

September 18, 2008



Gulf Island Fabrication, Inc. Status on Hurricane Ike

HOUMA, La.--(BUSINESS WIRE)--

Gulf Island Fabrication, Inc. (NASDAQ: GIF1) today reported its assessment of damages to its facilities. The majority of the damage was caused primarily by rising waters from Hurricane Ike that moved through the Gulf Coast beginning late Friday, September 12, 2008, and was sustained by administrative office buildings in Louisiana. When flood waters began to recede Monday, September 15, 2008, office and essential yard personnel began performing various tasks to return the Company's corporate headquarters and all the Company's operating facilities (Gulf Island, L.L.C., Dolphin Services, L.L.C. and Southport, L.L.C.) to operating status. All Louisiana facilities' employees were allowed to return to work Wednesday, September 17, 2008, and the Company anticipates three of its four Louisiana yards fully operational by early next week. The Company's Louisiana West Yard will take an additional week to complete post hurricane clean-up and yard restoration.

The Company's Texas facilities received no storm related damage associated with Hurricane Ike, but had five days of loss productivity due to shut-down related to the storm.

Although all hurricane related damage is covered by insurance, the Company will experience three, possibly four, weeks of loss productivity at its Louisiana facilities. The Company has not determined the financial impact of this loss of productivity, but the majority of the affect will be realized in the third quarter.

Gulf Island Fabrication, Inc., based in Houma, Louisiana, is a leading fabricator of offshore drilling and production platforms, hull and/or deck sections of floating production platforms and other specialized structures used in the development and production of offshore oil and gas reserves. These structures include jackets and deck sections of fixed production platforms; hull and/or deck sections of floating production platforms (such as tension leg platforms ("TLPs")), SPARs, FPSOs and MinDOCs, piles, wellhead protectors, subsea templates and various production, compressor and utility modules, offshore living quarters, tanks and barges. The Company also provides offshore interconnect pipe hook-up, inshore marine construction, manufacture and repair of pressure vessels, heavy lifts such as ship integration and TLP module integration, loading and offloading jack-up drilling rigs, semi-submersible drilling rigs, TLPs, SPARs or other similar cargo onshore, and offshore scaffolding and piping insulation services and steel warehousing and sales.

Source: Gulf Island Fabrication, Inc.