

# Gulf Island Announces Favorable Federal Court Ruling in Navy Bid Protest

HOUSTON, Dec. 26, 2018 (GLOBE NEWSWIRE) -- Gulf Island Fabrication, Inc. ("Gulf Island" or the "Company") (NASDAQ: GIF1), announced today that the U.S. Court of Federal Claims has ruled in favor of the Government and Gulf Island with respect to the Company's detail design and construction of up to eight (8) towing, salvage, and rescue ships ("T-ATS") for the U.S. Navy. As a result, the partial stop work order previously issued by the U.S. Navy has been cancelled and all performance under the first T-ATS contract, which was previously awarded to the Company by the U.S. Navy, may proceed in accordance with the terms of the contract.

"We are clearly happy with the ruling from the U.S. Court of Federal Claims," said Kirk Meche, President and CEO of Gulf Island. "Pre-construction activities for the first T-ATS vessel have been ongoing and we are ready to move forward with construction. We look forward to working with the U.S. Navy on this very important project and in the future on the remaining optionable T-ATS vessels if exercised."

Gulf Island is a leading fabricator of complex steel structures, modules and marine vessels used in energy extraction and production, petrochemical and industrial facilities, power generation, alternative energy and shipping and marine transportation operations. The Company also provides project management for EPC projects along with installation, hookup, commissioning and repair and maintenance services. In addition, the Company performs civil, drainage and other work for state and local governments. The Company operates and manages its business through four operating divisions: Fabrication, Shipyard, Services and EPC, with its corporate headquarters located in Houston, Texas and fabrication facilities located in Houma, Jennings and Lake Charles, Louisiana.

## **Cautionary Statement:**

*This press release contains 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 credit worthiness of our customers and 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, advancement on the SeaOne Project, ability to resolve dispute with a customer relating to a purported termination of contracts to build MPSVs, ability to remain in compliance with our 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 filings with the U.S. Securities and Exchange Commission.*

*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.*

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