

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) July 31, 2006

**DUCOMMUN INCORPORATED**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-1222**  
(Commission  
File Number)

**95-0693330**  
(IRS Employer  
Identification No.)

**23301 Wilmington Avenue, Carson, California**  
(Address of principal executive offices)

**90745-6209**  
(Zip Code)

Registrant's telephone number, including area code (310) 513-7280

**N/A**  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

Ducommun Incorporated issued a press release on July 31, 2006 in the form attached hereto as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) The following exhibits are included with this Report:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release dated July 31, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DUCOMMUN INCORPORATED  
(Registrant)

Date: July 31, 2006

By: /s/ Samuel D. Williams  
Samuel D. Williams  
Vice President and Controller

**CONTACT:** Joseph C. Berenato  
Chairman and Chief Executive Officer  
(310) 513-7209

**FOR IMMEDIATE RELEASE**  
**DUCOMMUN INCORPORATED REPORTS RESULTS**  
**FOR THE SECOND QUARTER ENDED JULY 1, 2006**

LOS ANGELES, California (July 31, 2006) – Ducommun Incorporated (NYSE: DCO) today reported results for its second quarter ended July 1, 2006.

Sales for the second quarter of 2006 were \$77.5 million, compared to \$62.0 million for the second quarter of 2005. Net income for the second quarter of 2006 was \$3.2 million, or \$0.31 per diluted share, compared to net income of \$4.1 million, or \$0.40 per diluted share, for the same period last year.

Sales for the second quarter of 2006 increased 25% from the same period last year primarily due to the acquisition of Miltec Corporation (Miltec) on January 6, 2006 and higher sales at Ducommun AeroStructures. The Company's mix of business in the second quarter of 2006 was approximately 67% military, 32% commercial and 1% space, compared to 63% military, 33% commercial and 4% space in the second quarter of 2005.

Gross profit, as a percentage of sales, decreased to 19.7% in the second quarter of 2006 from 22.8% in the second quarter of 2005. The decrease in gross profit margin was primarily attributable to a decline in operating performance at Ducommun Technologies, which included an \$860,000 increase in inventory reserves related to a canceled contract, partially offset by an improvement in operating performance at Ducommun AeroStructures.

Selling, general and administrative (SG&A) expenses, as a percentage of sales, decreased to 12.4% in the second quarter of 2006 from 12.5% in the second quarter of 2005. Period to period SG&A expenses increased as a result of:

- The acquisition of Miltec, which has higher SG&A expenses as a percentage of sales than Ducommun had prior to the acquisition,

- Non-cash amortization of intangibles of \$317,000 in the second quarter of 2006 related to the Miltec acquisition, and
- Non-cash stock option expense of \$412,000 related to the adoption of SFAS 123(R) "Share Based Payment" on January 1, 2006.

Net income for the second quarter of 2006 decreased 22% from the second quarter of 2005 primarily for the reasons described above. It also declined due to higher interest expense resulting from the acquisitions of Miltec and WiseWave (completed in May 2006).

Sales for the first six months of 2006 were \$149.6 million, compared to \$125.8 million for the first six months of 2005. Net income for the first six months of 2006 was \$5.9 million, or \$0.58 per diluted share, compared to net income of \$8.2 million, or \$0.80 per diluted share, for the same period last year.

Sales for the first six months of 2006 increased 19% from the same period last year primarily due to the acquisition of Miltec and higher sales at Ducommun AeroStructures. The Company's mix of business in the first six months of 2006 was approximately 67% military, 32% commercial and 1% space, compared to 62% military, 35% commercial and 3% space in the first six months of 2005.

Gross profit, as a percentage of sales, decreased to 19.9% in the first six months of 2006 from 20.4% in the first six months of 2005. The decrease in gross profit margin was primarily attributable to a decline in operating performance at Ducommun Technologies, which included an \$860,000 increase in inventory reserves related to a canceled contract, partially offset by an improvement in operating performance at Ducommun AeroStructures.

SG&A expenses, as a percentage of sales, increased to 12.9% in the first six months of 2006 from 11.6% in the first six months of 2005. The increase in SG&A expenses, and as a percentage of sales, was primarily due to:

- The acquisition of Miltec, which has higher SG&A expenses as a percentage of sales than Ducommun had prior to the acquisition,
- Non-cash amortization of intangibles of \$633,000 in the first six months of 2006 related to the Miltec acquisition, and
- Non-cash stock option expense of \$782,000 related to the adoption of SFAS 123(R) "Share Based Payment" on January 1, 2006.

Net income for the first six months of 2006 decreased 27% from the first six months of 2005 for the reasons described above. It also declined due to higher interest expense resulting from the acquisitions of Miltec and WiseWave and an increase in the Company's effective tax rate. The Company's effective tax rate in the first six months of 2006 was 36.5%, compared to 25.9% in the first six months of 2005. The effective tax rate in the first six months of 2005 benefited from reductions in income tax reserves established in prior periods as well as research and development tax credits.

Joseph C. Berenato, chairman, president and chief executive officer, stated, "The aerospace marketplace remains healthy, with growing opportunities in commercial aerospace and a steady rate of spending from the Department of Defense (DOD) budget. We are seeing some tightening of military spending, however, as DOD budgets are being stretched by Iraq-related expenditures. We are integrating our Miltec and WiseWave acquisitions, launching our new Thailand manufacturing facility and driving Lean and Six Sigma deeper into our businesses. While we expect 2006 to be a year of new program investment, integration and consolidation of facilities and developing broader capabilities to take advantage of the opportunities available to us over the rest of this decade, we continue to look for complementary acquisitions to augment our internal growth activities."

Founded in 1849, Ducommun Incorporated provides engineering and manufacturing services to the aerospace and defense industry.

A teleconference with the Company's chairman, president and chief executive officer, Joseph C. Berenato, will be held today at 7:30 AM PT (10:30 AM ET). To participate in the teleconference, please call 800-901-5247 (international 617-786-4501) approximately ten minutes prior to the conference time stated above. The participant passcode is 12004950. Mr. Berenato will be speaking on behalf of the company and anticipates the meeting and Q&A period to last approximately 40 minutes.

This call is being webcast by Thomson/CCBN and can be accessed at Ducommun's web site at [www.ducommun.com](http://www.ducommun.com). Conference call replay will be available from the Company's web site at [www.ducommun.com](http://www.ducommun.com). The statements made in this press release include forward-looking statements that involve risks and uncertainties. The Company's future financial results could differ materially from those anticipated due to the Company's dependence on conditions in the airline industry, the level of new commercial aircraft orders, production rates for Boeing

commercial aircraft, the C-17 and Apache helicopter rotor blade programs, the level of defense spending, competitive pricing pressures, manufacturing inefficiencies, start-up costs and possible overruns on new contracts, technology and product development risks and uncertainties, product performance, risks associated with acquisitions and dispositions of businesses by the Company, increasing consolidation of customers and suppliers in the aerospace industry, possible goodwill impairment, availability of raw materials and components from suppliers, and other factors beyond the Company's control. See the Company's Form 10-K for the year ended December 31, 2005 and Form 10-Q for the quarter ended July 1, 2006 for a more detailed discussion of these and other risk factors and contingencies.

[Financial Table Follows]

**DUCOMMUN INCORPORATED AND SUBSIDIARIES**  
**COMPARATIVE DATA**  
**CONSOLIDATED INCOME STATEMENT**

	<u>For Three Months Ended</u>		<u>For Six Months Ended</u>	
	<u>July 1, 2006</u>	<u>July 2, 2005</u>	<u>July 1, 2006</u>	<u>July 2, 2005</u>
Net Sales	\$77,480,000	\$61,998,000	\$149,638,000	\$125,810,000
Operating Costs and Expenses:				
Cost of Goods Sold	62,255,000	47,866,000	119,896,000	100,083,000
Selling, General & Administrative Expenses	9,599,000	7,773,000	19,235,000	14,640,000
Total	<u>71,854,000</u>	<u>55,639,000</u>	<u>139,131,000</u>	<u>114,723,000</u>
Operating Income	5,626,000	6,359,000	10,507,000	11,087,000
Interest Expense	(649,000)	(7,000)	(1,164,000)	(85,000)
Income Tax Expense	(1,809,000)	(2,279,000)	(3,413,000)	(2,846,000)
Net Income	<u>\$ 3,168,000</u>	<u>\$ 4,073,000</u>	<u>\$ 5,930,000</u>	<u>\$ 8,156,000</u>
Earnings Per Share:				
Basic Earnings Per Share	\$ 0.31	\$ 0.40	\$ 0.58	\$ 0.81
Diluted Earnings Per Share	0.31	0.40	0.58	0.80
Weighted Averaged Number of Common Shares Outstanding:				
Basic	10,222,000	10,060,000	10,178,000	10,052,000
Diluted	10,312,000	10,161,000	10,266,000	10,191,000

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