Cautionary Statement

This presentation contains, and oral statements made in connection with this presentation may contain, forward-looking statements. Forward-looking statements are all statements other than statements of historical facts, such as projections or expectations relating to such topics as oil and gas prices, operating cash flows, capital expenditures, liquidity and tax rates. The words “anticipates,” “may,” “can,” “plans,” “believes,” “estimates,” “expects,” “projects,” “targets,” “intends,” “likely,” “will,” “should,” “to be,” “potential” and any similar expressions are intended to identify those assertions as forward-looking statements.

We caution readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, projected or assumed in the forward-looking statements. Important factors that can cause our actual results to differ materially from those anticipated in the forward-looking statements include the cyclical nature of the oil and gas industry, changes in backlog estimates, suspension or termination of projects, timing and award of new contracts, financial ability and creditworthiness of our customers, consolidation of our customers, competitive pricing and cost overruns, entry into new lines of business, ability to raise additional capital, ability to sell certain assets, receipt of additional insurance proceeds, advancement of the SeaOne Project, ability to resolve disputes with a customer relating to certain contracts to build two multi-purpose service vessels, ability to remain in compliance with the covenants contained in our credit agreement, ability to employ skilled workers, operating dangers and limits on insurance coverage, weather conditions, competition, customer disputes, adjustments to previously reported profits under the percentage-of-completion method, loss of key personnel, compliance with regulatory and environmental laws, ability to utilize navigation canals, performance of subcontractors, systems and information technology interruption or failure and data security breaches and other factors described in more detail in “Risk Factors” in Item 1A of our annual report on Form 10-K for the year ended December 31, 2017, as updated by our subsequent filing with the U.S. Securities and Exchange Commission (SEC).

Investors are cautioned that many of the assumptions upon which our forward-looking statements are based are likely to change after the forward-looking statements are made, which we cannot control. Further, we may make changes to our business plans that could affect our results. We caution investors that we do not intend to update forward-looking statements more frequently than quarterly notwithstanding any changes in our assumptions, changes in business plans, actual experience or other changes, and we undertake no obligation to update any forward-looking statements.

This presentation also includes certain financial measures such as backlog and options which are not recognized under U.S. Generally Accepted Accounting Principles (GAAP). The required reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in our SEC filings or otherwise footnoted in this report.
A Company founded on ingenuity and integrity

• A leading fabrication, shipbuilding, construction services and EPC provider
• Founded in Louisiana in 1985 with an initial public offering in 1997 (NASDAQ: GIFI)
• Diversified international customer base – delivered complex steel structures worldwide
• Market Capitalization: ~$150 million (as of 5/1/18)
Recent Progress in Strategic Repositioning

Enhanced liquidity and expanding backlog in diversified markets

**Rationalizing Underutilized Assets:**
- **Successful disposition of our South Yard in Ingleside, Texas, for $55 million in cash** (April 20, 2018)
  - Sale of Corporate Aircraft for $2.1 million *(expected to close May ‘18)*
  - North Yard, cranes and related equipment marketed for sale
  - Insurance proceeds from Hurricane Harvey damage pending ~$5-8 million *(expected resolution in Q2 ‘18)*

**Backlog ~$292 Million Plus Options¹ of ~$626 Million:**
- Since early 2017, new orders in excess of $280 million for our Shipyard Division plus $626 million in options with new customers beyond oil & gas
  - Build Fabrication, EPC and Services backlog

**New EPC Division Formed:**
- Named by SeaOne as EPCIC/S Prime Contractor for their project to export compressed gas liquids from Gulfport, Mississippi to Carribean and South & Central American countries *(which is subject to conditions such as agreement on terms of engagement and SeaOne seeking financing)*
- Received approval for $1 million purchase order from SeaOne for continuing “Early Works” estimating support services
  - Execute Definitive Contract for EPCIC/S Project and commence project

**Continued Expansion into Offshore Wind Power Projects in USA:**
- Another offshore Wind Power Project award in March 2018
- Partnering agreement in place with EEW and pursuing other opportunities in Wind
  - Secure more substantial awards starting in 2019 and beyond to build backlog

¹ Options include unexercised options on contracts.
Delivering Quality Products

- **February 2017:** *Shipyards* successful delivery of 300’ Diesel Electric OSV (a 2nd vessel delivery scheduled in June 2018)

- **April 2018:** *Fabrication* successful delivery of ~10,000 tons of petrochemical modules for Ethylene Plant in Lake Charles
2017/2018 – A Season of Transition…

>>> 2016 Harvest
• Project management focus
• Income statement focused
• Profitability
• Diminishing upstream oil & gas wave of investment
• Shipyard acquisition / expansion

2017/18 The “Pivot”
• “Price taker” on bids
• Backlog exhaustion / trough
• Balance sheet management
• Cash preservation focus
• Divestitures
• Protect/expand capabilities
• Market diversification
• Rebuilding backlog
• ERM – Enterprise Risk Management

2019 Growth >>>>
• Return to growth
• Diversification / new markets
• Income statement focused
• Profitability
• Capacity constraints
• Pricing leverage / margin expansion
• Shareholder returns
• Capital investments
A Path to More Consistent Performance

Integrating our experience with best practices and risk management

- Enhancing our compliance efforts to integrate ERM (“Enterprise Risk Management”) across the Company:
  - Rationalize/modernize controls and target compliance effort
  - Engage business unit managers to identify key operational risks
  - Educate, communicate and integrate ERM into organization

- Embed Best Practices:
  - Enhance estimating capabilities across divisions
  - Standardize pre-engineering and full-scale mockups / 3D modeling prior to cutting steel (“keel-laying”)

- Organizational Re-Alignment:
  - Hired EPC Division Senior Vice President and other professionals
  - Enhance marketing capabilities
  - Evaluate and implement operational position changes to maximize effectiveness
Converting Challenges into Advantage

Embed best practices w/corporate and operational risk management

MPSV Ship Project Losses in 2017
- Utilize best practice pre-engineering to mitigate construction risks
- Utilizing pre-build engineering practices to de-risk future ship newbuild projects

Project Inconsistency
- Implementing Enterprise Risk Management (ERM)
- Embedding ERM practices in all major projects

SeaOne EPC Project
- Hired experienced EPC leadership from outside and staffing team of EPC professionals
- De-risking project by adding a trusted partner with EPC, electrical, and international experience
- Utilizing best practices regarding contract structure

Advantage Gulf Island Going Forward
Gulf Coast Facilities

Capacity along the Gulf Coast to service onshore and offshore clients

*Aransas Pass, Texas, location currently held for sale.
Our Capabilities

Fabrication of complex steel structures for over 33 years
Many “Firsts” in the industry
Business Segment Drivers

Fabrication
- Chemical renaissance driving new plant construction/expansion along Gulf Coast
- Modular construction techniques similar to offshore
- US Offshore Wind emergence

Services
- “Plant-the-Flag” Strategy on Fabrication’s coattails of new projects
- >80% of spending occurs post-construction in petrochemical plants
- Enter/acquire new marketing channels for land-based services

Shipyards
- U.S. Jones Act enforcement
- Strong shipping demand
- Naval fleet reconstruction; military/government
- Petrochemical marine demand; product carriers
- Offshore wind power service vessels

EPC
- SeaOne Project
- Expansion to capture project management opportunities below current EPC players’ radar

Recently, Gulf Island Fabrication successfully delivered four modules nearing 10,000 tons of steel for a new Ethylene Plant being constructed in Lake Charles, Louisiana.
Recent Shipyard Success

Over $275 million in new orders since early 2017 plus $626 million in new options.
Successful execution of profitable projects in 2018 and poised for growth as industry conditions improve.

**Yard Fabrication:**
- Ongoing fabrication and pipe shop work for maintenance and upgrades at various offshore and onshore locations
- Heater module fabrication continues

**Inshore Operations:**
- Marine terminal upgrades; manifold and tank farm expansion projects completing
- Supporting miscellaneous maintenance projects with labor and equipment

**Offshore Operations:**
- Three major tiebacks being performed for GOM operator
- Ongoing offshore maintenance at various offshore locations
EPC Division - **SeaOne Project Highlights**

Export of compressed gas liquids (dry gas/methane and solvent/propane) to developing countries in the Caribbean and Central & South Americas.

Gulf Island named EPCIC/S by SeaOne in 2017
EPC Division - SeaOne Project Summary

EPC Project would include opportunities to fill backlog for Fabrication Division (with some opportunities for Services and Shipyard Divisions as well).

- EPC with trusted Joint Venture partner

- ~$3-4 billion total project scope (subject to final design and contracting)

- 240,000 tons of modules and steel (fabrication ~10-15% of total project cost)

- Export facility in Gulfport, Mississippi, w/import facilities in Colombia and Dominican Republic

- Additional import facilities in later phases could include another Colombia site, Puerto Rico, and Mexico among others

- Another ~$1.5 billion for each new set of import facilities (again, subject to final design and contracting)
Deepwater Wind in Rhode Island

Gulf Island fabricated the foundations for the first offshore wind farm in U.S. waters.
Gulf Island is leading in offshore wind foundation fabrication in the USA and is partnering with global leaders in offshore wind products.
Backlog plus Options ~ $0.9 Billion

*Options include unexercised options under existing contracts and include deliveries through 2025; options may be dependent on government funding, competitor protests and ability to perform among other factors.

Backlog Buildup by Division
(in millions)

Total Company Backlog and Options
(in millions)

Backlog $292
Options $626

Backlog and options with deliveries through 2025, subject to customer and other contingencies.
Actual hours worked will be based on project management schedules and are subject to change due to weather, material availability, subcontractors, availability of labor, customers’ decision/approval to exercise options, funding of projects, and a variety of other factors.

Histogram – Booked Work & Possible Options

Actual financial results will be based on actual contractual work performed and approved by the customer and may differ materially from information presented in this presentation.
NEW Shipyard Orders in 2017/2018

New customer orders (with options) in commercial transportation and government including marine research institutions, defense and others. Follow-on orders for additional Z-tech tugs recently signed.

Backlog by Market
(in millions)

- Government: $160
- Commercial: $120

Options by Market
(in millions)

- Government: $602
- Commercial: $24

Options include unexercised options under existing contracts and include deliveries through 2025; options may be dependent on government funding, competitor protests and ability to perform among other factors.
Recent Performance

Continued challenging results due to unabsorbed overhead in Fabrication and Shipyard Divisions along with EPC Division startup.

- Strong Services Division performance with improving oil prices.
- Fabrication Division driven by completion of CB&I modules for ethylene plant during 1Q18; depletion of backlog in coming periods.
- New Shipyard Division orders – Terminal/Escort Tugs – beginning to flow through financials; curtailment of challenged MPSV construction projects; pursuing level loading of yards to improve operating margins.
- EPC Division with unabsorbed overhead but continuing to pursue more material backlog opportunities.

**1Q18 Income Summary:**

*(in millions)*

- Revenues $57.3
- Gross profit 0.7
- SG&A 4.7
- Asset impairment 0.7
- Operating income (loss) (4.8)
- Other income (expense) (0.5)
- Net income (loss) (5.3)
Improved liquidity from sale of South Yard which closed April 20, 2018.

~$82 Million in Liquidity

$48 Million Cash Balance

$40 Million Revolving-Line-of-Credit

~$5-8 Million in Additional Hurricane Harvey Insurance Proceeds Pending Claim Resolution

$48 Million Remaining in Assets Held for Sale

$200 Million S-3 Shelf Registration Statement Available for Supplemental Capital

$0 Drawn with $5.5 Million of LC’s Outstanding

1 Balances as of May 7, 2018.
2 Availability on revolver is $40 million less outstanding letters of credit of $5.5 for a total of $34.5 million available to draw; balances will vary per working capital requirements and timing.
3 Management estimate and subject to final settlement.
4 Balance at quarter end March 31, 2018.

Other tax attributes: $63 Million of Tax Net Operating Losses with no material Federal tax cash payments. 
Corporate Objectives in 2018

Balance portfolio of projects across service lines and prepare for a period of sustained growth.

Capital Discipline:
- Rationalize assets
- Enhance contract structure to offset working capital investments

Protect Liquidity:
- Preserve cash position
- Capital expenditures enhanced by MARAD grant

Enhance Organization:
- Recruiting top talent to enhance team across the organization
- Implement Enterprise Risk Management and Embed Best Practices

Build Backlog in EPC, Fabrication and Grow Services:
- Continue to develop new marketing channels (renewables/offshore wind, petrochemical, transportation, government, onshore services)
Thank you!