ 5,237	$ 9,446

Pro forma data (Note 3):				
Income before income taxes	$ 2,458	$ 5,932	$ 5,237	$ 14,800
Provision for income taxes	-	2,234	-	4,210
Pro forma provision for income taxes related to operations as S Corporation	934	-	1,990	1,379
Pro forma net income	$ 1,524	$ 3,698	$ 3,247	$ 9,211
Pro forma per share data (Notes 4 and 6):				
Pro forma net income per share	$ 0.19	$ 0.31	$ 0.41	$ 0.89
Pro forma weighted average common shares	7,854,000	11,742,000	7,854,000	10,370,000

See Accompanying Notes to Consolidated Financial Statements (Unaudited)

</TABLE>

GULF ISLAND FABRICATION, INC.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)
(in thousands, except share data)

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	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Total
<S>	<C>	<C>	<C>	<C>	
Balance at January 1,1997	7,000,000	$ 1,000	$ 6,670	$ 15,827	$ 23,497
Net proceeds from issuance of common stock	4,600,000	3,133	28,195	-	31,328
Dividends paid	-	-	-	(16,641)	(16,641)
Net income	-	-	-	9,446	9,446
Balance at September 30, 1997	11,600,000	$ 4,133	$ 34,865	$ 8,632	$ 47,630

See Accompanying Notes to Consolidated Financial Statements (Unaudited)

</TABLE>

GULF ISLAND FABRICATION, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)
(in thousands)

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	Three months ended September 30, 1996	Three months ended September 30, 1997	Nine months ended September 30, 1996	Nine months ended September 30, 1997
<S>	<C>	<C>	<C>	<C>
Cash flows from operating activities:				
Cash received from customers	$ 25,728	$ 37,897	$ 59,048	$ 96,009
Cash paid to suppliers and employees	(17,788)	(32,045)	(50,804)	(81,971)
Interest collected (paid)	(106)	61	(298)	(212)
Net cash provided by operating activities	7,834	5,913	7,946	13,826
Cash flows from investing activities:				
Capital expenditures, net	(398)	(5,306)	(5,481)	(12,787)
Payment for purchase of Dolphin Services, net of cash acquired (Note 2)	-	-	-	(5,803)
Proceeds form cash surrender value policy	-	-	-	253
Net cash used in investing activities	(398)	(5,306)	(5,481)	(18,337)
Cash flows from financing activities:				
Proceeds from initial public offering	-	-	-	31,328
Proceeds from issuance of notes payable	1,800	-	15,898	41,900
Principal payments on notes payable	(6,918)	(135)	(17,028)	(48,659)
Dividends paid	(797)	-	(1,707)	(16,641)
Net cash provided by (used in) financing activities	(5,915)	(135)	(2,837)	7,928

Net increase (decrease) in cash	1,521	472	(372)	3,417
Cash at beginning of period	191	4,302	2,084	1,357
Cash at end of period	$ 1,712	$ 4,774	$ 1,712	$ 4,774
Reconciliation of net income to net cash provided by operating activities:				
Net income	$ 2,458	$ 3,698	5,237	$ 9,446
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	442	765	1,128	2,104
(Increase) Decrease in accounts receivable	8,931	758	(999)	(7,307)
(Increase) Decrease in retainage	313	(211)	436	790
Increase in costs and estimated earnings in excess of billings on uncompleted contracts	(119)	(8)	(458)	(1,972)
(Increase) Decrease in other current assets	(504)	294	(635)	967
Increase (Decrease) in accounts payable and accrued expenses	(1,120)	29	3,546	4,649
Increase (Decrease) in income taxes payable	-	(535)	-	988
Increase in deferred income taxes	-	74	-	1,218
Increase (Decrease) in billings in excess of costs and estimated earnings on uncompleted contracts	(2,567)	1,049	(309)	2,943
Net cash provided by operating activities	$ 7,834	$ 5,913	$ 7,946	$ 13,826

See Accompanying Notes to Consolidated Financial Statements (Unaudited)

</TABLE>

GULF ISLAND FABRICATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 1997
(UNAUDITED)

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

The consolidated financial statements include the accounts of Gulf Island Fabrication, Inc. and its wholly-owned subsidiaries (the "Company"). The Company, located in Houma, Louisiana, is engaged in the fabrication and refurbishment of offshore oil and gas platforms for oil and gas industry companies. The Company's principal markets are concentrated in the offshore regions of the Gulf of Mexico.

On January 2, 1997, the Company acquired all outstanding shares of Dolphin Services, Inc., Dolphin Steel Sales, Inc. and Dolphin Sales and Rentals, Inc. for $5.9 million (the "Dolphin Acquisition"). The acquired corporations perform fabrication, sandblasting, painting and construction for offshore oil and gas platforms in inland and offshore regions of the coast of the Gulf of Mexico. On April 30, 1997, Dolphin Steel sales, Inc. and Dolphin Sales and Rentals, Inc. merged into Dolphin Services, Inc. The three corporations are referred to hereinafter collectively as "Dolphin Services." (See Note 2)

On February 13, 1997, the Board of Directors approved the filing of an initial registration statement on Form S-1 with the Securities and Exchange commission to register and sell 4.6 million shares of common stock. Shortly before closing of the offering on April 9, 1997, the Company's current shareholders elected to terminate its status as an S Corporation, and the Company has become subject to federal and state income taxes. (See Note 3.)

On April 3, 1997, the Securities and Exchange Commission declared the Company's Registration Statement on Form S-1 (Registration No. 333-21863) effective. On April 9, 1997, the Company sold 4.6 million common shares pursuant to the registration statement, increasing the total shares outstanding to 11.6 million (the "Initial Public Offering"). The Company received net proceeds from the sale of $31.3 million.

The information presented as of September 30, 1997 and for the three-month and nine-month periods ended September 30, 1996 and 1997, is unaudited. In the opinion of the Company's management, the accompanying unaudited financial statements contain all adjustments (consisting of normal recurring adjustments) which the Company considers necessary for the fair presentation of the Company's financial position as of September 30, 1997 and the results of its operations and its cash flows for the three-month and nine-month periods ended September 30, 1996 and 1997. The results of operations for the three and nine months ended September 30, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

In the opinion of management, the financial statements included herein have been prepared in accordance with generally accepted accounting principles and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

NOTE 2 - ACQUISITION OF DOLPHIN SERVICES

The Dolphin Acquisition was financed by borrowings under the Company's line of credit. The Company acquired assets with a fair value of $9.6 million and assumed liabilities of $3.8 million. The acquisition was accounted for under the purchase method of accounting. Accordingly, the operations of Dolphin Services are included in the Company's operations from January 2, 1997. Assuming the acquisition had occurred on January 1, 1996, pro forma revenue and pro forma net income for the three months and nine months ended September

30, 1996 would have been $26.1 million and $2.2 million and $77.4 million and $4.3 million, respectively, including a pro forma provision for income taxes assuming the Company had operated as a C Corporation. Pro forma net income per share for the three months and nine months ended September 30, 1996 would have been $.28 and $.54, respectively, based on pro forma weighted average common shares outstanding of 7,854,000.

NOTE 3 - TERMINATION OF S CORPORATION STATUS

On April 4, 1997, the Company's shareholders elected to terminate the Company's status as an S Corporation, and the Company became subject to federal and state income taxes. In conjunction with the termination of S Corporation status, the Company paid a distribution of $14 million to its current shareholders representing substantially all of the Company's remaining undistributed S Corporation earnings through April 4, 1997. The S Corporation earnings for the period April 1, 1997 to April 4, 1997 were an immaterial part of the total distribution.

The balance sheet of the Company as of September 30, 1997 reflects a deferred income tax liability of $1.2 million, which includes $1.1 million of deferred income tax liability resulting from the termination of the S Corporation status. The amount of the Company's retained earnings represents primarily the C Corporation earnings prior to the Company's election of S Corporation status in 1989 and earnings after April 4, 1997.

The pro forma income statement presentation reflects an additional provision for income taxes as if the Company had been subject to federal and state income taxes since January 1, 1996 using an assumed effective tax rate of approximately 38%.

NOTE 4 - PRO FORMA PER SHARE DATA

Pro forma per share data for the three and nine month periods ended September 30, 1996 and 1997 consists of the Company's historical income, adjusted to reflect income taxes as if the Company had operated as a C Corporation for the three month and nine month periods ended September 30, 1996 and 1997. This calculation excludes the charge of $1,144,000 related to cumulative deferred income taxes resulting from conversion to a C Corporation on April 4, 1997. The weighted average share calculations include the assumed issuance of additional shares sufficient to pay the distributions made to shareholders in connection with the Company's Initial Public Offering in 1997, to the extent such distributions exceeded net income for the year ended December 31, 1996.

The Company used proceeds received from its public offering to repay all outstanding debt at the time of the offering. Accordingly, the Company has calculated a pro forma supplemental net income per share of $.83 for the nine months ended September 30, 1997 (effect immaterial for three months ended September 30, 1997). The amount is calculated by (a) dividing the pro forma supplemental net income, increased by the interest expense, net of tax, on the debt extinguished, by (b) average shares outstanding, as increased to reflect the assumed issuance of sufficient additional shares to retire the debt calculated based on the date of issue of the debt. All such additional shares are assumed to be issued at the offering price of $7.50 per share, net of offering expenses.

NOTE 5 - CONTINGENCIES

The Company is one of four defendants in a lawsuit in which the plaintiff claims that the Company improperly installed certain attachments to a jacket that it had fabricated for the plaintiff. The plaintiff, which has recovered most of its out-of-pocket losses from its insurer, seeks to recover the remainder of its claimed out-of-pocket losses (approximately $1 million) and approximately $63 million for punitive damages and for economic losses which it alleges resulted from the delay in oil and gas production that was caused by these events. The Company is vigorously contesting the plaintiff's claims and, based on the Company's analysis of those claims, the Company's defenses thereto, and the Court's rulings received to date, the Company believes that its liability for such claims, if any, will not be material to its financial position. In view of the uncertainties inherent in litigation, however, no assurance can be given as to the ultimate outcome of such claims.

The Company is subject to claims arising through the normal conduct of its business. While the ultimate outcome of such claims cannot be determined, management does not expect that these matters will have a material adverse effect on the financial position or results of operations of the Company.

NOTE 6 - STOCK SPLIT

On October 6, 1997, the Company's Board of Directors authorized a two-for-one stock split effected in the form of a stock dividend that became effective on October 28, 1997 to shareholders of record on October 21, 1997. All share and per share data included in the financial statements have been restated to reflect the stock split.

Item 2. Management's Discussion and Analysis of Financial Condition And Results of Operations

The following discussion should be read in conjunction with the unaudited consolidated financial statements and related disclosures included elsewhere herein and Management's Discussion and Analysis of Financial Condition and Results of Operations beginning on page 18 of the prospectus included as part of the Company's registration statement on Form S-1 (Registration No.

333-39695), as filed with the Securities and Exchange Commission on November 6, 1997.

Results of Operations

On January 2, 1997, the Company acquired all the outstanding stock of Dolphin Services, Inc. and its two affiliated corporations (collectively, "Dolphin Services"). As used hereinafter, unless the context requires otherwise, the term "Company" refers to the Company and Dolphin Services on a consolidated basis, the term "Dolphin Services" refers to Dolphin Services only. The Statement of Income included in the unaudited financial statements presents the consolidated results of operations of the Company and Dolphin Services for the three and nine month periods ended September 30, 1997, compared to the results of operations of the Company for the three and nine month periods ended September 30, 1996, without giving effect to the Dolphin Acquisition.

The Company's revenue for the three and nine month periods ended September 30, 1997, was $36.3 million and $101.6 million, respectively, an increase of 89% and 68% compared to $19.2 million and $60.4 million in revenue for the three and nine month periods ended September 30, 1996. Revenue increased as a result of the Dolphin Acquisition and high activity levels in the oil industry during 1997, which caused increased demand and thus, upward pressure on the pricing of the Company's goods and services. In addition, the on-going labor recruiting and retention efforts at the Company generated an increase in the volume of direct labor hours applied to contracts for the three and nine month periods ended September 30, 1997, compared to the same periods in 1996.

The increased volume and strong pricing enabled the Company to produce gross profit of $7.0 million (19.2% of revenue) and $18.3 million (18.0% of revenue) for the three and nine month periods ended September 30, 1997, respectively, compared to the $3.1 million (16.3% of revenue) and $7.1 million (11.8% of revenue) of gross profit, respectively, for the three and nine month periods ended September 30, 1996.

The Company's general and administrative expense was $1.1 million and $3.3 million, respectively, for the three month and nine month periods ended September 30, 1997, compared to $567,000 and $1.6 million, respectively, for the three month and nine month periods ended September 30, 1996. This increase of $548,000 and $1.7 million, respectively, for the three month and nine month periods was caused by: (i) additional general and administrative costs associated with Dolphin Services, (ii) greater accrual of performance-based employee incentives, which resulted from increased profits for the three month and nine month periods ended September 30, 1997, and (iii) additional costs associated with increased production levels and the reporting requirements of a public company for 1997.

The Company had net interest income of $61,000 for the three months ended September 30, 1997 compared to $104,000 of interest expense for the three months ended September 30, 1996. Interest expense decreased to $212,000 for the nine months ended September 30, 1997 compared to $297,000 for the nine months ended September 30, 1996. As a result of the use of the net proceeds from the Company's Initial Public Offering and greater net cash provided by operations, the weighted average borrowings for the nine months ended September 30, 1997 was lower in comparison to the corresponding nine months of 1996.

The Company converted to C Corporation status on April 4, 1997. Pro forma provision for income taxes and pro forma net income give effect to federal and state income taxes as if all entities presented had been taxed as C Corporations during all the periods presented of both 1996 and 1997. Pro forma net income excludes the non-recurring charge of $1.1 million to record the cumulative deferred income tax provision upon the election on April 4, 1997 to convert from S Corporation status to C Corporation status.

Liquidity and Capital Resources

The Company completed the Initial Public Offering on April 9, 1997 in which it sold 4.6 million shares of common stock for net proceeds of $31.3 million after underwriting discounts and other costs of $3.2 million. Of the net proceeds, the Company used $31.1 million to repay all of the indebtedness outstanding under the Company's bank credit facility. The balance of the proceeds was used by the Company as additional working capital.

Historically the Company has funded its business activities through funds generated from operations and borrowings under its bank credit facility. Net cash provided by operations was $13.8 million for the nine months ended September 30, 1997, primarily attributable to cash received from customers related to increased sales. Net cash used in investing activities for the nine months ended September 30, 1997 was $18.3 million, related to the $5.9 million purchase of Dolphin Services and $12.8 million of capital expenditures. The Company's capital expenditures were for improvements to its production facilities and for equipment designed to increase the capacity of its facilities and the productivity of its labor force. During the nine months ended September 30, 1997, the Company purchased four new Manitowoc cranes and a used American crane, installed construction skidways, and acquired various other fabrication equipment and facilities.

Net cash provided by financing activities of $7.9 million for the nine months ended September 30, 1997 represented the net proceeds of $31.3 million of the Initial Public Offering offset by $16.6 million of dividends paid to shareholders in connection with the termination of the Company's S Corporation status prior to the initial public offering, and $6.8 million net payments of notes payable under the Company's bank credit facility.

The Company's bank credit facility currently provides for a revolving line of credit (the "Revolver") of up to $20.0 million which bears interest equal to, at the Company's option, the prime lending rate established by Citibank, N.A. or LIBOR plus 11/2%. The Revolver matures December 31, 1999 and is secured by a mortgage on the Company's real estate, equipment and fixtures, and by the stock of Dolphin Services. As additional security the Company has caused Dolphin Services to guarantee the Company's obligations under the Revolver. At September 30, 1997 there were no borrowings outstanding under the credit facility.

Capital expenditures for the remaining three months of 1997 are estimated to be approximately $4.9 million, including the purchase of one new Manitowoc crawler crane, expansion of the main yard fabrication shop, improvements to the West Yard fabrication area and various other fabrication equipment purchases and facility expansions. Management believes that its available funds, cash generated by operating activities and funds available under the Revolver will be sufficient to fund these capital expenditures and its working capital needs. However, the Company may expand its operations through acquisitions in the future, which may require additional equity or debt financing.

PART II. OTHER INFORMATION

No information is applicable to Part II for the current quarter, except as noted below:

Item 5. Other Information

On October 2, October 6, October 23 and November 7, 1997 the Company issued the press releases attached hereto as, respectively, Exhibits 99.1, 99.2, 99.3 and 99.4.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

27.1 Financial data Schedule

99.1 Press release issued by the Company on October 2, 1996 announcing its signing of a letter of intent with Atlantia Corporation to fabricate another SeaStar mini-tension leg platform (TLP).

99.2 Press release issued by the Company on October 6, 1997 announcing that its Board of Directors declared a two-for-one stock split.

99.3 Press release issued by the Company on October 23, 1997 announcing its third quarter earnings.

99.4 Press release issued by the Company on November 7, 1997 announcing a secondary offering by major shareholders.

(b) On August 28, 1997 the Company filed a report on Form 8-K dated August 25, 1997, reporting on matters described in Item 4 of such form.

SIGNATURES

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

GULF ISLAND FABRICATION, INC.

By:__________________________
Joseph P. Gallagher, III
Vice President - Finance
(Principal Financial Officer
and Duly Authorized Officer)

Date: November 12, 1997

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NEWS RELEASE

For further information contact:

Kerry J. Chauvin
Chief Executive Officer
(504) 872-2100

Joseph "Duke" Gallagher
Chief Financial Officer
(504) 872-2100

FOR IMMEDIATE RELEASE
FRIDAY, NOVEMBER 7, 1997

GULF ISLAND FABRICATION, INC.
ANNOUNCES SECONDARY OFFERING BY MAJOR SHAREHOLDERS

Houma, LA - Gulf Island Fabrication, Inc. (NASDAQ: GIFI) today announced that it has filed a registration statement with the Securities and Exchange Commission for a proposed offering of 2,000,000 shares of its Common Stock, along with an additional 300,000 shares to cover over-allotments. All such shares are to be sold by the Company's principal shareholders, Alden J. Laborde (age 81), and Huey J. Wilson (age 69), for asset diversification and estate planning purposes. If the offering is completed, Messrs. Laborde and Wilson will retain approximately 35% in combined ownership. The common shares outstanding will remain at 11,600,000 shares.

The shares will be sold through an underwriting group managed by Morgan Keegan & Company, Inc., Raymond James & Associates, Inc. and Johnson Rice & Company L.L.C.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time that the registration statement becomes effective. This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any State in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

Gulf Island Fabrication, Inc., based in Houma, Louisiana, is a leading fabricator of offshore drilling and production platforms and other specialized structures used in the development and production of offshore oil and gas reserves. The Company's services also include offshore interconnect pipe hook-up, inshore marine construction, and steel warehousing and sales.

NEWS RELEASE

For further information contact:

Kerry J. Chauvin
Chief Executive Officer
(504) 872-2100

Joseph "Duke" Gallagher
Chief Financial Officer
(504) 872-2100

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Kerry J. Chauvin
Chief Executive Officer
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The shares will be sold through an underwriting group managed by Morgan Keegan & Company, Inc., Raymond James & Associates, Inc. and Johnson Rice & Company L.L.C.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time that the registration statement becomes effective. This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any State in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

Gulf Island Fabrication, Inc., based in Houma, Louisiana, is a leading fabricator of offshore drilling and production platforms and other specialized structures used in the development and production of offshore oil and gas reserves. The Company's services also include offshore interconnect pipe hook-up, inshore marine construction, and steel warehousing and sales.

NEWS RELEASE

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FOR IMMEDIATE RELEASE
FRIDAY, NOVEMBER 7, 1997

GULF ISLAND FABRICATION, INC.
ANNOUNCES SECONDARY OFFERING BY MAJOR SHAREHOLDERS

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