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

FORM 10-Q

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

For the quarterly period ended MARCH 31, 2002

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)

(985) 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
--- ---

The number of shares of the Registrant's common stock, no par value per share, outstanding at May 10, 2002 was 11,734,814.

GULF ISLAND FABRICATION, INC.

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<Table>
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PART II OTHER INFORMATION

</Table>

GULF ISLAND FABRICATION, INC.
CONSOLIDATED BALANCE SHEETS

<Table>
<Caption>

<S>	(Unaudited) March 31, 2002 <C>	December 31, 2001 <C>
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,928	$ 11,274
Short-term investments	23,959	23,758
Contracts receivable, net	23,347	14,231
Contract retainage	2,070	1,736
Costs and estimated earnings in excess of billings on uncompleted contracts	2,417	1,961
Prepaid expenses	804	1,170
Inventory	1,326	1,331
Total current assets	58,851	55,461
Property, plant and equipment, net	43,060	41,666
Excess of cost over fair value of net assets acquired, net	--	4,765
Other assets	647	646
Total assets	$ 102,558	$ 102,538
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 2,415	$ 1,660
Billings in excess of costs and estimated earnings on uncompleted contracts	4,684	2,891
Accrued employee costs	1,674	2,012
Accrued expenses	2,386	1,929
Income taxes payable	869	368
Total current liabilities	12,028	8,860
Deferred income taxes	4,981	4,773
Total liabilities	17,009	13,633
Shareholders' equity:		
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, 11,709,192 and 11,706,864 shares issued and outstanding at March 31, 2002 and December 31, 2001, respectively	4,229	4,227
Additional paid-in capital	36,123	36,101
Retained earnings	45,197	48,577
Total shareholders' equity	85,549	88,905
Total liabilities and shareholders' equity	$ 102,558	$ 102,538

</Table>

The accompanying notes are an integral part of these statements.

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

<Table>
<Caption>

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001
<S>	<C>	<C>
Revenue	$ 27,246	$ 27,558
Cost of revenue	24,448	25,275
Gross profit	2,798	2,283
General and administrative expenses	908	1,141
Operating income	1,890	1,142
Other income (expense):		
Interest expense	(9)	(9)
Interest income	160	314
Other	57	(7)
	208	298
Income before income taxes	2,098	1,440
Income taxes	713	522
Net income before cumulative effect of change in accounting principle	1,385	918
Cumulative effect of change in accounting principle (Note 2)	(4,765)	--
Net income (loss)	$ (3,380)	$ 918
Per share data:		
Basic earnings (loss) per share:		
Net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.08
Cumulative effect of change in accounting principle	(0.41)	--
Basic earnings (loss) per share	$ (0.29)	$ 0.08
Diluted income (loss) per share:		
Net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.08
Cumulative effect of change in accounting principle	(0.41)	--
Diluted earnings (loss) per share	$ (0.29)	$ 0.08
Weighted-average shares	11,708	11,696
Effect of dilutive securities: employee stock options	66	149
Adjusted weighted-average shares	11,774	11,845

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The accompanying notes are an integral part of these statements.

GULF ISLAND FABRICATION, INC.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

<Table>
<Caption>

Common Stock	Additional	Total

Shareholders'	Shares	Amount	Paid-In Capital	Retained Earnings	Equity
	(in thousands, except share data)				
Balance at January 1, 2002	11,706,864	$ 4,227	$ 36,101	$ 48,577	$ 88,905
Exercise of stock options	2,328	2	18	--	20
Income tax benefit from exercise of stock options	--	--	4	--	4
Net income (loss)	--	--	--	(3,380)	(3,380)
Balance at March 31, 2002	11,709,192	$ 4,229	$ 36,123	$ 45,197	$ 85,549

</Table>

The accompanying notes are an integral part of these statements.

GULF ISLAND FABRICATION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<Table>
<Caption>

	Three Months Ended March 31, 2002	2001
	(in thousands)	
Cash flows from operating activities:		
Net income (loss)	$ (3,380)	$ 918
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	1,142	1,077
Amortization	--	108
Cumulative effect of change in accounting principle	4,765	--
Deferred income taxes	208	99
Changes in operating assets and liabilities:		
Contracts receivable	(9,116)	(6,520)
Contract retainage	(334)	(732)
Costs and estimated earnings in excess of billings on uncompleted contracts	(456)	(726)
Prepaid expenses, inventory and other assets	371	10
Accounts payable	755	567
Billings in excess of costs and estimated earnings on uncompleted contracts	1,793	484
Accrued employee costs	(338)	(193)
Accrued expenses	457	(41)
Income taxes payable	505	422
Net cash used in operating activities	(3,628)	(4,527)
Cash flows from investing activities:		
Capital expenditures, net	(2,636)	(1,502)
Proceeds on the sale of equipment	100	--
Purchase of short-term investments	(201)	(228)
Other	(1)	3
Net cash used in investing activities	(2,738)	(1,727)
Cash flows from financing activities:		
Proceeds from exercise of stock options	20	307
Net cash provided by financing activities	20	307
Net decrease in cash and cash equivalents	(6,346)	(5,947)
Cash and cash equivalents at beginning of period	11,274	10,079
Cash and cash equivalents at end of period	$ 4,928	$ 4,132

Supplemental cash flow information:

Interest paid	$ 18	$ 9
Income taxes paid	$ 21	$ --

</Table>

The accompanying notes are an integral part of these statements.

GULF ISLAND FABRICATION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE MONTH
PERIODS ENDED MARCH 31, 2002 AND 2001

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

Gulf Island Fabrication, Inc. (the "Company"), together with its subsidiaries, 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. Structures and equipment fabricated by the Company include jackets and deck sections of fixed production platforms; hull and/or deck sections of floating production platforms (such as TLP's, SPAR's and FPSO's); piles; wellhead protectors; subsea templates; various production, compressor and utility modules; and offshore living quarters. The Company, located in Houma, Louisiana, also provides services such as offshore interconnect pipe hook-up; inshore marine construction; manufacture and repair of pressure vessels; and steel warehousing and sales. The Company's principal markets are concentrated in the offshore regions of the Gulf of Mexico. The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

The information presented at March 31, 2002, and for the three months ended March 31, 2002 and 2001, is unaudited. In the opinion of the Company's management, the accompanying unaudited financial statements contain all adjustments (consisting of normal recurring adjustments) that the Company considers necessary for the fair presentation of the Company's financial position at March 31, 2002, and the results of its operations for the three months ended March 31, 2002 and 2001, and its cash flows for the three months ended March 31, 2002 and 2001. The results of operations for the three months ended March 31, 2002 are not necessarily indicative of the results that may be expected for the year ending December 31, 2002.

In the opinion of management, the financial statements included herein have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2001.

NOTE 2 - NEW ACCOUNTING STANDARD

In June 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No.142 ("SFAS No. 142"), "Goodwill and Other Intangible Assets", which established a new method of testing goodwill for impairment using a fair-value-based approach and eliminated the amortization of goodwill as previously required by Accounting Principles Board ("APB") Opinion 17, "Intangibles". An impairment loss would be recorded if the recorded goodwill exceeds its implied fair value. At December 31, 2001, the

Company had goodwill of $4.8 million (net of accumulated amortization of $1.3 million) related to the acquisition of Southport, Inc. ("Southport"). The Company adopted SFAS No. 142 effective January 1, 2002, and completed the required transitional impairment test during the quarter ended March 31, 2002. As a result of the transitional impairment test, the Company calculated an impairment charge of $4.8 million. The impairment charge was calculated based on fair value using an expected cash flow approach. The Company considered in its expected cash flow projections the continued decline in the demand for, the highly competitive nature of, and the recent bid activity related to the fabrication of living quarters. The transitional impairment charge is reflected as a cumulative effect of change in accounting principle as of January 1, 2002, in the accompanying financial statements.

A reconciliation of reported net income before cumulative effect of change in accounting principle and related earnings per share to the adjusted net income and earnings per share to exclude the prior amortization expense of goodwill is as follows (in thousands, except per share data):

<Table>
<Caption>

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001
<S>	<C>	<C>
Reported net income before cumulative effect of change in accounting principle	$ 1,385	$ 918
Add back: Goodwill amortization	--	108
Adjusted net income before cumulative effect of change in accounting principle	$ 1,385	$ 1,026
Basic earnings-per-share		
Reported net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.08
Add back: Goodwill amortization	--	0.01
Adjusted net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.09
Diluted earnings-per-share		
Reported net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.08
Add back: Goodwill amortization	--	0.01
Adjusted net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.09

</Table>

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", which addresses financial accounting and reporting for impairment or disposal of long-lived assets and supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of", and the accounting and reporting provisions of APB Opinion No. 30, "Reporting Results of Operations-Reporting the Effects of Disposal of a Segment of a Business", for the disposal of a segment of a business. SFAS No. 144 is effective for fiscal years beginning after December 15, 2001. On January 1, 2002, management adopted SFAS No. 144 and has concluded that SFAS No. 144 does not have an impact on its results of operations, financial position or cash flows.

NOTE 3 - INCOME TAX PROVISION

The reduction in the effective tax rate for the three-month period ended March 31, 2002, compared to the three-month period ended March 31, 2001, is the result of anticipated tax benefits primarily resulting from an increased proportion of net income attributable to foreign contracts.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Goodwill Impairment-Southport Acquisition

In assessing the recoverability of the Company's excess of cost over fair value of the net assets acquired (goodwill) from the Southport acquisition, the Company must make assumptions regarding estimated future cash flows and other factors to determine the fair value of the respective assets. Pursuant to SFAS No. 142 the Company adopted the new rules for accounting for goodwill effective January 1, 2002, and completed the required transitional impairment test during the quarter ended March 31, 2002. As a result of the transitional impairment test, the Company calculated an impairment charge of $4.8 million. The impairment charge was calculated based on fair value using an expected cash flow approach. The Company considered in its expected cash flow projections the continued decline in the demand for, the highly competitive nature of, and the recent bid activity related to the fabrication of living quarters. The transitional impairment charge is reflected as a cumulative effect of change in accounting principle as of January 1, 2002, in the accompanying financial statements.

RESULTS OF OPERATIONS

The Company's revenue for the three-month period ended March 31, 2002 was $27.2 million, compared to revenue of $27.6 million for the three-month period ended March 31, 2001. Revenue for the three-month period ended March 31, 2002 remained relatively stable when compared to the three-month period ended March 31, 2001, primarily due to a consistent volume of direct labor hours applied to contracts for both periods.

For the three-month period ended March 31, 2002, gross profit was $2.8 million (10.3% of revenue) compared to gross profit of $2.3 million (8.3% of revenue) for the three-month period ended March 31, 2001. The increase in gross profit was the result of the utilization of labor saving equipment and discounts received from major suppliers of materials and services.

The Company's general and administrative expenses decreased to $908,000 from $1.1 million for the three-month periods ended March 31, 2002 and March 31, 2001, respectively. As a percentage of revenue, general and administrative expenses decreased to 3.3% from 4.1% for the three-month periods ended March 31, 2002 and 2001, respectively. The majority of the decrease was related to the elimination of the amortization of goodwill ($108,000 per quarter), which was effective January 1, 2002, and the reimbursement of approximately $70,000 in legal expenses related to a lawsuit that was settled in 2001.

Net interest income was $151,000 for the three-month period ended March 31, 2002 compared to $305,000 for the three-month period ended March 31, 2001. Income generated from investments decreased substantially during the three-month period ended March 31, 2002, compared to the three-month period ended March 31, 2001, due to the sharp decline in interest rates (approximately 53%) on short-term investments.

For the three-month period ended March 31, 2002, other income was $57,000 compared to the three-month period ended March 31, 2001, when other represented an expense of $7,000. Other income for the period ended March 31, 2002 was related to the sale of

miscellaneous equipment. For the period ended March 31, 2001, the other expense consisted primarily of the Company's share of the MinDOC, L.L.C. activities to design and market the MinDOC floating platform concept for deepwater drilling and production. Prior to October 1, 2001, the Company's investment in MinDOC, L.L.C. was accounted for under the equity method of accounting for investments with its share of operating results included in other as an expense in the statements of income. Effective October 1, 2001, the Company's investment in MinDOC, L.L.C. and its operating results were consolidated within the consolidated financial statements of Gulf Island Fabrication, Inc.

LIQUIDITY AND CAPITAL RESOURCES

Historically the Company has funded its business activities through funds generated from operations and borrowings under its revolving line of credit (the "Revolver"). Although net cash used in operating activities was $3.6 million for the three months ended March 31, 2002, working capital remained relatively stable at $46.8 million, which resulted in a current ratio of 4.9 to 1. Net cash used in investing activities for the three months ended March 31, 2002 was $2.7 million, which included $100,000 of proceeds from the sale of equipment, $2.6 million for capital expenditures and $201,000 related to the purchase of short-term investments. The majority of the capital expenditures for the first quarter of 2002 were related to the construction of the new fabrication building scheduled to be completed in the third quarter of 2002.

The Company's Revolver currently provides for a revolving line of credit of up to $20.0 million, which bears interest equal to, at the Company's option, the prime lending rate established by Bank One Corporation or LIBOR plus 1.5%. The Revolver matures December 31, 2003, and is secured by a mortgage on the Company's real estate, machinery and equipment, and fixtures. The Company pays a fee quarterly of three-sixteenths of one percent per annum on the weighted-average unused portion of the line of credit. The Company is required to maintain certain covenants, including balance sheet and cash flow ratios. At March 31, 2002, the Company was in compliance in all material respects with these covenants and had no outstanding borrowings under the Revolver.

Capital expenditures for the remaining nine months of 2002 are estimated to be approximately $8.9 million, including improvements to the facilities and the purchase of various other fabrication machinery and equipment. 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. The Company may, however, expand its operations through future acquisitions that may require additional equity or debt financing.

FORWARD-LOOKING STATEMENTS

Statements under "Results of Operations" and "Liquidity and Capital Resources" and other statements in this report and the exhibits hereto that are not statements of historical fact are forward-looking statements. These statements involve risks and uncertainties that include, among others, the timing and extent of changes in the prices of crude oil and natural gas; the timing of new projects and the Company's ability to obtain them; competitive factors in the heavy marine fabrication industry; the Company's ability to successfully complete the testing, production and marketing of the MinDOC and other deep water production systems and to develop and provide financing for them; and the Company's ability to attract and retain qualified production employees at acceptable compensation rates. Changes in these factors could result in changes in the Company's performance and could cause the actual results to differ materially from those expressed in the forward-looking statements.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDING.

For a description of legal proceedings, see Item 3 of Part I of the Company's Annual Report on Form 10-K for the year ended December 31, 2001.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

(a) An annual meeting of the registrant's shareholders was held on April 24, 2002.

(c) The following matters were voted upon at such meeting with the results indicated below:

(1) Election of the following nominees for directors.

Gregory J. Cotter
Number of Votes Cast For - 10,383,690
Number of Votes Cast Against or Withheld - 521,468
Number of Abstentions - None
Number of Broker Non-Votes - None

John P. ("Jack") Laborde
Number of Votes Cast For - 10,383,690
Number of Votes Cast Against or Withheld - 521,468
Number of Abstentions - None
Number of Broker Non-Votes - None

(2) Approval of a proposal to adopt the 2002 Long-Term Incentive Plan.

Number of Votes Cast For - 10,148,426
Number of Votes Cast Against or Withheld - 533,912
Number of Abstentions - 222,820
Number of Broker Non-Votes - None

(3) Ratification of appointment of Ernst & Young LLP as independent auditors.

Number of Votes Cast For - 10,577,990
Number of Votes Cast Against or Withheld - 325,958
Number of Abstentions - 1,210
Number of Broker Non-Votes - None

ITEM 5. OTHER INFORMATION.

On April 3, 2002, the Company announced the scheduled time for the release of its 2002 first quarter earnings and its quarterly conference call. The press release making this announcement is attached hereto as Exhibit 99.1.

On April 24, 2002, the Company announced its 2002 first quarter earnings and related matters. The press release making this announcement is attached hereto as Exhibit 99.2.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits.

99.1 Press release issued by the Company on April 3, 2002, announcing the scheduled time for the release of its 2002 first quarter earnings and its quarterly conference call.

99.2 Press release issued by the Company on April 24, 2002, announcing its 2002 first quarter earnings and related matters.

(b) The Company filed no reports on Form 8-K during the quarter for which this report is filed.

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: /s/ Joseph P. Gallagher, III

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

Date: May 14, 2002

GULF ISLAND FABRICATION, INC.

EXHIBIT INDEX

<Table>
<Caption>

EXHIBIT NUMBER	DESCRIPTION OF EXHIBIT
<S>	<C>
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99.2	Press release issued by the Company on April 24, 2002, announcing its 2002 first quarter earnings and related matters.

</Table>

EXHIBIT 99.1

NEWS RELEASE

For further information contact:

Kerry J. Chauvin
Chairman and Chief Executive Officer
(985) 872-2100

Joseph "Duke" Gallagher
Chief Financial Officer
(985) 872-2100

FOR IMMEDIATE RELEASE
WEDNESDAY, APRIL 3, 2002

GULF ISLAND FABRICATION, INC.
TO ANNOUNCE EARNINGS RESULTS
AND QUARTERLY CONFERENCE CALL

Houma, LA--(BUSINESS WIRE)--April 3, 2002--Gulf Island Fabrication, Inc. (NASDAQ: GIFI), will announce 2002 first quarter earnings on Wednesday, April 24, 2002 during morning market hours.

The management of Gulf Island Fabrication, Inc. will hold a conference call on Thursday, April 25, 2002, at 9:00 a.m. Central Time (10:00 a.m. Eastern Time) to discuss the Company's financial results for the quarter ended March 31, 2002.

The call is accessible by webcast through CCBN and by dialing the following:

Dial In: 1-800-997-8642

Webcast: www.gulfisland.com

Replay of the call is available two hours after the call and ending May 2, 2002 by dialing:

Phone Number: 1-800-428-6051

Replay Passcode: 237958

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.

EXHIBIT 99.2

For further information contact:

Kerry J. Chauvin
Chief Executive Officer
(985) 872-2100

Joseph "Duke" Gallagher
Chief Financial Officer
(985) 872-2100

FOR IMMEDIATE RELEASE
WEDNESDAY, APRIL 24, 2002

GULF ISLAND FABRICATION, INC.
REPORTS FIRST QUARTER EARNINGS

Houma, LA - Gulf Island Fabrication, Inc. (NASDAQ: GIFI) today reported net income of $1.4 million ($.12 diluted EPS), before a cumulative effect of change in accounting principle, on revenue of $27.2 million for its first quarter ended March 31, 2002, compared to net income of $918 thousand ($.08 diluted EPS) on revenue of $27.6 million for the first quarter ended March 31, 2001.

Effective January 1, 2002 the Company adopted Statement of Financial Accounting Standards Board No. 142, ("SFAS No. 142"), "Goodwill and Other Intangibles Assets", which resulted in a $4.8 million non-cash charge for the impairment of goodwill, which was recorded as a cumulative effect of change in accounting principle. The recording of this non-cash charge for the impairment of goodwill resulted in a net loss of $3.4 million ($.29 diluted EPS) for the quarter ended March 31, 2002.

At March 31, 2002, the company had a revenue backlog of $82.8 million and a labor backlog of approximately 1.3 million man-hours remaining to work.

SELECTED BALANCE SHEET INFORMATION
(in thousands)

<Table>
<Caption>

<S>	March 31, 2002 <C>	December 31, 2001 <C>
Cash and short-term investments	$ 28,887	$ 35,032
Total current assets	58,851	55,461
Property, plant and equipment, at cost,net	43,060	41,666
Total assets	102,558	102,538
Total current liabilities	12,028	8,860
Debt	0	0
Shareholders' equity	85,549	88,905
Total liabilities and shareholders' equity	102,558	102,538

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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.

EXHIBIT 99.2

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

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<Caption>

	THREE MONTHS ENDED MARCH 31,	
<S>	2002 <C>	2001 <C>
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Income taxes	713	522
Net income before cumulative effect of change in accounting principle	1,385	918
Cumulative effect of change in accounting principle (1)	(4,765)	--
Net income (loss)	$ (3,380)	$ 918
Per share data:		
Basic earnings (loss) per share:		
Net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.08
Cumulative effect of change in accounting principle (1)	(0.41)	--
Basic earnings (loss) per share	$ (0.29)	$ 0.08
Diluted income (loss) per share: (2)		
Net income before cumulative effect of change in accounting principle	$ 0.12	$ 0.08
Cumulative effect of change in accounting principle (1)	(0.41)	--
Diluted earnings (loss) per share	$ (0.29)	$ 0.08
Weighted-average shares	11,708	11,696
Effect of dilutive securities: employee stock options	66	149
Adjusted weighted-average shares (2)	11,774	11,845
Depreciation and amortization included in expense above	$ 1,142	$ 1,185

</Table>

(1) The Company recorded a $4.8 million non-cash charge for the impairment of goodwill resulting from the adoption of Statement of Financial Accounting Standards Board No.142, "Goodwill and Other Intangible Assets".

(2) 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.