

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934 (AMENDMENT NO. )

Filed by the Registrant [X]

Filed by a Party other than the Registrant [ ]

Check the appropriate box:

- Preliminary Proxy Statement  Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to sec. 240.14a-11(c) or sec. 240.14a-12

Ducommun Incorporated

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- Fee not required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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## DUCOMMUN INCORPORATED LOGO

DUCOMMUN INCORPORATED

111 WEST OCEAN BOULEVARD, SUITE 900  
LONG BEACH, CALIFORNIA 90802  
(562) 624-0800

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERSMAY 3, 2000  
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To the Shareholders of  
Ducommun Incorporated:

Notice is hereby given that the Annual Meeting of Shareholders of Ducommun Incorporated, a Delaware corporation (the "Corporation"), will be held at the Renaissance Long Beach Hotel, 111 East Ocean Boulevard, Long Beach, California, on Wednesday, May 3, 2000, at the hour of 9:00 o'clock A.M. for the following purposes:

1. To elect three directors to serve for three-year terms ending in 2003.
2. To transact any other business that may properly be brought before the meeting or any adjournments or postponements thereof.

March 13, 2000 has been established as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting. All shareholders are cordially invited to attend the meeting in person.

To insure your representation at the meeting, please complete and mail your Proxy Card in the return envelope provided, as soon as possible. This will not prevent you from voting in person, should you so desire, but will help to secure a quorum and will avoid added solicitation costs.

By Order of the Board of Directors

James S. Heiser  
Secretary

Long Beach, California  
March 24, 2000

## DUCOMMUN INCORPORATED

111 WEST OCEAN BOULEVARD, SUITE 900  
 LONG BEACH, CALIFORNIA 90802  
 (562) 624-0800

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 PROXY STATEMENT  
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This Proxy Statement is being mailed on or about March 24, 2000 to shareholders of Ducommun Incorporated (the "Corporation") who are such of record on March 13, 2000, in connection with the solicitation of proxies for use at the Corporation's Annual Meeting of Shareholders to be held at 9:00 o'clock A.M. on May 3, 2000, or at any adjournments or postponements thereof (the "Annual Meeting"), for the purposes set forth herein and in the accompanying Notice of Annual Meeting. The accompanying Proxy is solicited by the Board of Directors of the Corporation. Solicitation will be by mail, interview, telephone and telegraph. D. F. King & Co., Inc. has been retained to assist in the solicitation of proxies for which it will be paid a fee of \$4,500 plus reimbursement of out-of-pocket expenses. Brokers, nominees, banks and other custodians will be reimbursed for their costs incurred in forwarding solicitation material to beneficial owners. All expenses incident to the proxy solicitation will be paid by the Corporation.

Proxies in the accompanying form will be voted in accordance with the instructions given therein. If no instructions are given, the Proxies will be voted for the election as directors of the management nominees, and in favor of each of the proposals described herein. Any shareholder may revoke his Proxy at any time prior to its use by filing with the Secretary of the Corporation a written notice of revocation or a duly executed Proxy bearing a later date or by voting in person at the Annual Meeting.

The close of business on March 13, 2000 has been fixed as the record date (the "Record Date") for the determination of holders of shares of Common Stock entitled to notice of, and to vote at, the Annual Meeting. At the close of business on the Record Date, the Corporation had outstanding 9,655,848 shares (excluding treasury shares) of Common Stock, \$.01 par value per share (the "Common Stock"). In the election of directors, each holder of Common Stock will be entitled to a number of votes equal to the number of directors to be elected multiplied by the number of shares held. The votes so determined may be cast for one candidate or distributed among two or more candidates. Votes may not be cast, however, for a greater number of candidates than the number of nominees named herein. On all other matters to come before the Annual Meeting, each holder of Common Stock will be entitled to one vote for each share owned.

A majority of the outstanding shares of Common Stock will constitute a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of determining whether a quorum has been obtained. In the election of directors, abstentions and broker non-votes will not be counted. On all other matters, abstentions will be counted, but broker non-votes will not be counted, for purposes of determining whether a proposal has been approved.

In the election of directors, the two candidates receiving the highest number of votes will be elected to fill the vacancies on the Board of Directors.

The Corporation's 1999 Annual Report to Shareholders is being mailed to shareholders with this Proxy Statement.

## ELECTION OF DIRECTORS

Three directors (out of a total of ten) are to be elected at the forthcoming Annual Meeting to serve for three-year terms expiring at the Annual Meeting in 2003 and thereafter until their successors are elected and qualified. The nominees for such positions are Joseph C. Berenato, Eugene P. Conese, Jr., and Ralph D. Crosby, Jr. Two directors, Richard J. Pearson and Arthur W. Schmutz, will be retiring at the Annual Meeting, and the number of directors will be reduced to eight thereafter. In the absence of a contrary direction, Proxies in the accompanying form will be voted for the election of the foregoing nominees. Management does not contemplate that any of the nominees will be unable to serve as directors, but if that should occur the persons designated in the Proxies will cast votes for other persons in accordance with their best judgment. In the event that any person other than the nominees named herein should be nominated for election as a director, the Proxy holders may vote for less than all of the nominees and in their discretion may cumulate votes. Should any of the directors whose terms continue past the 2000 Annual Meeting cease to serve as directors prior to the Annual Meeting, the authorized number of directors will be reduced accordingly.

The following information is furnished as of March 13, 2000, with respect to each of the three persons who are nominees for election to the Board of Directors, as well as for the other five directors of the Corporation whose terms of office will continue after the 2000 Annual Meeting.

NAME, PRINCIPAL OCCUPATION AND OTHER DIRECTORSHIPS -----	AGE ---	DIRECTOR SINCE -----	TERM EXPIRES -----
Norman A. Barkeley Chairman Emeritus of the Board of the Corporation.	70	1987	2001
Joseph C. Berenato Chairman of the Board, Chief Executive Officer and President of the Corporation.	53	1997	2003
H. Frederick Christie Consultant; Retired President and Chief Executive Officer, The Mission Group (subsidiary of SCEcorp); Director, Ultramar Diamond Shamrock Corp., AECOM Technology Corp., IHOP Corp., Southwest Water Company, Capital Income Builder, Inc., SMALLCAP World Fund, AMCAP Fund, Capital World Growth and Income Fund, Inc., and American Mutual Fund, Inc.; Trustee, American Variable Insurance and New Economy Fund; and Director or Trustee of twelve fixed income funds of the Capital Research & Management Company.	66	1985	2001
Eugene P. Conese, Jr. President and Chief Executive Officer, Aero Capital LLC (private investment firm); Director, World Air Lease, Inc. and adDIRECT.Com Inc.	40	2000	2003
Ralph D. Crosby, Jr. President, Integrated Systems and Aerostructures Sector of Northrop Grumman Corporation	52	2000	2003
Robert C. Ducommun Management Consultant; Director, American Metal Bearing Company and Inventa Technology Corporation.	48	1985	2002
Kevin S. Moore President, The Clark Estates, Inc. (private investment firm); Director, 3D Systems Corporation and National Baseball Hall of Fame & Museum, Inc.	45	1994	2001

NAME, PRINCIPAL OCCUPATION AND OTHER DIRECTORSHIPS -----	AGE ---	DIRECTOR SINCE -----	TERM EXPIRES -----
Thomas P. Mullaney General Partner, Matthews, Mullaney & Company (private investment firm); Director, Merisel, Inc., Breuner's Home Furnishings Corporation, Lucas Arts Entertainment Company, Lucas Digital Ltd. and New Bristol Farms, Inc.	66	1987	2002

The Board of Directors met seven times in 1999. All incumbent directors attended seventy-five percent or more of the meetings of the Board of Directors and Committees of the Board on which they served during 1999. Each of the persons named above, except Mr. Conese and Mr. Crosby, was elected by the shareholders at a prior annual meeting. Mr. Mullaney was previously a director of the Corporation in 1984 and 1985.

Directors who are not employees of the Corporation or a subsidiary are paid an annual retainer of \$12,500 and receive \$1,000 for each Board of Directors meeting, Shareholders meeting or Committee meeting they attend. Under the Directors Deferred Income and Retirement Plan, a director may elect to defer payment of all or part of his fees for service as a director until he retires as a director, at which time the deferred fees will be paid to him with interest. A retiring director will also receive the annual retainer fee in effect at the time of retirement or at the time of payment, whichever is higher, for life or for a period of years equal to his service as a director, whichever is shorter, provided that the director retires after the age of 65, has served as a director for at least five years and is not an employee of the Corporation when he retires (the "retirement benefits"). In 1997, accrual of additional retirement benefits under the Directors Deferred Income and Retirement Plan was terminated, but existing directors remain eligible for retirement benefits accrued to such date. Directors are also eligible to participate in the Corporation's 1994 Stock Incentive Plan. Directors who are not employees of the Corporation or a subsidiary, following each annual meeting of shareholders, in 1999 were granted stock options to purchase 3,000 shares, and in 2000 will be granted stock options to purchase 3,000 shares, of Common Stock of the Corporation at an exercise price equal to 100% of the closing price of the Corporation's Common Stock on the New York Stock Exchange on the date of grant.

#### SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Corporation's officers and directors, and persons who own more than 10% of the Corporation's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("SEC") and to furnish copies of such forms to the Corporation. Based solely on a review of the copies of such forms furnished to the Corporation, and on written representations that no Forms 5 were required, the Corporation believes that during its past fiscal year all of its officers, directors and greater than 10% owners complied with the filing requirements of Section 16(a) except that Mr. Barkeley failed to report one transaction on a timely basis on one Form 4 that was subsequently filed.

#### COMMITTEES OF THE BOARD OF DIRECTORS

The Corporation has standing Executive, Audit, Compensation and Nominating Committees. The members of the Executive Committee are Messrs. Barkeley, Berenato, Mullaney and Schmutz. The Executive Committee, which met formally once during 1999, performs the same function as the Board of Directors, subject to certain limitations, including limitations on the power to amend or repeal the Certificate of Incorporation or Bylaws, adopt an agreement of merger or consolidation, or recommend to the shareholders the sale, lease or exchange of substantially all of the property and assets of the Corporation. The members of

the Audit Committee are Messrs. Christie, Ducommun, Pearson and Schmutz. The Audit Committee, which met formally four times during 1999, reviews the scope of audits, audit procedures and the results of audits with the corporate staff and the independent accountants, and approves all non-audit services by the independent accountants. The members of the Compensation Committee are Messrs. Barkeley, Moore, Mullaney and Pearson. The Compensation Committee, which met formally once during 1999, reviews and recommends compensation for officers, grants stock options and administers stock option programs. The members of the Nominating Committee were Messrs. Barkeley, Berenato and Pearson until May 5, 1999, and thereafter were Messrs. Barkeley, Ducommun and Mullaney. The Nominating Committee, which did not formally meet during 1999, reviews and recommends to the Board of Directors the nominees for election as directors of the Corporation at the Annual Meeting of Shareholders or otherwise by the Board of Directors. The Nominating Committee may, in its discretion, consider nominees recommended by Shareholders.

#### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The tables below show the name and address of the beneficial owners, amount and nature of beneficial ownership and percentage ownership of persons or groups known by the Corporation to be the beneficial owners of 5% or more of the outstanding shares of Common Stock as of March 13, 2000. The tables below also show the name, amount and nature of beneficial ownership and percentage ownership of each director and nominee for director, each executive officer named in the Summary Compensation Table contained in this Proxy Statement, and all directors and executive officers as a group as of March 13, 2000. Unless otherwise indicated, such shareholders have sole voting and investment power (or share such power with their spouse) with respect to the shares set forth in the tables. The Corporation knows of no contractual arrangements which may at a subsequent date result in a change in control of the Corporation.

For the purposes of the tables, beneficial ownership of shares has been determined in accordance with Rule 13d-3 of the SEC, under which a person is deemed to be the beneficial owner of securities if he or she has or shares voting or investment power with respect to such securities or has the right to acquire ownership thereof within 60 days. Accordingly, the amounts shown in the tables do not purport to represent beneficial ownership for any purpose other than compliance with SEC reporting requirements.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

NAME AND ADDRESS OF SHAREHOLDERS -----	NUMBER OF SHARES -----	PERCENTAGE OF CLASS -----
Robert C. Ducommun 1155 Park Avenue New York, NY 10128	831,366(1)	8.6%
The Clark Estates, Inc. One Rockefeller Plaza, 31st Floor New York, NY 10020	1,679,716(2)	17.4%
Kevin S. Moore One Rockefeller Plaza, 31st Floor New York, NY 10020	1,687,216(2)	17.5%
FMR Corporation 82 Devonshire Street Boston, MA 02109	1,095,500(3)	11.4%
Neuberger & Berman, LLC 605 Third Avenue New York, NY 10158	611,145,(4)	6.3%

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- (1) The number of shares includes (i) 75,148 shares held by a foundation of which Mr. Ducommun is an officer, (ii) 238,818 shares as to which Mr. Ducommun has been granted a proxy to exercise voting power by his sister, Electra D. de Peyster, (iii) 2,900 shares owned by Mr. Ducommun's wife and step daughters and 3,000 shares owned by his nephews, as to which he disclaims any beneficial interest, (iv) 1,000 shares held in an IRA for the benefit of himself, and (v) 7,500 shares issuable upon exercise of stock options. Mr. Ducommun has sole voting and sole investment power as to 511,500 shares, shared voting power as to 238,818 shares and shared investment power as to 81,048 shares.
- (2) The information is based on a Schedule 13D filed with the SEC dated July 29, 1992 and other information provided by The Clark Estates, Inc. The Clark Estates, Inc. provides administrative and investment services to a number of Clark family accounts which beneficially own an aggregate of 1,679,716 shares, including The Clark Foundation which owns 586,053 shares. Kevin S. Moore, President of The Clark Estates, Inc., has been granted powers of attorney to exercise voting and investment power as to 1,679,716 shares, as to which he disclaims any beneficial interest. The Clark Estates, Inc. and Mr. Moore have shared voting and investment power as to 1,679,716 shares. Mr. Moore's shares include 7,500 shares issuable upon exercise of stock options.
- (3) The information is based on a Schedule 13G filed with the SEC dated February 14, 2000. FMR Corp. has sole investment power as to 1,095,500 shares.
- (4) The information is based on a Schedule 13G filed with the SEC dated January 31, 2000. Neuberger & Berman, LLC has sole voting power as to 343,845 shares, shared voting power as to 258,750 shares, and shared investment power as to 611,145 shares.

## SECURITY OWNERSHIP OF MANAGEMENT

NAME ----	NUMBER OF SHARES(1) -----	PERCENTAGE OF CLASS -----
Norman A. Barkeley	147,927	1.5%
Joseph C. Berenato	185,303	1.9%
H. Frederick Christie	12,000	*
Eugene P. Conese, Jr.	5,000	*
Ralph D. Crosby, Jr.	0	*
Robert C. Ducommun	831,366(2)	8.6%
Kevin S. Moore	1,689,216(3)	17.5%
Thomas P. Mullaney	9,000	*
Richard J. Pearson	8,010	*
Arthur W. Schmutz	22,500	*
Jeffrey P. Abbott	27,179	*
Robert B. Hahn	28,665	*
Robert L. Hansen	72,000	*
James S. Heiser	51,216	*
All Directors and Executive Officers as a Group (20 persons)	3,225,049	31.9%

\* Less than one percent.

- (1) The number of shares includes the following shares that may be purchased within 60 days after March 13, 2000 by exercise of outstanding stock options: 55,500 by Mr. Barkeley, 142,625 by Mr. Berenato, 22,187 by Mr. Abbott, 19,625 by Mr. Hahn, 72,000 by Mr. Hansen, 27,750 by Mr. Heiser, 7,500 by each of Messrs. Christie, Ducommun, Moore, Mullaney, Pearson and Schmutz, and 450,811 by all directors and executive officers as a group. The number of shares for Mr. Berenato includes 7,750 held in an IRA for the benefit of himself, and 6,200 held in trust for the benefit of his son. Mr. Schmutz has investment power only as to 15,000 shares held in a trust.
- (2) See the information set forth in Note 1 to the table under "Security Ownership of Certain Beneficial Owners."
- (3) See the information set forth in Note 2 to the table under "Security Ownership of Certain Beneficial Owners."



## COMPENSATION OF EXECUTIVE OFFICERS

## SUMMARY COMPENSATION TABLE

The following table discloses compensation received by the Corporation's chief executive officer and the other four most highly-paid executive officers of the Corporation (including subsidiary presidents) for the three fiscal years ended December 31, 1999. Columns have been omitted from the table when there has been no compensation awarded to, earned by or paid to any of the named executive officers required to be reported in that column in any fiscal year covered by the table. In the following tables, the number of shares underlying stock options and the exercise price per share for stock options have been adjusted to reflect the 3-for-2 stock split in June 1998.

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		LONG-TERM COMPENSATION	ALL OTHER COMPENSATION(1)
		SALARY(\$)	BONUS(\$)	STOCK OPTION AWARDS	
Joseph C. Berenato Chairman of the Board, President and Chief Executive Officer	1999	\$350,012	\$100,000	50,000	\$ 6,544
	1998	311,553	250,000	37,500	4,353
	1997	297,860	300,000	22,500	3,000
Jeffrey P. Abbott President, Aerochem, Inc.	1999	140,492	45,000	7,000	2,810
	1998	124,526	65,000	8,750	2,490
	1997	97,364	55,000	0	1,947
Robert B. Hahn President, MechTronics of Arizona Corp.	1999	181,458	65,000	8,000	3,200
	1998	177,140	125,000	11,250	3,200
	1997	164,382	135,000	0	3,305
Robert L. Hansen President, AHF-Ducommun Incorporated	1999	190,000	75,000	9,000	3,200
	1998	179,616	135,000	15,000	3,273
	1997	169,465	140,000	0	2,837
James S. Heiser Vice President, Chief Financial Officer, General Counsel, Secretary and Treasurer	1999	185,000	70,000	10,000	12,958
	1998	178,654	140,000	10,500	6,308
	1997	160,000	112,000	0	3,000

(1) This column includes the Corporation's matching contributions under its 401(k) plan. This column also includes above-market interest earned on deferred compensation for Messrs. Berenato and Heiser of \$3,344 and \$9,758, respectively, in 1999, and \$1,153 and \$3,108, respectively, in 1998.

## STOCK OPTION GRANTS IN LAST FISCAL YEAR

NAME	INDIVIDUAL GRANTS				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM(3)	
	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED(1)	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$/SH)(2)	EXPIRATION DATE	5%	10%
Joseph C. Berenato	50,000	27.9%	\$12.875	1/26/06	\$262,071	\$610,737
Jeffrey P. Abbott	7,000	3.9%	12.875	1/26/06	36,690	85,503
Robert B. Hahn	8,000	4.5%	12.875	1/26/06	41,931	97,718
Robert L. Hansen	9,000	5.0%	12.875	1/26/06	47,173	109,933
James S. Heiser	10,000	5.6%	12.875	1/26/06	52,414	122,147

(1) The stock options granted to the other named executive officers become exercisable in increments of 25% of the number of shares granted on the anniversary date of the date of grant so that the options are fully exercisable on and after January 27, 2003. However, the stock options become fully exercisable immediately in the event of a change of control of the Corporation. A change of control of the Corporation is defined in the stock option agreement to mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act. Such a change in control is deemed conclusively to have occurred in the event of certain tender offers, mergers or consolidations, the sale, lease, exchange or transfer of substantially all of the assets of the Corporation, the acquisition by a person or group of 25% (or in the case of The Clark Estates, Inc., 30%) or more of the outstanding voting securities of the Corporation, the approval by the shareholders of a plan of liquidation or dissolution of the Corporation, or certain changes in the members of the Board of Directors of the Corporation.

(2) The exercise price may be paid by delivery of already owned shares.

(3) These amounts represent certain assumed rates of annual appreciation specified in the regulations adopted by the SEC and, therefore, are not intended to forecast future price performance of the Corporation's Common Stock.

## AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION VALUES

The following table provides information on stock option exercises in 1999 by the named executive officers and the value of such executive officers' unexercised stock options at December 31, 1999.

NAME	SHARES ACQUIRED ON EXERCISE(#)	VALUE REALIZED(\$)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR-END(#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FISCAL YEAR-END(\$)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Joseph C. Berenato	0	\$ 0	103,875	100,625	\$503,534	\$20,157
Jeffrey P. Abbott	0	0	16,218	17,782	87,867	1,681
Robert B. Hahn	0	0	11,812	19,438	16,125	5,375
Robert L. Hansen	0	0	58,500	27,750	300,221	13,438
James S. Heiser	13,750	140,495	18,875	21,625	135,056	6,719

## KEY EXECUTIVE SEVERANCE AGREEMENTS

Messrs. Berenato, Abbott, Hahn, Hansen and Heiser are parties to key executive severance agreements entered with the Corporation. The key executive severance agreements provide that if the employment of an executive officer is terminated without cause (as defined in the agreements), except in the event of disability or retirement, he shall be entitled to receive the following: (i) if the employment of the executive is terminated within two years following a change in control of the Corporation, then the executive shall be entitled to receive payment of his full base salary for a period of two years, payment of the amount of any bonus for a past fiscal year which has not yet been awarded or paid, and continuation of benefits for a period of two years, or (ii) if the employment of the executive is terminated other than within two years following a change in control of the Corporation, then the executive shall be entitled to receive payment of his full base salary for a period of one year, payment of the amount of any bonus for a past fiscal year which has not yet been awarded or paid, and continuation of benefits for a period of one year. A change in control of the Corporation is defined in the key executive severance agreements to mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act. Such a change in control is deemed conclusively to have occurred in the event of certain tender offers, mergers or consolidations, the sale, lease, exchange or transfer of substantially all of the assets of the Corporation, the acquisition by a person or group of 25% (or in the case of The Clark Estates, Inc., 30%) or more of the outstanding voting securities of the Corporation, the approval by the shareholders of a plan of liquidation or dissolution of the Corporation, or certain changes in the members of the Board of Directors of the Corporation. In the event of a change in the executive's position or duties, a reduction in the executive's base salary as increased from time to time, a removal from eligibility to participate in the Corporation's bonus plan and other events as described in the agreements, then the executive shall have the right to treat such event as a termination of his employment by the Corporation without cause and to receive the payments and benefits described above.

## COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

Decisions relating to compensation of the Corporation's executive officers generally are made by the Compensation Committee of the Board of Directors. Each member of the Compensation Committee is a nonemployee director of the Corporation.

## COMPENSATION POLICIES APPLICABLE TO EXECUTIVE OFFICERS

The Compensation Committee's executive compensation policies are designed to provide competitive levels of compensation that relate pay to the achievement of the Corporation's financial goals, recognize individual initiative and performance, and assist the Corporation in attracting and retaining qualified executives. Overall compensation of executive officers is set at levels that the Compensation Committee believes to be competitive with other companies of similar size in the Los Angeles area.

In addition, executive officer compensation reflects the importance to the Corporation of achieving growth in sales, net income and cash flow. As a result, executive officer compensation emphasizes cash compensation consisting of a base salary and an annual bonus, and long-term noncash stock option awards. The Corporation generally does not provide any long-term cash incentive plans, pension, profit-sharing or other retirement benefits, or many of the executive perquisites typically provided by other companies to their senior executives.

Annual bonuses are awarded on a discretionary basis by the Compensation Committee with consideration given to the Corporation achieving specified levels of sales, net income, return on assets and cash flow and on the individual performance of executive officers. The Corporation's subsidiary presidents are also measured based upon the financial performance of their operating units. Annual bonuses are targeted at 30%-50% of base salary depending on the particular executive officer involved, with an upper range of annual bonus eligibility of twice the targeted amount.

Bonuses for 1999 were awarded in amounts below the targeted bonus levels for all executive officers. Although the Corporation did not meet the targeted financial performance measures in 1999, in making the bonus awards for 1999, the Compensation Committee also considered the Corporation's successful integration of businesses acquired during the year and the Corporation's success in obtaining several significant long-term contracts during the year.

Stock option awards are made periodically to provide management with an ownership interest in the Corporation and significant stock-based performance compensation. Stock option awards are made based on the responsibilities and performance of the particular executive officers, and are designed to provide a substantial portion, which could range up to 50%, of total compensation in a form tied directly to the Corporation's stock performance. All stock options are granted at the market price of the Corporation's common stock on the date of grant and, as such, will have value only in the event of an increase in the Corporation's stock price.

#### COMPENSATION OF CHIEF EXECUTIVE OFFICER

The determination of the Chief Executive Officer's salary, bonus and grant of stock options in 1999 followed all of the policies, and were based on the considerations, set forth above with respect to executive officers generally, as well as the Chief Executive Officer's individual performance. Mr. Berenato was elected as Chief Executive Officer effective as of January 1, 1997, and his annual base salary was increased effective January 1, 1999 to \$350,000 in recognition of his personal performance over the prior two years and consistent with compensation paid by companies of similar size in the Los Angeles area.

Compensation Committee

Richard J. Pearson, Chairman  
Norman A. Barkeley  
Thomas P. Mullaney  
Kevin S. Moore

## PERFORMANCE GRAPH

The following graph compares the yearly percentage change in the Corporation's cumulative total shareholder return with the cumulative total return of the Russell 2000 Index and an Aerospace/Defense Industry Peer Group for the periods indicated. The graph is not necessarily indicative of future price performance.

COMPARISON OF FIVE-YEAR CUMULATIVE  
TOTAL RETURN AMONG DUCOMMUN INCORPORATED,  
RUSSELL 2000 INDEX AND  
AEROSPACE/DEFENSE INDUSTRY PEER GROUP(1)

	DCO -----	RUSSEL 2000 -----	PEER GROUP -----
1994	100.00	100.00	100.00
1995	197.50	128.44	159.34
1996	432.50	149.63	215.91
1997	698.75	183.08	247.03
1998	414.38	178.42	167.95
1999	326.25	216.35	147.48

Assumes \$100 invested at the close of trading on the last trading day preceding the first day of the fifth preceding fiscal year in DCO common stock, Russell 2000, and Peer Group.

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- (1) The Aerospace/Defense Industry Peer Group used in the Performance Graph was developed in 1993 to comply with SEC regulations and initially consisted of: AAR Corp., EDO Corporation, Hexcel Corporation, Hi-Shear Industries, Inc., Logicon, Inc., M/A-COM Inc., Moog Inc., Nichols Research Corporation, Rohr, Inc., Sparton Corp., TransTechnology Corporation, UNC Inc., United Industrial Corp., Watkins-Johnson Company and Wyman-Gordon Company. Since 1993, several of these companies have been acquired and their performance has been omitted from the Aerospace/Defense Industry Peer Group performance results since the year of acquisition: M/A-COM Inc. in 1995, Logicon, Inc., Rohr, Inc., and UNC Inc. in 1997, and Nichols Research Corporation and Wyman-Gordon Company in 1999.

## REPORTS

The Annual Report of the Corporation for the fiscal year ended December 31, 1999, describing the Corporation's operations and including audited financial statements, has been mailed prior to or concurrently with this Proxy Statement. The Corporation will provide a copy of its most recent report to the SEC on Form 10-K upon the written request of any beneficial owner of the Corporation's securities as of the Record Date for the Annual Meeting of Shareholders without charge except for the cost of reproducing Exhibits. Such request should be addressed to Ducommun Incorporated, 111 West Ocean Boulevard, Suite 900, Long Beach, California 90802, Attn: James S. Heiser, Secretary.

## INDEPENDENT ACCOUNTANTS

The Corporation's independent accountants for the current fiscal year, as well as for the fiscal year ended December 31, 1999, are PricewaterhouseCoopers LLP. A representative of such firm will be afforded the opportunity to make a statement if he desires and will be available to respond to appropriate questions from shareholders in attendance.

## SHAREHOLDER PROPOSALS

From time to time individual shareholders of the Corporation may submit proposals which they believe should be voted upon by the shareholders. The SEC has adopted regulations which govern the inclusion of such proposals in the Corporation's annual proxy materials. All such proposals must be submitted to the Secretary of the Corporation in writing no later than November 27, 2000 and comply with the SEC regulations, in order to be considered for inclusion in the Corporation's 2001 proxy materials.

## OTHER BUSINESS

The Board of Directors does not know of any other business which will be presented for consideration at the Annual Meeting. If any other business properly comes before the Annual Meeting or any adjournment or postponement thereof, the proxy holders will vote in regard thereto according to their discretion insofar as such proxies are not limited to the contrary.

By Order of the Board of Directors

James S. Heiser  
Secretary

Long Beach, California  
March 24, 2000

PROXY

DUCOMMUN INCORPORATED  
111 WEST OCEAN BOULEVARD - LONG BEACH, CALIFORNIA 90802

PROXY FOR ANNUAL MEETING OF SHAREHOLDERS ON MAY 3, 2000

The undersigned hereby appoints JAMES S. HEISER and KENNETH R. PEARSON, and each of them (with full power to act without the other), the agents and proxies of the undersigned, each with full power of substitution, to represent and to vote, as specified below, all of the shares of Common Stock of Ducommun Incorporated, a Delaware corporation, held of record by the undersigned on March 13, 2000, at the Annual Meeting of Shareholders to be held on May 3, 2000, and at any adjournments or postponements thereof.

PLEASE MARK, SIGN, DATE AND RETURN THE PROXY CARD  
PROMPTLY USING THE ENCLOSED ENVELOPE.

(CONTINUED ON OTHER SIDE)

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/\ FOLD AND DETACH HERE /\

Please mark your votes as indicated in this example. [X]

1. ELECTION OF DIRECTORS

FOR all nominees listed below (except as marked to contrary below)

WITHHOLD AUTHORITY to vote for all nominees listed below

[ ]

[ ]

Nominees: Joseph C. Berenato, Eugene P. Conese, Jr. and Ralph D. Crosby, Jr.

(Instruction: To withhold authority to vote for any individual nominee, write that nominee's name on the space provided below.)

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2. In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED SHAREHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR PROPOSAL 1.

This proxy may be revoked at any time prior to the voting thereof. All other proxies heretofore given by the undersigned are hereby expressly revoked.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS.

Signature(s) \_\_\_\_\_ Dated: \_\_\_\_\_, 2000

Please sign exactly as name appears below. When shares are held by joint-tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by president or other authorized officer. If a partnership, please sign in partnership name by authorized person.

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/\ FOLD AND DETACH HERE /\