

GULF ISLAND FABRICATION INC  
Form 10-Q  
May 05, 2016

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

FORM 10-Q

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

For the quarterly period ended March 31, 2016

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 001-34279

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GULF ISLAND FABRICATION, INC.  
(Exact name of registrant as specified in its charter)

LOUISIANA 72-1147390  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

16225 PARK TEN PLACE, SUITE 280 77084  
HOUSTON, TEXAS  
(Address of principal executive offices) (Zip Code)  
(713) 714-6100  
(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  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares of the registrant's common stock, no par value per share, outstanding as of May 5, 2016 was 14,630,952.



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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements.

GULF ISLAND FABRICATION, INC.  
CONSOLIDATED BALANCE SHEETS

	March 31, 2016	December 31, 2015
	(Unaudited)	(Note 1)
	(in thousands)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$39,202	\$ 34,828
Contracts receivable and retainage, net	45,306	47,060
Costs and estimated earnings in excess of billings on uncompleted contracts	13,891	12,822
Prepaid expenses and other	2,768	3,418
Inventory	17,823	12,936
Assets held for sale	—	4,805
Total current assets	118,990	115,869
Property, plant and equipment, net	217,403	200,384
Intangible assets, net	2,105	—
Other assets	670	670
Total assets	\$339,168	\$ 316,923
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$8,922	\$ 13,604
Billings in excess of costs and estimated earnings on uncompleted contracts	7,685	7,081
Deferred revenue, current	20,179	—
Accrued contract losses	5,859	9,495
Accrued employee costs	7,618	6,831
Accrued expenses and other liabilities	1,629	890
Total current liabilities	51,892	37,901
Deferred revenue, noncurrent	6,284	—
Net deferred tax liabilities	22,369	21,825
Total liabilities	80,545	59,726
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, 14,630,686 issued and outstanding at March 31, 2016 and 14,580,216 at December 31, 2015, respectively	10,411	10,352
Additional paid-in capital	96,718	96,194
Retained earnings	151,494	150,651
Total shareholders' equity	258,623	257,197
Total liabilities and shareholders' equity	\$339,168	\$ 316,923

The accompanying notes are an integral part of these financial statements.

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

	Three Months Ended March 31,	
	2016	2015
Revenue	\$83,979	\$99,233
Cost of revenue	78,278	94,785
Gross profit	5,701	4,448
General and administrative expenses	4,485	4,293
Operating income	1,216	155
Other income (expense):		
Interest expense	(50 )	(37 )
Interest income	6	6
Other income (expense)	398	3
	354	(28 )
Net income before income taxes	1,570	127
Income taxes	581	44
Net income	\$989	\$83
Per share data:		
Basic and diluted earnings per share - common shareholders	\$0.07	\$—
Cash dividend declared per common share	\$0.01	\$0.10

The accompanying notes are an integral part of these financial statements.

GULF ISLAND FABRICATION, INC.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

Common Stock Shares	Additional Paid-In Capital	Retained Earnings	Total Shareholders' Equity
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