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, 2004

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 **(State or other jurisdiction of incorporation or organization)**	**72-1147390** **(I.R.S. Employer Identification No.)**
583 THOMPSON ROAD, **HOUMA, LOUISIANA** **(Address of principal executive offices)**	**70363** **(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 ¨

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes x   No ¨

The number of shares of the Registrant's common stock, no par value per share, outstanding at May 6, 2004 was 12,041,101.

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GULF ISLAND FABRICATION, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GULF ISLAND FABRICATION, INC.
CONSOLIDATED BALANCE SHEETS

	(Unaudited) March 31, 2004	(Note 1) December 31, 2003
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 11,814	$ 8,012
Short-term investments	14,040	14,038
Contracts receivable, net	37,336	42,443
Contract retainage	8,953	7,062
Costs and estimated earnings in excess of billings on uncompleted contracts	7,812	5,806
Prepaid expenses	1,159	1,349
Inventory	3,188	2,697
Total current assets	84,302	81,407
Property, plant and equipment, net	58,445	58,259
Other assets	649	650
Total assets	$ 143,396	$ 140,316
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 8,153	$ 8,937
Billings in excess of costs and estimated earnings on uncompleted contracts	3,600	6,003
Accrued employee costs	2,825	3,906
Accrued expenses	975	957
Income taxes payable	2,051	893
Total current liabilities	17,604	20,696
Deferred income taxes	8,339	8,029
Total liabilities	25,943	28,725
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, 11,952,167 and 11,801,618 shares issued and outstanding at March 31, 2004 and December 31, 2003, respectively	4,561	4,340
Additional paid-in capital	39,592	37,310
Retained earnings	73,300	69,941
Total shareholders' equity	117,453	111,591
Total liabilities and shareholders' equity	$ 143,396	$ 140,316

The accompanying notes are an integral part of these statements.

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

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
Revenue	$ 50,794	$ 39,573
Cost of revenue	43,464	33,599
Gross profit	7,330	5,974
General and administrative expenses	1,310	1,178
Operating income	6,020	4,796
Other income (expense):		
Interest expense	(7)	(9)
Interest income	49	82
Other	18	3
	60	76
Income before income taxes	6,080	4,872
Income tax expense	2,128	1,652
Net income	$ 3,952	$ 3,220
Per share data:		
Basic earnings per share:	$ 0.33	$ 0.27
Diluted earnings per share:	$ 0.33	$ 0.27
Weighted-average shares	11,867	11,757
Effect of dilutive securities: employee stock options	158	135
Adjusted weighted-average shares	12,025	11,892
Cash dividend declared per common share	$ 0.05	$ —

The accompanying notes are an integral part of these statements.

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

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total Shareholders' Equity
	Shares	Amount			
	(in thousands, except share data)				
Balance at January 1, 2004	11,801,618	$ 4,340	$ 37,310	$ 69,941	$ 111,591
Exercise of stock options	150,549	221	1,986	—	2,207
Income tax benefit from exercise of stock options	—	—	296	—	296
Net income	—	—	—	3,952	3,952
Dividends on common stock	—	—	—	(593)	(593)
Balance at March 31, 2004	11,952,167	$ 4,561	$ 39,592	$ 73,300	$ 117,453

The accompanying notes are an integral part of these statements.

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

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
	(in thousands)	
Cash flows from operating activities:		
Net income	$ 3,952	$ 3,220
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,470	1,235
Deferred income taxes	310	323
Changes in operating assets and liabilities:		
Contracts receivable	5,107	(8,615)
Contract retainage	(1,891)	505
Costs and estimated earnings in excess of billings on uncompleted contracts	(2,006)	265
Prepaid expenses, inventory and other assets	(301)	(227)
Accounts payable	(784)	2,483
Billings in excess of costs and estimated earnings on uncompleted contracts	(2,403)	879
Accrued employee costs	(1,081)	(384)
Accrued expenses	18	(152)
Income taxes payable	1,454	1,265
Net cash provided by operating activities	3,845	797
Cash flows from investing activities:		
Capital expenditures, net	(1,656)	(9,534)
Proceeds from short-term investments	—	6,000
Purchase of short-term investments	(1)	(120)
Net cash used in investing activities	(1,657)	(3,654)
Cash flows from financing activities:		
Proceeds from exercise of stock options	2,207	315
Payments of dividends on common stock	(593)	—
Net cash provided by financing activities	1,614	315
Net change in cash and cash equivalents	3,802	(2,542)
Cash and cash equivalents at beginning of period	8,012	5,667
Cash and cash equivalents at end of period	$ 11,814	$ 3,125
Supplemental cash flow information:		
Interest paid	$ 16	$ 9
Income taxes paid	$ 362	$ 65

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, 2004 AND 2003**

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING PRINCIPLES

Gulf Island Fabrication, Inc., together with its subsidiaries, (the "Company") 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 accompanying unaudited condensed consolidated financial statements 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 generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three-month period ended March 31, 2004 are not necessarily indicative of the results that may be expected for the year ended December 31, 2004.

The balance sheet at December 31, 2003 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles 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, 2003.

NOTE 2 – ACCOUNTING FOR STOCK BASED COMPENSATION

In December 2002, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 148 ("SFAS No. 148"), "Accounting for Stock-Based Compensation – Transition and Disclosure – An Amendment of SFAS No. 123," which amends SFAS No. 123, "Accounting for Stock-Based Compensation." SFAS No. 148 provides alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation and amends the disclosure provisions of SFAS No. 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation. Additionally, SFAS No. 148 amends Accounting Principles Board ("APB") Opinion No. 28, "Interim Financial Reporting," to require disclosure about those effects in interim financial information.

The Company elected to continue to apply APB Opinion No. 25 and related interpretations in accounting for its stock option plans. Accordingly, no compensation cost has been recognized for its stock option plans as the exercise price of all stock options granted thereunder is equal to the fair value at the date of grant. Had compensation costs for the Company's stock-based compensation plans been determined based on the fair value at the grant dates for awards under those plans consistent with the method of SFAS No. 123, the Company's net income and net income per share for the three-months ended March 31, would have been reduced to the pro forma amounts indicated below (in thousands, except per share data):

	2004	2003
Reported net income	$ 3,952	$ 3,220
Add back: Stock compensation costs, net of tax included in the determination of net income reported	—	—
Less: Stock compensation costs, net of tax, had option expense been measured at fair value applied to all awards	180	180
Pro forma net income	$ 3,772	$ 3,040
Weighted-average shares (basic) as reported	11,867	11,757
Adjusted weighted-average shares (diluted) as reported	12,025	11,892
Basic earnings-per-share		
Reported net income	$ 0.33	$ 0.27
Pro forma net income	$ 0.32	$ 0.26
Diluted earnings-per-share		
Reported net income	$ 0.33	$ 0.27
Pro forma net income	$ 0.31	$ 0.26

NOTE 3 – ACCOUNTING FOR CONSOLIDATION OF VARIABLE INTEREST ENTITIES

In January 2003, the FASB issued Interpretation No. 46, ("FIN 46") "Consolidation of Variable Interest Entities." FIN 46 requires a company to consolidate a variable interest entity ("VIE"), as defined, when the company will absorb a majority of the VIE's expected losses, receive a majority of the VIE's expected residual returns, or both. FIN 46 also requires consolidation of existing, non-controlled affiliates if the VIE is unable to finance its operations without investor support, or where the other investors do not have exposure to the significant risks and rewards of ownership. FIN 46 applies immediately to a VIE created or acquired after January 31, 2003. For a VIE acquired before February 1, 2003, FIN 46 applies in the first fiscal year or interim period ending after March 15, 2004. MinDOC, L.L.C., a limited liability company formed in April 1998 to patent, design, and market a deepwater floating, drilling and production concept ("MinDOC"), is by definition a VIE. Since October 2001, when the Company's interest in MinDOC, L.L.C. increased to 60%, the Company's investment in MinDOC, L.L.C. and its operations were and will continue to be consolidated within the consolidated financial statements of Gulf Island Fabrication, Inc. Effective January 1, 2004, management adopted FIN 46 and has concluded that the adoption did not have any impact on the Company's results of operations, financial position or cash flows.

Independent Accountants' Review Report

The Board of Directors and Shareholders
Gulf Island Fabrication, Inc.

We have reviewed the accompanying condensed consolidated balance sheet of Gulf Island Fabrication, Inc. as of March 31, 2004, and the related condensed consolidated statements of income and cash flows for the three-month periods ended March 31, 2004 and 2003, and the condensed consolidated statement of shareholders' equity for the three-month period ended March 31, 2004. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data, and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, which will be performed for the full year with the objective of expressing an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying condensed consolidated financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the consolidated balance sheet of Gulf Island Fabrication, Inc. as of December 31, 2003, and the related consolidated statements of income, shareholders' equity and cash flows for the year then ended, not presented herein, and in our report dated February 19, 2004, we expressed an unqualified opinion on those consolidated financial statements. In our opinion the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2003, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Ernst & Young LLP

New Orleans, Louisiana
May 6, 2004

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

Critical Accounting Policies

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States, which require the Company to make estimates and assumptions (see Note 1 to the consolidated financial statements included in the annual report on Form 10-K for the year ended December 31, 2003). The Company believes that of its significant accounting policies the following involve a higher degree of judgement and complexity: revenue recognition and estimating the recoverability of accounts receivable. Critical accounting policies are discussed more fully in the annual report on Form 10-K for the year ended December 31, 2003. There have been no changes in the Company's evaluation of its critical accounting policies since that date.

Results of Operations

The Company's revenue for the three-month period ended March 31, 2004 was $50.8 million, an increase of 28.3%, compared to revenue of $39.6 million for the three-month period ended March 31, 2003**.** The increase in revenue for the three-month period ended March 31, 2004 was the result of the combination of a 6.6% increase in direct labor hours applied to contracts in progress and an increase in pass-through costs, such as materials and outside services, compared to the three-month period ended March 31, 2003.

For the three-month period ended March 31, 2004, gross profit was $7.3 million (14.4% of revenue) compared to gross profit of $6.0 million (15.2% of revenue) for the three-month period ended March 31, 2003. The decrease in gross margin primarily related to higher amounts of pass-through costs, which generated little or no margin during the period ended March 31, 2004 as compared to the same period in 2003.

The Company's general and administrative expenses increased to $1.3 million from $1.2 million for the three-month periods ended March 31, 2004 and March 31, 2003, respectively. As a percentage of revenue, general and administrative expenses decreased to 2.6% from 3.0% for the three-month periods ended March 31, 2004 and 2003, respectively. The increase in absolute dollar costs for general and administrative expenses primarily resulted from increased salary and wage related costs.

Net interest income was $42,000 for the three-month period ended March 31, 2004, compared to $73,000 for the three-month period ended March 31, 2003. Income generated from investments decreased during the three-month period ended March 31, 2004, compared to the three-month period ended March 31, 2003, due to the continued decline in interest rates on short-term investments and the reduction in the amounts available for investment.

For the three-month period ended March 31, 2004, other income was $18,000 compared to $3,000 of other income for the three-month period ended March 31, 2003. Other income for the periods ended March 31, 2004 and 2003, respectively, related to the sale of miscellaneous equipment.

The Company's effective income tax rate increased to 35% from 34% of income before income taxes as a result of the estimated tax liabilities of the Company when comparing the three-month periods ended March 31, 2004 and 2003, respectively.

Liquidity and Capital Resources

Historically the Company has funded its business activities primarily through funds generated from operations. The Company also maintains a revolving line of credit with commercial banks, but has not drawn on it since December 1998. At March 31, 2004, the Company's cash and cash equivalents plus short-term investments totaled $25.9 million and working capital was $66.7 million, resulting in a current ratio of 4.8 to 1. Net cash provided by operating activities was $3.8 million for the three-months ended March 31, 2004. Net cash used in investing activities for the three-months ended March 31, 2004, was $1.7 million related to capital expenditures for equipment and improvements to its production facilities. Net cash provided by financing activities for the three-month period ended March 31, 2004 was $1.6 million, which consisted of proceeds in the amount of $2.2 million from the exercise of stock options, and $593,000 used to pay dividends on common stock.

The Company's bank credit facility provides for a revolving line of credit of up to $20.0 million "the Revolver", 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, 2005, and is secured by a mortgage on the Company's real estate, machinery and equipment, and fixtures. The Company pays a fee on a quarterly basis of three-sixteenths of one percent per annum on the weighted-average unused portion of the Revolver. At March 31, 2004, there were no borrowings outstanding under the Revolver, but the Company did have letters of credit outstanding totaling $2.9 million, which reduces the unused portion of the Revolver. The Company is required to maintain certain covenants, including balance sheet and cash flow ratios. At March 31, 2004, the Company was in compliance with these covenants.

Capital expenditures for the remaining nine months of 2004 are estimated to be approximately $7.9 million, which includes the purchase of machinery and equipment and additional yard and facility expansion improvements. Management believes that its available funds, cash generated by operating activities and funds available under the bank credit facility will be sufficient to fund its capital expenditures and working capital needs.

On April 28, 2004, the Company's Board of Directors declared a dividend of $0.05 per share of the Company's common stock outstanding, payable May 21, 2004, to shareholders of record on May 11, 2004. The future declaration and payment of dividends, if any, is at the discretion of the Board of Directors and will depend on retained earnings, working capital requirements, the future operation and growth of the Company and other factors deemed relevant by the Board of Directors.

Contractual Obligations

There have been no material changes from the information included in the Company's Form 10-K for the year ended December 31, 2003.

Off-Balance Sheet Arrangements

There have been no material changes from the information included in the Company's Form 10-K for the year ended December 31, 2003.

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 (a deepwater floating, drilling, and production concept) 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.

Item 3. Quantitative and Qualitative Disclosure About Market Risk.

There have been no material changes from the information included in the Company's Form 10-K for the year ended December 31, 2003.

Item 4. Controls and Procedures.

The Company evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of March 31, 2004. The evaluation was carried out under the supervision of and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer. Based on the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company, including its consolidated subsidiaries, required to be included in reports the Company files with or submits to the Securities and Exchange Commission under the Securities Exchange Act of 1934. There have been no changes during the fiscal quarter ended March 31, 2004, in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceeding.

The Company is subject to various routine legal proceedings in the normal conduct of its business primarily involving commercial claims, workers' compensation claims, and claims for personal injury under general maritime laws of the United States and the Jones Act. While the outcome of these lawsuits, legal proceedings and claims cannot be predicted with certainty, management believes that the outcome of any such proceedings, even if determined adversely, would not have a material adverse effect on the financial position, results of operations or cash flows of the Company.

Item 4. Submission of Matters to a Vote of Security Holders.

(a) An annual meeting of the Company's shareholders was held on April 28, 2004.

(b) At the annual meeting, the shareholders elected Hugh J. Kelly, Thomas E. Fairley and Ken C. Tamblyn to serve as directors of the Company until the 2007 annual meeting of shareholders. The terms of office of directors Gregory J. Cotter, John P. Laborde, Kerry J. Chauvin, Alden J. Laborde, and Huey J. Wilson continued after the annual meeting.

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

(1) Election of the following nominees for directors.

Hugh J. Kelly
Number of Votes Cast For – 10,731,095
Number of Votes Cast Against or Withheld – 166,465
Number of Abstentions – None
Number of Broker Non-Votes – None

Thomas E. Fairley
Number of Votes Cast For – 10,731,095
Number of Votes Cast Against or Withheld – 166,465
Number of Abstentions – None
Number of Broker Non-Votes – None

Ken C. Tamblyn
Number of Votes Cast For – 10,757,595
Number of Votes Cast Against or Withheld – 139,965
Number of Abstentions – None
Number of Broker Non-Votes – None

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

Number of Votes Cast For – 10,816,618
Number of Votes Cast Against or Withheld – 73,972
Number of Abstentions – 6,970
Number of Broker Non-Votes – None

Item 5. Other Information.

On April 20, 2004, the Company announced the scheduled time for the release of its 2004 first quarter earnings and its quarterly conference call. The press release making this announcement is attached hereto as Exhibit 99.1.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

15.1	Letter regarding unaudited interim financial information
31.1	CEO Certifications pursuant to Rule 13a-14 under the Securities Exchange Act of 1934.
31.2	CFO Certifications pursuant to Rule 13a-14 under the Securities Exchange Act of 1934.
32	Section 906 Certification furnished pursuant to 18 U.S.C. Section 1350.
99.1	Press release issued by the Company on April 20, 2004, announcing the scheduled time for the release of its 2004 first quarter earnings and its quarterly conference call.

(b) Reports on Form 8-K.

On February 4, 2004, the Company filed a report on Form 8-K under Items 7 and 12 to furnish its press release announcing its 2003 fourth quarter earnings.

On February 5, 2004, the Company filed a report on Form 8-K under Items 5 and 7 to furnish its press release announcing the declaration of a common stock dividend.

On February 20, 2004, the Company filed a report on Form 8-K under Items 5 and 7 to furnish its press release announcing it had executed a Letter of Intent with Kerr-McGee Oil & Gas Corp. to fabricate the topsides for the Constitution truss spar platform.

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 7, 2004

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GULF ISLAND FABRICATION, INC.

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
15.1	Letter regarding unaudited interim financial information
31.1	CEO Certifications pursuant to Rule 13a-14 under the Securities Exchange Act of 1934.
31.2	CFO Certifications pursuant to Rule 13a-14 under the Securities Exchange Act of 1934.
32	Section 906 Certification furnished pursuant to 18 U.S.C. Section 1350.
99.1	Press release issued by the Company on April 20, 2004, announcing the scheduled time for the release of its 2004 first quarter earnings and its quarterly conference call.

Exhibit 15.1

The Board of Directors and Shareholders
Gulf Island Fabrication, Inc.

We are aware of the incorporation by reference in the Registration Statement (Form S-8 No. 33-46155) pertaining to the Long-Term Incentive Plan and the Registration Statement (Form S-8 No. 333-88466) pertaining to the 2002 Long-Term Incentive Plan, of our report dated May 6, 2004, relating to the unaudited condensed consolidated interim financial statements of Gulf Island Fabrication, Inc. included in its Form 10-Q for the quarter ended March 31, 2004.

/s/ Ernst & Young LLP

New Orleans, Louisiana
May 6, 2004

Exhibit 31.1

Certifications

I, Kerry J. Chauvin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gulf Island Fabrication, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely

to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 7, 2004

/s/ Kerry J. Chauvin

Kerry J. Chauvin
President and Chief Executive Officer

Exhibit 31.2

Certifications

I, Joseph P. Gallagher, III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gulf Island Fabrication, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (c) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely

to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 7, 2004

/s/ Joseph P. Gallagher, III

Joseph P. Gallagher, III
Chief Financial Officer

Exhibit 32

Certification Furnished Pursuant to
18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Gulf Island Fabrication, Inc. (the "Company") for the period ended March 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, who are the Chief Executive Officer and Chief Financial Officer of the Company, certify pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by the Report.

By: /s/ Kerry J. Chauvin

Kerry J. Chauvin
Chief Executive Officer
May 7, 2004

By: /s/ Joseph P. Gallagher, III

Joseph P. Gallagher, III
Chief Financial Officer
May 7, 2004

A signed original of this written statement required by Section 906 has been provided to Gulf Island Fabrication, Inc. and will be retained by Gulf Island Fabrication, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.1

NEWS RELEASE

For further information contact:

Kerry J. Chauvin	Joseph “Duke” Gallagher
Chief Executive Officer	Chief Financial Officer
985.872.2100	985.872.2100

FOR IMMEDIATE RELEASE
APRIL 20, 2004

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

Houma, LA — (BUSINESS WIRE) — April 20, 2004—Gulf Island Fabrication, Inc. (NASDAQ: GIFI), will announce 2004 first quarter earnings on Wednesday, April 28, 2004 during morning market hours.

The management of Gulf Island Fabrication, Inc. will hold a conference call on Thursday, April 29, 2004, 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, 2004.

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

Dial In:	1.800.915.4836
Webcast:	www.gulfisland.com

A digital rebroadcast of the call is available two hours after the call and ending May 7, 2004 by dialing:

Phone Number:	1.800.428.6051
Replay Passcode:	350808

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.