



# Q4 2025 Earnings Call

Stephen Oswald - Chairman, President and Chief Executive Officer

Suman Mookerji – Senior Vice President, Chief Financial Officer

February 26, 2026

# Disclosures

**Forward-Looking Statements:** This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be preceded by, followed by or include the words “believe,” “continue,” “estimate,” “expect,” “may,” “plan,” “potential,” “should,” “result,” “target” or similar expressions. These statements are based on the beliefs and assumptions of our management. Generally, forward-looking statements include information concerning our possible or assumed future actions, events or results of operations. Forward-looking statements specifically include, without limitation, the information in this presentation regarding: our progress towards our expected top-line growth, rate of growth and margin expansion targets pursuant to our shareholder value creation strategy through 2027, the estimated impact of commercial aerospace destocking, the continued growth and recovery of the commercial aerospace industry generally, expectations relating to certain commercial single- and twin-aisle platform build rates, expected continued offloading by defense primes, and continued strength in missiles and radar systems through 2H 2026, the estimated annualized savings to be realized under the Company’s restructuring plan, the Company’s revenue outlook for 2025 and our expectations related to the impact of tariffs on our 2026 performance. Although we believe that the expectations reflected in the forward-looking statements are based on reasonable assumptions, these forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. We cannot guarantee future results, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. All written and oral forward-looking statements made in connection with this presentation that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by the risk factors and other cautionary statements contained in our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission (SEC).

While it is impossible to identify all such factors, some factors that could cause actual results to differ materially from those estimated by us include, but are not limited to, the risk factors and other cautionary statements contained in our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission (SEC) and the following: our ability to manage and otherwise comply with our covenants with respect to our outstanding indebtedness; our ability to service our indebtedness; our acquisitions, business combinations, joint ventures, divestitures, or restructuring activities may entail certain operational and financial risks; our ability to generate sufficient amounts of cash to run our business; the cyclicality of our end-use markets and the level of new commercial and military aircraft orders; industry and customer concentration; production rates for various commercial and military aircraft programs; the level of U.S. Government defense spending; risks associated with a prolonged U.S. federal government shutdown; we are subject to extensive regulation and audit by the Defense Contract Audit Agency; compliance with applicable regulatory requirements and changes in regulatory requirements, including regulatory requirements applicable to government contracts and sub-contracts; our ability to obtain necessary export approvals and licenses for proposed sales to foreign customers; legal and regulatory risks, including subrogation claims asserted by third-party insurers, specifically relating to that of the carrier of the entity that provides the labor and facilities for our Guaymas performance center through an arbitration proceeding currently pending in Arizona relating to the fire in 2020 that may become material; our ability to attract and retain key personnel and avoid labor disruptions; further consolidation of customers and suppliers in our markets; product performance and delivery; start-up costs, manufacturing inefficiencies and possible overruns on contracts; increased design, product development, manufacturing, supply chain and other risks and uncertainties associated with our growth strategy to become a supplier of higher-level assemblies; our ability to adequately protect and enforce our intellectual property rights; our ability to manage the risks associated with international operations and sales; economic and geopolitical developments and conditions; disasters, natural or otherwise, damaging or disrupting our operations; unfavorable developments in the global credit markets; our ability to operate within highly competitive markets; technology changes and evolving industry and regulatory standards; possible goodwill and other asset impairments; the potential for environmental liabilities and litigation matters being resolved adversely against us, which may affect our financial results; the risk of cyber security attacks or not being able to detect such attacks; litigation with respect to us; and other risks and uncertainties.

We caution the reader that undue reliance should not be placed on any forward-looking statements, which speak only as of the date of this presentation. We do not undertake any duty or responsibility to update any of these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect actual outcomes, except as required by law.

**Industry and Customer Information:** Market data and industry information used throughout this presentation are based on management’s knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management’s review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. While we believe the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management’s estimates and beliefs, is inherently uncertain and imprecise. No representations or warranties are made by the Company or any of its affiliates as to the accuracy of any such statements or projections. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties. Further, the inclusion of customer logos or references to specific programs in this presentation is not an endorsement of the Company.

**Non-GAAP Financial Measures:** This presentation includes certain non-GAAP financial measures, such as Bookings, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Earnings Per Share. For a reconciliation of such non-GAAP financial measures to the closest GAAP measure not already included in this presentation, see “Non-GAAP Financial Measures” in the Appendix of this presentation.

**Other:** The inclusion of information in this presentation does not indicate that such information is material or that disclosure of such information is required.

# VISION 2027

Revenue

\$950 - \$1,000M

Adj. EBITDA Margin

18%

On-track to meet VISION 2027 targets

# Q4 2025 Recap

**Record revenue, up 9.4% y-o-y** with double digit growth in defense, +13%, for the 4<sup>th</sup> consecutive quarter

Excellent bookings of \$291M with a **book-to-bill ratio of 1.3x**

**Record gross margins of 27.7%**, up 419 bps y-o-y

One-time litigation settlement and related costs of \$7.6M resulting in **GAAP Net income of \$7.4M or 3.4% of revenue**

**Adjusted EBITDA at an all-time high of 17.5% of revenue**, up 371 bps y-o-y

## Q4 2025

**Revenue**  
**\$216M**  
Up 9.4%  
y-o-y

GAAP OI	Adjusted OI*
<b>\$14M</b>	<b>\$25M</b>
Up 35% y-o-y	Up 53% y-o-y

GAAP EPS	Adj EPS
<b>\$0.48</b>	<b>\$1.05</b>



**Solid fourth quarter revenue and record margins**

# 2025 Recap

**Record full-year revenue, up 4.9% y-o-y** with strength in defense offset by commercial aerospace destocking

Strong bookings of \$918M with a **book-to-bill ratio of 1.1x**

**Record gross margins of 26.9%**, up 180 bps y-o-y

One-time litigation settlement and related costs, net, of \$107M resulting in **GAAP Net loss of \$34M or (4.1%) of revenue**

**Adjusted EBITDA at a record of 16.4% of revenue**, up 160 bps y-o-y

## Q4 2025

**Revenue**  
**\$825M**  
Up 4.9%  
y-o-y

GAAP OI	Adjusted OI*
<b>(\$32M)</b>	<b>\$86M</b>
Down 62% y-o-y	Up 16% y-o-y

GAAP EPS	Adj EPS
<b>(\$2.27)</b>	<b>\$3.75</b>



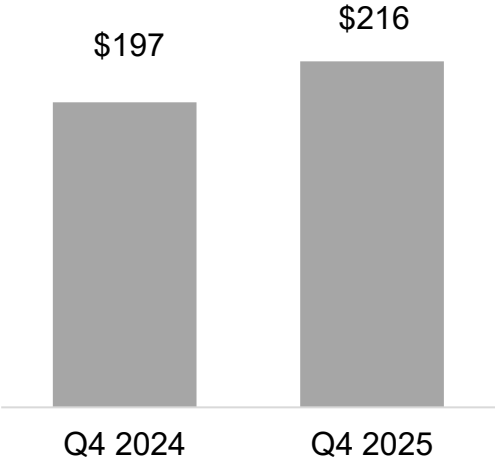
**Solid revenue with record EBITDA margins on track to hit VISION 2027 target of 18%**

# Strong revenue performance & growing order book

(\$ millions)

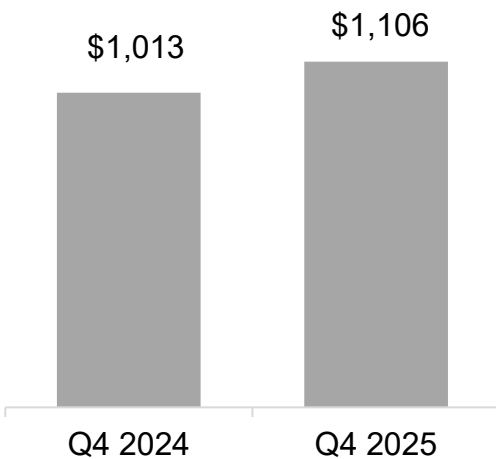
## Revenue

↑ 9.4%



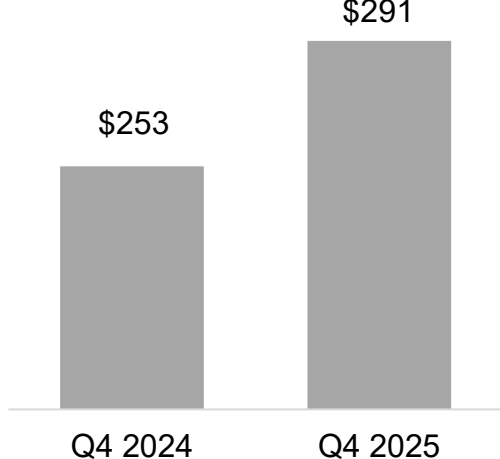
## Remaining Performance Obligations

↑ 9.2%



## Bookings<sup>1</sup>

↑ 15.0%



**RPO of \$1,106 million and book-to-bill ratio<sup>2</sup> of 1.3x for Q4 2025 and 1.1x for the full-year**

<sup>1</sup> Bookings defined as orders net of cancellations in the period.

<sup>2</sup> Book-to-bill ratio defined as bookings divided by reported revenue.

# Military and Space

(\$ millions)



- 2025 Revenue grew +14% to \$480M
- Remaining Performance Obligations (RPO) at record level of \$693M
- 4Q 2025 book-to-bill at 1.8x

## Military Aircraft



## Missiles & Radar



# DoW Missile Framework Agreements Catalyst for Defense Growth



	AMRAAM	SM3 -IIA	SM3 - IB	SM6	Tomahawk	PAC-3	THAAD
Current Annual Estimated Production*	~1,100	~70		125	55 - 90	~600	96
Revised Annual Production over Next 7 years*	1.5x	2x - 4x		4x	10x	3x	4x
DCO Incumbent Supplier	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

DoW significantly ramping production for key missiles through long-term framework agreements with primes

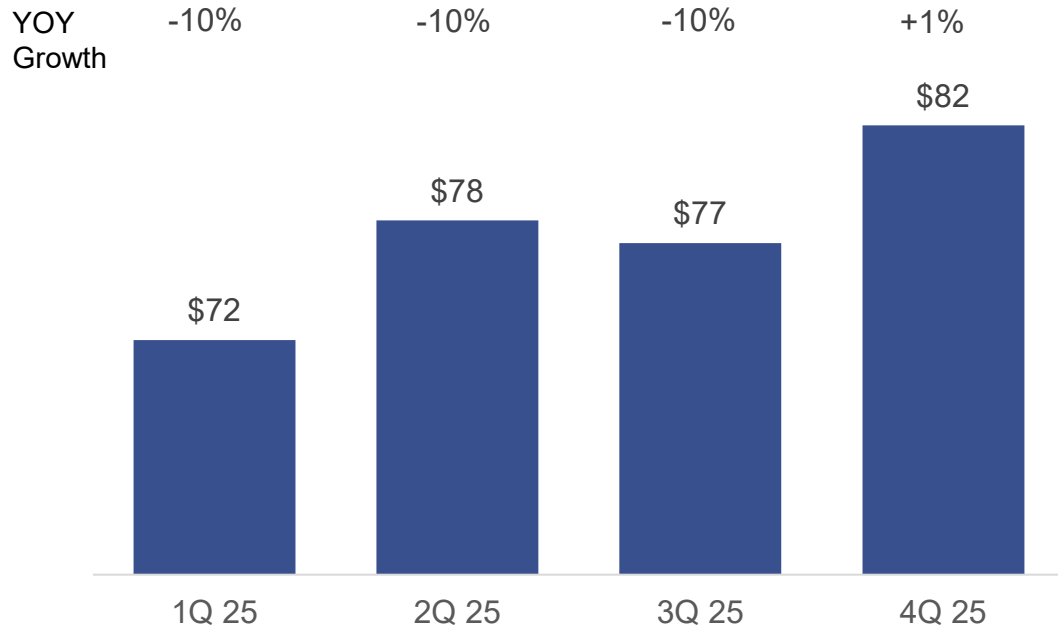
DCO favorably positioned with primes as existing supplier on all these programs

Driving Strong Defense Growth in 2027 and Beyond

\*Current production and growth figures taken from published reports. See Appendix for links providing details

# Commercial Aerospace

(\$ millions)



- 2025 Revenue -7% primarily due to destocking on 737MAX
- 4Q 25 revenue returned to growth
- Destocking expected to moderate in 2026 especially in the second half



B737 Family



A320



A220



B787



Gulfstream family



S-92

# 2026 Full Year Outlook

## 2026 Revenue Growth

Mid to High  
Single Digit

Defense maintains solid momentum with continued strength in missiles and radars

Commercial aerospace expected to be flattish with recovery from destocking in the second half and stronger 2027

Growth expected to be more back-half weighted due to timing of orders

# Structural Systems Segment Highlights

(\$ millions)

	Reported	YOY Var	Adjusted*	YOY Var.*
Revenue	\$96.2	6.5%	\$96.2	6.5%
Operating income	\$14.6	348.6%	\$17.2	107.5%
Operating income margin	15.2%	1,160 bps	17.8%	870 bps

- Higher revenue in military helicopters and ground vehicles offset commercial aerospace weaknesses on 737MAX
- Favorable product mix and cost savings improved margins
- Well positioned across major programs to execute planned rate increases



**737MAX**



**A220**



**787**



**A320 family**

*Strong position on marquee single and twin aisle platforms*

**Well positioned for Commercial Aerospace recovery**

\*See Appendix for additional information regarding these non-GAAP financial measures.

# Electronic Systems Segment Highlights

(\$ millions)

	Reported	YOY Var	Adjusted*	YOY Var.*
Revenue	\$119.6	11.8%	\$119.6	11.8%
Operating income	\$22.0	15.7%	\$22.2	17.2%
Operating income margin	18.4%	70 bps	18.6%	90 bps



*Defense Primes offloading creating key win opportunities across the Electronic Systems Segment*

- Higher revenue driven by strong growth in missiles and radar systems, military fixed wing aircraft, and medical partially offset by weakness in commercial aerospace
- Favorable product mix and operating leverage increased margins

**Offloading strategy and defense tailwinds driving revenue alongside record operating margins**

\*See Appendix for additional information regarding these non-GAAP financial measures.

# Restructuring Update

- During Q4 2025, Management completed the restructuring plan for Monrovia, CA and Berryville, AR
- All production activity at both Monrovia and Berryville has ceased
- Ramping up production at receiving facility for transferred product lines
- Recorded \$0.6M of restructuring charges during Q4 2025
- Expected annualized run-rate savings of \$11M to \$13M



# Q4 2025 Earnings Call

Stephen Oswald - Chairman, President and Chief Executive Officer

Suman Mookerji – Senior Vice President, Chief Financial Officer

February 26, 2026



# Appendix

# Non-GAAP Financial Measures

**Note Regarding Non-GAAP Financial Information:** This presentation contains non-GAAP financial measures, including Bookings, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Operating Income, Adjusted Operating Income Margin, and Adjusted Earnings Per Share.

The Company believes the presentation of these non-GAAP financial measures provide important supplemental information to management and investors regarding financial and business trends relating to its financial condition and results of operations. The Company's management uses these non-GAAP financial measures along with the most directly comparable GAAP financial measures in evaluating the Company's actual and forecasted operating performance, capital resources and cash flow. The non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company discloses different non-GAAP financial measures in order to provide greater transparency and to help the Company's investors to more meaningfully evaluate and compare the Company's results to its previously reported results. The non-GAAP financial measures that the Company uses may not be comparable to similarly titled financial measures used by other companies.

For more information on our non-GAAP financial measures and a reconciliation of such measures to the nearest GAAP measure, please see the "GAAP to Non-GAAP Reconciliation" slides on the following pages.

# Reconciliation of Net Income to Adjusted EBITDA

	Q4 2025	Q4 2024	Var. PY	(\$ millions)
<b>Net Revenues</b>	<b>\$ 215.8</b>	<b>\$ 197.3</b>	<b>\$ 18.5</b>	
<b>Net Income</b>	<b>\$ 7.4</b>	<b>\$ 6.8</b>	<b>\$ 0.7</b>	
Interest Expense	\$ 3.5	\$ 3.6	(\$0.1)	
Income Tax Expense	\$ 2.5	\$ 0.0	\$ 2.5	
Depreciation	\$ 4.1	\$ 4.0	\$ 0.1	
Amortization	\$ 4.4	\$ 4.3	\$ 0.1	
Stock-Based Compensation Expense	\$ 7.0	\$ 5.1	\$ 1.9	
Restructuring Charges	\$ 0.6	\$ 2.3	(\$1.6)	
Litigation Settlement and Related Costs, Net	\$ 7.6	\$ 0.0	\$ 7.6	
Loss on extinguishment of debt	\$ 0.6	\$ 0.0	\$ 0.6	
Other Debt Refinancing Costs	\$ 0.2	\$ 0.0	\$ 0.2	
Professional fees related to unsolicited non-binding acquisition offer	\$ 0.0	\$ 0.7	(\$0.7)	
Inventory Purchase Accounting Adjustments <sup>1</sup>	\$ 0.0	\$ 0.5	(\$0.5)	
<b>Adjusted EBITDA</b>	<b>\$ 37.9</b>	<b>\$ 27.3</b>	<b>\$ 10.6</b>	
<b>Net Income as a % of Net Revenues</b>	<b>3.4%</b>	<b>3.4%</b>	<b>(0.0%)</b>	
<b>Adjusted EBITDA as a % of Net Revenues</b>	<b>17.5%</b>	<b>13.8%</b>	<b>3.7%</b>	

<sup>1</sup> Included inventory purchase accounting adjustments of inventory that was stepped up in the purchase price allocation from the acquisition of BLR Aerospace in Apr 2023, part of our Structural Systems operating segment. This was fully amortized as of Q4 2024

\*Amount may not total due to rounding.

# GAAP to Non-GAAP Operating Income Reconciliation

(\$ millions)

	Ducommun		Structural		Electronic	
	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024
<b>Net Revenues</b>	<b>\$ 215.8</b>	<b>\$ 197.3</b>	<b>\$ 96.2</b>	<b>\$ 90.3</b>	<b>\$ 119.6</b>	<b>\$ 107.0</b>
<b>GAAP Operating Income</b>	<b>\$ 14.0</b>	<b>\$ 10.4</b>	<b>\$ 14.6</b>	<b>\$ 3.2</b>	<b>\$ 22.0</b>	<b>\$ 19.0</b>
Restructuring Charges	\$ 0.6	\$ 2.3	\$ 0.7	\$ 2.6	(\$0.1)	(\$0.4)
Inventory Purchase Accounting Adjustments <sup>1</sup>	-	\$ 0.5	-	\$ 0.5	-	-
Amortization of Acquisition Related Assets <sup>2</sup>	\$ 2.2	\$ 2.2	\$ 1.9	\$ 1.9	\$ 0.4	\$ 0.4
Professional fees related to unsolicited non-binding acquisition offer	-	\$ 0.7	-	-	-	-
Other Debt Refinancing Costs	\$ 0.2	-	-	-	-	-
Litigation Settlement and Related Costs, Net	\$ 7.6	-	-	-	-	-
<b>Non-GAAP Adjusted Operating Income</b>	<b>\$ 24.6</b>	<b>\$ 16.1</b>	<b>\$ 17.2</b>	<b>\$ 8.3</b>	<b>\$ 22.2</b>	<b>\$ 19.0</b>
<b>% of Net Revenues</b>	<b>11.4%</b>	<b>8.2%</b>	<b>17.8%</b>	<b>9.2%</b>	<b>18.6%</b>	<b>17.7%</b>

<sup>1</sup> Q4 2024 include inventory purchase accounting adjustments of inventory that was stepped up in the purchase price allocation from the acquisition of BLR Aerospace in Apr 2023, part of our Structural Systems operating segment.

<sup>2</sup> Q4 2025 and Q4 2024 include amortization of acquisition related assets from acquisitions of Lightning Diversion Systems, LLC, Certified Thermoplastics Co., LLC, Nobles Worldwide, MagSeal Corporation, and BLR Aerospace in Sep 2017, Apr 2018, Oct 2019, Dec 2021, and Apr 2023 respectively, and is part of our Electronic Systems, Structural Systems, Structural Systems Structural Systems, and Structural Systems operating segments, respectively

\*Amount may not total due to rounding.

# NON-GAAP BOOK-TO-BILL RATIO

(\$ thousands)

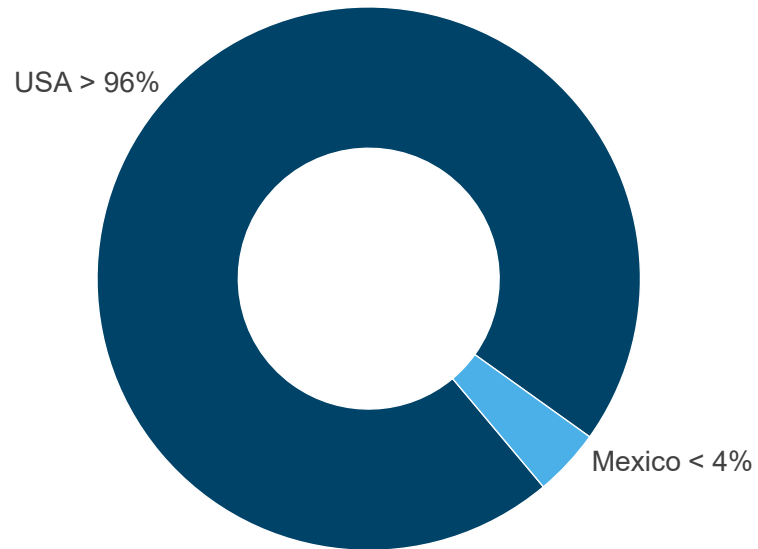
	<b>Q4 2025</b>	<b>Q4 2024</b>	<b>FY 2025</b>	<b>FY 2024</b>
Non-GAAP Bookings, net	\$ 290.6	\$ 252.8	\$ 918.1	\$ 972.5
GAAP Net revenues	\$ 215.8	\$ 197.3	\$ 824.7	\$ 786.6
<b><i>Non-GAAP book-to-bill ratio</i></b>	<b>1.3</b>	<b>1.3</b>	<b>1.1</b>	<b>1.2</b>

# Sources for Missile Production and Growth

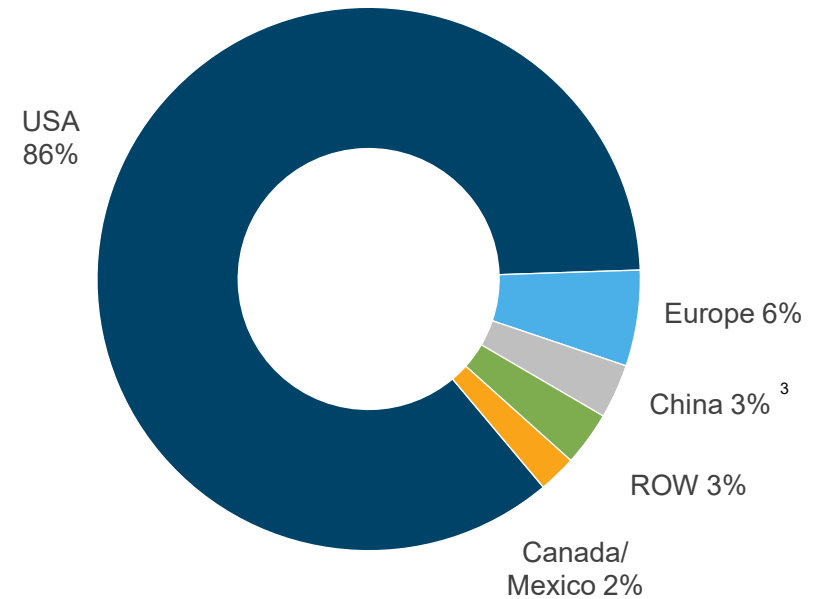
- <https://militaryni.com/en/news/raytheon-doubles-production-of-aim-120-amraam-air-defense-missiles/>
- <https://defence-industry.eu/rtx-raytheon-secures-long-term-pentagon-frameworks-to-expand-u-s-production-of-critical-missiles-nationwide/>
- <https://www.rtx.com/news/news-center/2026/02/04/rtxs-raytheon-partners-with-department-of-war-on-five-landmark-agreements-to-exp>
- <https://www.navalnews.com/naval-news/2025/06/u-s-navy-bets-on-reconciliation-for-sm-6-interceptors-risking-production-shutdown-if-bill-fails/>
- <https://www.reuters.com/business/aerospace-defense/us-tomahawk-missile-shipments-ukraine-unlikely-sources-say-2025-10-02/>
- <https://www.manufacturingdive.com/news/trump-lockheed-martin-l3harris-missiles-arsenal-dib-defense-war-strategy/811029/>
- <https://www.csis.org/analysis/did-us-defense-israel-missile-attacks-meaningfully-deplete-its-interceptor-inventory>
- <https://thedefensepost.com/2026/02/05/raytheon-missile-production-pentagon/>
- <https://militarywatchmagazine.com/article/us-finances-surge-iron-dome>
- <https://news.lockheedmartin.com/2026-01-06-Lockheed-Martin-and-Department-of-War-Advance-Landmark-Acquisition-Transformation-to-Accelerate-PAC-3-R-MSE-Production>
- <https://news.lockheedmartin.com/2026-01-29-Lockheed-Martin-and-U-S-Department-of-War-Sign-Framework-Agreement-to-Quadruple-THAAD-Interceptor-Production-Capacity>
- <https://news.usni.org/2023/03/14/fy-2024-budget-pentagon-asks-for-30-6b-to-beef-up-munitions-stockpile-citing-lessons-from-ukraine-war>

# Tariff Exposure

Manufacturing Footprint<sup>1</sup>



Sales by Region<sup>2</sup>



**Tariffs are not expected to have a significant impact on 2026 performance**

<sup>1</sup> Based on 2025 Revenue by manufacturing location

<sup>2</sup> Based on 2025 Revenue by ship to country

<sup>3</sup> Almost entirely to one customer and there has been no impact on sales to date



EXPLORE MORE

Visit [Ducommun.com](https://www.ducommun.com)

LinkedIn  YouTube  Facebook 