Table of Contents

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

FORM 10-Q

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

For the quarterly period ended March 29, 2014

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 1-8174

DUCOMMUN INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware	**95-0693330**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
23301 Wilmington Avenue, Carson, California	**90745-6209**
(Address of principal executive offices)	**(Zip code)**

Registrant’s telephone number, including area code: (310) 513-7200

(Former name, former address and former fiscal year, if changed since last report)

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 x 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 x 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 the definitions of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	x
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 x

As of April 14, 2014, the registrant had 10,856,332 shares of common stock outstanding.

DUCOMMUN INCORPORATED AND SUBSIDIARIES

Part I. FINANCIAL INFORMATION

Ducommun Incorporated and Subsidiaries
Condensed Consolidated Income Statements
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended March 29, 2014	Three Months Ended March 30, 2013
Net Sales	$ 179,753	$ 175,915
Cost of Sales	144,683	143,062
Gross Profit	35,070	32,853
Selling, General and Administrative Expenses	21,087	22,551
Operating Income	13,983	10,302
Interest Expense	7,125	7,823
Income Before Taxes	6,858	2,479
Income Tax Expense (Benefit)	2,229	(1,228)
Net Income	$ 4,629	$ 3,707
Earnings Per Share		
Basic earnings per share	$ 0.43	$ 0.35
Diluted earnings per share	$ 0.42	$ 0.35
Weighted-Average Number of Common Shares Outstanding		
Basic	10,844	10,600
Diluted	11,107	10,670

See accompanying notes to condensed consolidated financial statements.

Ducommun Incorporated and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)
(In thousands)

	Three Months Ended	
	March 29, 2014	March 30, 2013
Net Income	$ 4,629	$ 3,707
Other Comprehensive Loss		
Amortization of actuarial loss and prior service costs, net of tax benefit of $36 and $102 for the three months ended March 29, 2014 and March 30, 2013, respectively	(69)	(172)
Other Comprehensive Loss	(69)	(172)
Comprehensive Income	$ 4,560	$ 3,535

See accompanying notes to condensed consolidated financial statements.

Ducommun Incorporated and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)
(In thousands, except share and per share data)

	March 29, 2014	December 31, 2013
Assets		
Current Assets		
Cash and cash equivalents	$ 29,415	$ 48,814
Accounts receivable, net of allowance for doubtful accounts of $427 and $489 at March 29, 2014 and December 31, 2013, respectively	100,570	91,909
Inventories	148,895	140,507
Production cost of contracts	10,479	11,599
Deferred income taxes	13,836	10,850
Other current assets	21,664	27,085
Total Current Assets	324,859	330,764
Property and Equipment, Net	94,168	96,090
Goodwill	161,940	161,940
Intangibles, Net	162,875	165,465
Other Assets	9,320	9,940
Total Assets	$ 753,162	$ 764,199
Liabilities and Shareholders’ Equity		
Current Liabilities		
Current portion of long-term debt	$ 25	$ 25
Accounts payable	53,973	58,111
Accrued liabilities	39,628	45,453
Total Current Liabilities	93,626	103,589
Long-Term Debt, Less Current Portion	325,171	332,677
Deferred Income Taxes	70,556	68,489
Other Long-Term Liabilities	18,922	19,750
Total Liabilities	508,275	524,505
Commitments and Contingencies (Notes 8, 10)		
Shareholders’ Equity		
Common stock - $0.01 par value; 35,000,000 shares authorized; 10,999,632 and 10,960,054 issued at March 29, 2014 and December 31, 2013, respectively	110	110
Treasury stock, at cost - held in treasury 143,300 shares at March 29, 2014 and December 31, 2013	(1,924)	(1,924)
Additional paid-in capital	71,037	70,542
Retained earnings	179,457	174,828
Accumulated other comprehensive loss	(3,793)	(3,862)
Total Shareholders’ Equity	244,887	239,694
Total Liabilities and Shareholders’ Equity	$ 753,162	$ 764,199

See accompanying notes to condensed consolidated financial statements.

Ducommun Incorporated and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended	
	March 29, 2014	March 30, 2013
Cash Flows from Operating Activities		
Net Income	$ 4,629	$ 3,707
Adjustments to Reconcile Net Income to		
Net Cash (Used in) Provided by Operating Activities:		
Depreciation and amortization	7,426	7,033
Stock-based compensation expense	364	693
Deferred income taxes	(919)	(2,040)
Recovery of doubtful accounts	(62)	(157)
Other	88	246
Changes in Assets and Liabilities:		
Accounts receivable	(8,599)	1,066
Inventories	(8,388)	(1,084)
Production cost of contracts	513	(2,559)
Other assets	5,440	1,456
Accounts payable	(4,138)	(2,097)
Accrued and other liabilities	(6,067)	(12,386)
Net Cash Used in Operating Activities	**(9,713)**	**(6,122)**
Cash Flows from Investing Activities		
Purchases of property and equipment	(2,192)	(2,612)
Proceeds from sale of assets	5	5
Net Cash Used in Investing Activities	**(2,187)**	**(2,607)**
Cash Flows from Financing Activities		
Repayment of term loan and other debt	(7,506)	(7,506)
Debt issue cost paid	—	(181)
Net proceeds from issuance of common stock under stock plans	7	(127)
Net Cash Used in Financing Activities	**(7,499)**	**(7,814)**
Net Decrease in Cash and Cash Equivalents	(19,399)	(16,543)
Cash and Cash Equivalents at Beginning of Period	48,814	46,537
Cash and Cash Equivalents at End of Period	**$ 29,415**	**$ 29,994**
Supplemental Disclosures of Cash Flow Information		
Interest paid	$ 11,397	$ 12,037
Taxes paid	$ 58	$ 563
Non-cash activities:		
Purchases of property and equipment not paid	$ 182	$ —

See accompanying notes to condensed consolidated financial statements.

Ducommun Incorporated and Subsidiaries
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of Ducommun Incorporated and its subsidiaries ("Ducommun," the "Company," "we," "us" or "our"), after eliminating intercompany balances and transactions. The December 31, 2013 condensed consolidated balance sheet data was derived from audited financial statements, but does not contain all disclosures required by accounting principles generally accepted in the United States of America ("GAAP").

Our significant accounting policies were described in Part IV, Item 15(a)(1), "Note 1. Summary of Significant Accounting Policies" in our Annual Report on Form 10-K for the year ended December 31, 2013. We followed the same accounting policies for interim reporting. The financial information included in this Quarterly Report on Form 10-Q should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2013.

In the opinion of management, all adjustments, consisting of recurring accruals, have been made that are necessary to fairly state our condensed consolidated financial position, statements of income, comprehensive income and cash flows in accordance with GAAP for the periods covered by this Quarterly Report on Form 10-Q. The results of operations for the three months ended March 29, 2014, are not necessarily indicative of the results to be expected for the full year ending December 31, 2014.

Our fiscal quarters end on the Saturday closest to the end of March, June and September for the first three fiscal quarters of each year, and ends on December 31 for our fourth fiscal quarter.

Certain reclassifications have been made to prior period amounts to conform to the current year's presentation.

Use of Estimates

Certain amounts and disclosures included in the unaudited condensed consolidated financial statements required management to make estimates and judgments that affect the amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. These estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Description of Business

We are a leading global provider of engineering and manufacturing services for high-performance products and high-cost-of failure applications used primarily in the aerospace, defense industrial, natural resources, medical and other industries. Our subsidiaries are organized into two strategic businesses: Ducommun AeroStructures ("DAS") and Ducommun LaBarge Technologies ("DLT"), each of which is a reportable operating segment. DAS designs, engineers and manufactures large, complex contoured aerospace structural components and assemblies and supplies composite and metal bonded structures and assemblies. DAS's products are used on commercial aircraft, military fixed-wing aircraft and military and commercial rotary-wing aircraft. DLT designs, engineers and manufactures high-reliability products used in worldwide technology-driven markets including aerospace and defense, natural resources, industrial and medical and other end-use markets. DLT's product offerings range from prototype development to complex assemblies. All reportable operating segments follow the same accounting principles.

Earnings Per Share

Basic earnings per share are computed by dividing income available to common shareholders by the weighted-average number of common shares outstanding in each period. Diluted earnings per share are computed by dividing income available to common shareholders plus income associated with dilutive securities by the weighted-average number of common shares outstanding, plus any potential dilutive shares that could be issued if exercised or converted into common stock in each period.

The net earnings, weighted-average number of common shares outstanding used to compute earnings per share were as follows:

	(In thousands, except per share data) Three Months Ended	
	March 29, 2014	March 30, 2013
Net earnings	$ 4,629	$ 3,707
Weighted-average number of common shares outstanding		
Basic weighted-average common shares outstanding	10,844	10,600
Dilutive potential common shares	263	70
Diluted weighted-average common shares outstanding	11,107	10,670
Earnings per share		
Basic	$ 0.43	$ 0.35
Diluted	$ 0.42	$ 0.35

Potentially dilutive stock options and stock units to purchase common stock, as shown below, were excluded from the computation of diluted earnings per share because their inclusion would have been anti-dilutive. However, these shares may be potentially dilutive common shares in the future.

	(In thousands) Three Months Ended	
	March 29, 2014	March 30, 2013
Stock options and stock units	254	1,048

Cash Equivalents

Cash equivalents consist of highly liquid instruments purchased with original maturities of three months or less. These assets are valued at cost, which approximates fair value, which we classify as Level 1. See Fair Value below.

Provision for Estimated Losses on Contracts

Provisions for estimated losses on contracts are recorded during the period in which it is determined that total anticipated contract costs will exceed total anticipated contract revenues. The provisions for estimated losses on contracts require management to make certain estimates and assumptions, including those with respect to the future revenue under a contract and the future cost to complete the contract. Management's estimate of the future cost to complete a contract may include assumptions as to improvements in manufacturing efficiency, reductions in operating and material costs, and our ability to resolve claims and assertions with our customers. If any of these or other assumptions and estimates do not materialize in the future, we may be required to record additional provisions for estimated losses on contracts.

Inventory Valuation

Inventories are stated at the lower of cost or market, cost being determined on a first-in, first-out basis. Market value for raw materials is based on replacement costs, and is based on net realizable value for other inventory classifications. Inventoried costs include raw materials, outside processing, direct labor and allocated overhead, adjusted for any abnormal amounts of idle facility expense, freight, handling costs, and wasted materials (spoilage) incurred. Costs under long-term contracts are accumulated into, and removed from, inventory on the same basis as other contracts. We assess the inventory carrying value and reduce it, if necessary, to its net realizable value based on customer orders on hand, and internal demand forecasts using management’s best estimates given information currently available. We maintain an allowance for potentially excess and obsolete inventories and inventories that are carried at costs that are higher than their estimated net realizable values.

Out of Period Adjustments

During the third quarter of 2013, we determined that approximately $1.1 million of inventory had not been valued correctly at our DLT operating segment for periods originating in 2010 through the second quarter of 2013. The errors were attributed to the following quarters; $0.3 million in Q2 2010, $0.5 million in Q2 2011, $0.1 million in Q4 2012, $0.1 million in Q1 2013 and $0.1 million in Q2 2013. We assessed the materiality of these errors and concluded they were immaterial to currently reported annual amounts and previously reported annual and interim amounts. We corrected the errors in the third quarter of 2013 and recorded a $1.1 million charge for inventory reserves for the DLT operating segment and did not restate our consolidated financial statements for the prior annual or interim periods.

Production Cost of Contracts

Production cost of contracts includes non-recurring production costs, such as design and engineering costs, and tooling and other special-purpose machinery necessary to build parts as specified in a contract. Production costs of contracts are recorded to cost of goods sold using the units of delivery method. We review long-lived assets within production costs of contracts for impairment on an annual basis (in the fourth quarter for us) or when events or changes in circumstances indicate that the carrying value of our long-lived assets may not be recoverable. An impairment charge is recognized when the carrying value of an asset exceeds the projected undiscounted future cash flows expected from its use and disposal.

Fair Value

Assets and liabilities that are measured, recorded or disclosed at fair value on a recurring basis are categorized using the fair value hierarchy. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value. Level 1, the highest level, refers to the values determined based on quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant observable inputs. Level 3, the lowest level, includes fair values estimated using significant unobservable inputs.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss, as reflected in the consolidated balance sheets under the equity section, was comprised of cumulative pension and retirement liability adjustments, net of tax.

Recent Accounting Pronouncements

New Accounting Guidance Adopted in 2014

In July 2013, the FASB issued Accounting Standards Update 2013-11, “Income Taxes (Topic 740)” (ASU 2013-11), which required the netting of unrecognized tax benefits against a deferred tax asset for a loss or other carryforward that would apply in settlement of the uncertain tax positions. This guidance was effective for fiscal years beginning after December 15, 2013, which is our fiscal year 2014, with early adoption permitted. The adoption of this guidance in the three months ended March 29, 2014 reduced deferred tax assets by approximately $0.5 million.

In February 2013, the FASB issued ASU 2013-04, “Liabilities (Topic 405)” (ASU 2013-04), which provided guidance for the recognition, measurement and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date, except for obligations addressed within existing guidance in GAAP. The new guidance was effective for us beginning January 1, 2014. Early adoption was permitted. The adoption of this guidance in the three months ended March 29, 2014 did not have a material impact on our condensed consolidated financial statements.

Note 2. Inventories

Inventories consisted of the following:

	(In thousands)	
	March 29, 2014	December 31, 2013
Raw materials and supplies	$ 77,705	$ 75,985
Work in process	68,531	62,115
Finished goods	9,786	11,580
	156,022	149,680
Less progress payments	7,127	9,173
Total	$ 148,895	$ 140,507

Note 3. Goodwill

The carrying amounts of goodwill, by operating segment, were as follows:

	(In thousands)		
	Ducommun AeroStructures	Ducommun LaBarge Technologies	Consolidated Ducommun
Gross goodwill	$ 57,243	$ 184,970	$ 242,213
Accumulated goodwill impairment	—	(80,273)	(80,273)
Balance at December 31, 2013	$ 57,243	$ 104,697	$ 161,940
Balance at March 29, 2014	$ 57,243	$ 104,697	$ 161,940

Note 4. Accrued Liabilities

The components of accrued liabilities were as follows:

	(In thousands)	
	March 29, 2014	December 31, 2013
Accrued compensation	$ 19,537	$ 19,929
Accrued income tax and sales tax	2,958	1,451
Customer deposits	2,704	3,236
Interest payable	4,095	8,965
Provision for forward loss reserves	4,249	4,825
Other	6,085	7,047
Total	$ 39,628	$ 45,453

Note 5. Long-Term Debt

Long-term debt and the current period interest rates were as follows:

	(In thousands)	
	March 29, 2014	December 31, 2013
Senior unsecured notes (fixed 9.75%)	$ 200,000	$ 200,000
Senior secured term loan (floating 4.75%)	125,125	132,625
Other debt (fixed 5.41%)	71	77
Total Debt	325,196	332,702
Less current portion	25	25
Total long-term debt	$ 325,171	$ 332,677
Weighted-average interest rate	7.83%	7.76%

In the three months ended March 29, 2014, we made voluntary principal prepayments of approximately $7.5 million on our senior secured term loan.

As of March 29, 2014, we had approximately $58.4 million of unused borrowing capacity under the revolving credit facility, after deducting approximately $1.6 million for standby letters of credit.

As of March 29, 2014, we were in compliance with all covenants required by our amended credit agreement. Also as of March 29, 2014, there were no amounts outstanding that would have triggered the leverage covenant under the Amended Credit Agreement. Under the terms of the credit agreement, if, during a given fiscal quarter, (i) the sum of (a) any amounts outstanding under the revolving credit facility plus (b) the amount drawn under any letters of credit exceeds $1.0 million or (ii) the aggregate amount of outstanding letters of credit exceeds $5.0 million, the revolving credit facility will be subject to a maximum total leverage ratio.

The carrying amount of our long-term debt approximated fair value, except for the senior unsecured notes for which the fair value was approximately $223 million. Fair value was estimated using Level 2 inputs, based on the terms of the related debt, recent transactions and estimates using interest rates currently available to us for debt with similar terms and remaining maturities.

Note 6. Shareholders' Equity

We are authorized to issue five million shares of preferred stock. At March 29, 2014 and December 31, 2013, no preferred shares were issued or outstanding.

Note 7. Employee Benefit Plans

The components of net periodic pension expense were as follows:

	(In thousands) Three Months Ended	
	March 29, 2014	March 30, 2013
Service cost	$ 173	$ 211
Interest cost	319	290
Expected return on plan assets	(350)	(306)
Amortization of actuarial losses	105	274
Net periodic pension cost	$ 247	$ 469

The components of the reclassifications of net actuarial losses from accumulated other comprehensive loss to net income for the three months ended March 29, 2014 were as follows:

	(In thousands) Three Months Ended March 29, 2014
Amortization of actuarial loss - total before tax [1]	$ (105)
Tax benefit	36
Net of tax	$ (69)

(1) The amortization expense is included in the computation of periodic pension cost and is a decrease to net income upon reclassification from accumulated other comprehensive loss.

Note 8. Indemnifications

We have made guarantees and indemnities under which we may be required to make payments to a guaranteed or indemnified party, in relation to certain transactions, including revenue transactions in the ordinary course of business. In connection with certain facility leases, we have indemnified our lessors for certain claims arising from the facility or the lease. We indemnify our directors and officers to the maximum extent permitted under the laws of the State of Delaware.

However, we have a directors and officers insurance policy that may reduce our exposure in certain circumstances and may enable us to recover a portion of future amounts that may be payable, if any. The duration of the guarantees and indemnities varies and, in many cases is indefinite but subject to statute of limitations. The majority of guarantees and indemnities do not provide any limitations of the maximum potential future payments we could be obligated to make. Historically, payments related to these guarantees and indemnities have been immaterial. We estimate the fair value of our indemnification obligations as insignificant based on this history and insurance coverage and have, therefore, not recorded any liability for these guarantees and indemnities in the accompanying consolidated balance sheets.

Note 9. Income Taxes

We recorded an income tax expense of approximately $2.2 million (an effective tax rate of 32.5%) in the first quarter of 2014, compared to an income tax benefit of approximately $1.2 million (an effective tax benefit rate of 49.5%) in the first quarter of 2013.

The effective tax rate for for the three months ended March 29, 2014 does not include a benefit from the federal research and development ("R&D") tax credit as it expired on December 31, 2013. The three months ended March 30, 2013 included approximately $2.5 million of federal research and development tax credit benefit. This amount included approximately $2.0 million of 2012 federal research and development tax credit benefits recognized in the first quarter 2013 as a result of the American Taxpayer Relief Act of 2012 (the "Act"), passed in January 2013. This Act included an extension of the federal research and development tax credit for the amounts paid or incurred after December 31, 2011 and before January 1, 2014.

Our unrecognized tax benefits were approximately $2.6 million at both March 29, 2014 and December 31, 2013. Most of these amounts, if recognized, would affect the annual income tax rate. It is reasonably possible that the unrecognized tax benefits could be reduced by approximately $0.2 million in the next twelve months.

Note 10. Contingencies

Ducommun is a defendant in a lawsuit entitled *United States of America ex rel Taylor Smith, Jeannine Prewitt and James Ailes v. The Boeing Company and Ducommun Inc.*, filed in the United States District Court for the District of Kansas (the "District Court"). The lawsuit is a qui tam action brought by three former The Boeing Company ("Boeing") employees ("Relators") against Boeing and Ducommun on behalf of the United States of America for violations of the United States False Claims Act. The lawsuit alleges that Ducommun sold unapproved parts to Boeing which were installed by Boeing in aircraft ultimately sold to the United States Government and that Boeing and Ducommun submitted or caused to be submitted false claims for payment relating to 21 aircraft sold by Boeing to the United States Government. The lawsuit seeks damages in an amount equal to three times the amount of damages the United States Government sustained because of the defendants' actions, plus a civil penalty of $10 thousand for each false claim made on or before September 28, 1999, and $11 thousand for each false claim made on or after September 28, 1999, together with attorneys' fees and costs. The Relators claim that the United States Government sustained damages of $1.6 billion (the contract purchase price of 21 aircraft) or, alternatively, $851 million (the alleged diminished value and increased maintenance cost of the 21 aircraft. After investigating the allegations, the United States Government has declined to intervene in the lawsuit. Ducommun and Boeing have filed motions for summary judgment to dismiss the lawsuit. The motions for summary judgment are pending before the District Court. Ducommun intends to defend itself vigorously against the lawsuit. Ducommun, at this time, is unable to estimate what, if any, liability it may have in connection with the lawsuit.

DAS has been directed by California environmental agencies to investigate and take corrective action for groundwater contamination at its facilities located in El Mirage and Monrovia, California. Based on currently available information, Ducommun has established a reserve for its estimated liability for such investigation and corrective action of approximately $1.5 million at March 29, 2014, which is reflected in other long-term liabilities on the consolidated balance sheet.

DAS also faces liability as a potentially responsible party for hazardous waste disposed at landfills located in Casmalia and West Covina, California. DAS and other companies and government entities have entered into consent decrees with respect to these landfills with the United States Environmental Protection Agency and/or California environmental agencies under which certain investigation, remediation and maintenance activities are being performed. Based on currently available information, Ducommun preliminarily estimates that the range of its future liabilities in connection with the landfill located in West Covina, California is between approximately $0.4 million and $3.1 million. Ducommun has established a reserve for its estimated liability, in connection with the West Covina landfill of approximately $0.4 million at March 29, 2014, which is reflected in other long-term liabilities on its consolidated balance sheet. Ducommun's ultimate liability in connection with these matters will depend upon a number of factors, including changes in existing laws and regulations, the design and cost of construction, operation and maintenance activities, and the allocation of liability among potentially responsible parties.

In the normal course of business, Ducommun and its subsidiaries are defendants in certain other litigation, claims and inquiries, including matters relating to environmental laws. In addition, Ducommun makes various commitments and incurs contingent liabilities. While it is not feasible to predict the outcome of these matters, Ducommun does not presently expect that any sum it may be required to pay in connection with these matters would have a material adverse effect on its consolidated financial position, results of operations or cash flows.

Note 11. Business Segment Information

We supply products and services primarily to the aerospace and defense industries. Our subsidiaries are organized into two strategic businesses, DAS and DLT, each of which is a reportable operating segment.

Financial information by reportable operating segment was as follows:

	(In thousands) Three Months Ended	
	March 29, 2014	March 30, 2013
Net Sales		
DAS	$ 81,654	$ 72,705
DLT	98,099	103,210
Total Net Sales	$ 179,753	$ 175,915
Segment Operating Income		
DAS	$ 10,247	$ 6,631
DLT	7,044	7,934
	17,291	14,565
Corporate General and Administrative Expenses (1)	(3,308)	(4,263)
Operating Income	$ 13,983	$ 10,302
Depreciation and Amortization Expenses		
DAS	$ 2,416	$ 2,327
DLT	5,008	4,663
Corporate Administration	2	43
Total Depreciation and Amortization Expenses	$ 7,426	$ 7,033
Capital Expenditures		
DAS	$ 1,285	$ 1,319
DLT	897	1,052
Corporate Administration	10	241
Total Capital Expenditures	$ 2,192	$ 2,612

(1) Includes costs not allocated to either the DLT or DAS operating segments.

Segment assets include assets directly identifiable with each segment. Corporate assets include assets not specifically identified with a business segment, including cash. Our segment assets are as follows:

	(In thousands)	
	March 29, 2014	December 31, 2013
Total Assets		
DAS	$ 250,281	$ 241,502
DLT	444,207	444,224
Corporate Administration	58,674	78,473
Total Assets	$ 753,162	$ 764,199
Goodwill and Intangibles		
DAS	$ 64,785	$ 65,213
DLT	260,030	262,192
Total Goodwill and Intangibles	$ 324,815	$ 327,405

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Ducommun Incorporated ("Ducommun," "the Company," "we," "us" or "our") is a leading global provider of engineering and manufacturing services for high-performance products and high-cost-of failure applications used primarily in the aerospace, defense, industrial, natural resources, medical and other industries. Ducommun differentiates itself as a full-service solution-based provider, offering a wide range of value-added products and services in our primary businesses of electronics, structures and integrated solutions. We operate through two primary business units: Ducommun LaBarge Technologies ("DLT") and Ducommun AeroStructures ("DAS").

First quarter 2014 highlights were as follows:

- First quarter revenue grew to $179.8 million from $175.9 million in the prior-year period.
- The Company reported net income of approximately $4.6 million, or $0.42 per diluted share.
- EBITDA for the quarter was $21.4 million.
- We made voluntary principal prepayments totaling $7.5 million on our term loan during the quarter.
- Firm backlog as of March 29 was approximately $605 million.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") was approximately $21.4 million and $17.3 million for the three months ended March 29, 2014 and March 30, 2013, respectively. See "Non-GAAP Financial Measures" below for certain information regarding EBITDA, including reconciliation of EBITDA to net income.

Non-GAAP Financial Measures

When viewed with our financial results prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and accompanying reconciliations, we believe EBITDA provides additional useful information to clarify and enhance the understanding of the factors and trends affecting our past performance and future prospects. We define these measures, explain how they are calculated and provide reconciliations of these measures to the most comparable GAAP measure in the tables below. EBITDA and the related financial ratios, as presented in this Form 10-Q, are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. They are not a measurement of our financial performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP, or as an alternative to net cash provided by operating activities as measures of our liquidity. The presentation of these measures should not be interpreted to mean that our future results will be unaffected by unusual or nonrecurring items.

We use EBITDA as a non-GAAP operating performance measure internally as complementary financial measures to evaluate the performance and trends of our businesses. We present EBITDA and the related financial ratios, as applicable, because we believe that measures such as these provide useful information with respect to our ability to meet our future debt service, capital expenditures, working capital requirements and overall operating performance.

EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as substitutes for analysis of our results as reported under GAAP. Some of these limitations are:

- They do not reflect our cash expenditures, future requirements for capital expenditures or contractual commitments;
- They do not reflect changes in, or cash requirements for, our working capital needs;
- They do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements;
- They are not adjusted for all non-cash income or expense items that are reflected in our statements of cash flows;
- They do not reflect the impact on earnings of charges resulting from matters unrelated to our ongoing operations; and

- Other companies in our industry may calculate EBITDA differently from us, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and the related financial ratios should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our GAAP results and using EBITDA as only supplemental information. See our condensed consolidated financial statements contained in this Form 10-Q report.

However, in spite of the above limitations, we believe that EBITDA is useful to an investor in evaluating our results of operations because these measures:

- Are widely used by investors to measure a company's operating performance without regard to items excluded from the calculation of such terms, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired, among other factors;
- Help investors to evaluate and compare the results of our operations from period to period by removing the effect of our capital structure from our operating performance; and
- Are used by our management team for various other purposes in presentations to our Board of Directors as a basis for strategic planning and forecasting.

The following financial items have been added back to our net income when calculating EBITDA:

- Amortization expense may be useful to investors because it represents the estimated attrition of our acquired customer base and the diminishing value of product rights;
- Depreciation may be useful to investors because it generally represents the wear and tear on our property and equipment used in our operations;
- Interest expense may be useful to investors for determining current cash flow; and
- Income tax expense may be useful to investors because it represents the taxes which may be payable for the period and the change in deferred taxes during the period, and may reduce cash flow available for use in our business.

Reconciliations of net income to EBITDA and the presentation of EBITDA as a percentage of net sales were as follows:

	(In thousands) Three Months Ended	
	March 29, 2014	March 30, 2013
Net income	$ 4,629	$ 3,707
Depreciation and amortization	7,426	7,033
Interest expense	7,125	7,823
Income tax expense (benefit)	2,229	(1,228)
EBITDA	$ 21,409	$ 17,335
% of net sales	11.9%	9.9%

EBITDA increased in the three months ended March 29, 2014 compared to the three months ended March 30, 2013, primarily due to improved operating income and lower Corporate general and administrative expenses resulting in increased net income combined with an increase in income tax expense.

Table of Contents

RESULTS OF OPERATIONS

First Quarter of 2014 Compared to First Quarter of 2013

The following table sets forth net sales, selected financial data, the effective tax rate and diluted earnings per share:

	(in thousands, except per share data) Three Months Ended			
	March 29, 2014	% of Net Sales	March 30, 2013	% of Net Sales
Net Sales	$ 179,753	100.0%	$ 175,915	100.0 %
Cost of Sales	144,683	80.5%	143,062	81.3 %
Gross Profit	35,070	19.5%	32,853	18.7 %
Selling, General and Administrative Expenses	21,087	11.7%	22,551	12.8 %
Interest Expense	7,125	4.0%	7,823	4.5 %
Income Before Taxes	6,858	3.8%	2,479	1.4 %
Income Tax Expense (Benefit)	2,229	1.2%	(1,228)	(0.7)%
Net Income	$ 4,629	2.6%	$ 3,707	2.1 %
Effective Tax (Benefit) Rate	32.5%	nm	(49.5)%	nm
Diluted Earnings Per Share	$ 0.42	nm	$ 0.35	nm

nm = not meaningful

Net Sales by End-Use Market and Operating Segment

Net sales by end-use market and operating segment during the first quarter of 2014 and 2013, respectively, were as follows:

	Three Months Ended				
		(In thousands)		% of Net Sales	
	Change	March 29, 2014	March 30, 2013	March 29, 2014	March 30, 2013
Consolidated Ducommun					
Military and space					
Defense technologies	$ (5,843)	$ 57,251	$ 63,094	32%	36%
Defense structures	3,815	34,196	30,381	19%	17%
Commercial aerospace	5,208	56,441	51,233	31%	29%
Natural resources	604	10,775	10,171	6%	6%
Industrial	(774)	9,110	9,884	5%	6%
Medical and other	828	11,980	11,152	7%	6%
Total	$ 3,838	$ 179,753	$ 175,915	100%	100%
DAS					
Military and space (defense structures)	$ 3,815	$ 34,196	$ 30,381	42%	42%
Commercial aerospace	5,134	47,458	42,324	58%	58%
Total	$ 8,949	$ 81,654	$ 72,705	100%	100%
DLT					
Military and space (defense technologies)	$ (5,843)	$ 57,251	$ 63,094	59%	61%
Commercial aerospace	74	8,983	8,909	9%	9%
Natural resources	604	10,775	10,171	11%	10%
Industrial	(774)	9,110	9,884	9%	9%
Medical and other	828	11,980	11,152	12%	11%
Total	$ (5,111)	$ 98,099	$ 103,210	100%	100%

Net sales for the first quarter of 2014 were approximately $179.8 million, compared to approximately $175.9 million for the first quarter of 2013. The net sales increase reflects higher sales in the commercial aerospace, military aircraft and non aerospace and defense end-use markets, partially offset by decreased sales in the defense technologies end-use markets.

Net Sales to Major Customers

A significant portion of our net sales are to our top ten customers as follows:

	Three Months Ended	
	March 29, 2014	March 30, 2013
Boeing	21%	19%
Raytheon	8%	9%
Top ten customers	58%	56%

Boeing and Raytheon represented the following percentages of total accounts receivable:

	March 29, 2014	March 30, 2013
Boeing	16%	16%
Raytheon	7%	7%

The sales and accounts receivable from Boeing and Raytheon are diversified over a number of commercial, military and space programs and were made by both operating segments.

Gross Profit

Gross profit dollars increased year over year in the three months ended March 29, 2014 primarily due to higher net sales. Gross profit margins were up slightly due to favorable product mix.

Selling, General and Administrative Expenses (“SG&A”)

SG&A expenses decreased year over year in the first quarter of 2014 primarily due to the prior year including an approximate $0.5 million charge related to the Company's debt repricing transaction, $0.3 million in non-recurring professional fees, and higher benefit related costs.

Interest Expense

Interest expense decreased year over year in the first quarter of 2014 primarily due to lower outstanding debt balances and interest rate reduction as a result of repricing our term loan towards the end of the first quarter of 2013.

Income Tax Expense

We recorded an income tax expense of approximately $2.2 million (an effective tax rate of 32.5%) in the first quarter of 2014, compared to an income tax benefit of approximately $1.2 million (an effective tax benefit rate of 49.5%) in the first quarter of 2013.

The effective tax rate for for the three months ended March 29, 2014 does not include a benefit from the federal research and development (“R&D”) tax credit as it expired on December 31, 2013. The three months ended March 30, 2013 included approximately $2.5 million of federal research and development tax credit benefit. This amount included approximately $2.0 million of 2012 federal research and development tax credit benefits recognized in the first quarter of 2013 as a result of the American Taxpayer Relief Act of 2012 (the “Act”), passed in January 2013. This Act included an extension of the federal research and development tax credit for the amounts paid or incurred after December 31, 2011 and before January 1, 2014. The federal R&D tax credit has not been extended for 2014, therefore, there was no federal R&D tax credit benefit recognized in the first quarter of 2014.

Net Income and Earnings per Diluted Share

Net income and earnings per diluted share for the three months ended March 29, 2014 were approximately $4.6 million, or $0.42 per diluted share, compared to approximately $3.7 million, or $0.35 per diluted share, for the three months ended March 30, 2013. Net income for the first quarter of 2014 increased primarily due to higher sales, improved product mix, lower selling, general and administrative expenses, and lower interest expense, partially offset by higher income tax expense.

Business Segment Performance

We report our financial performance based upon the two reportable operating segments: DAS and DLT. The results of operations differ between our reportable operating segments due to differences in competitors, customers, extent of proprietary deliverables and performance. The following table summarizes our business segment performance for the first quarter of 2014 and 2013:

	Three Months Ended				
	%	(In thousands)		% of Net Sales	
	Change	March 29, 2014	March 30, 2013	March 29, 2014	March 30, 2013
Net Sales					
DAS	12.3 %	$ 81,654	$ 72,705	45.4 %	41.3 %
DLT	(5.0)%	98,099	103,210	54.6 %	58.7 %
Total Net Sales	2.2 %	$ 179,753	$ 175,915	100.0 %	100.0 %
Segment Operating Income					
DAS		$ 10,247	$ 6,631	12.5 %	9.1 %
DLT		7,044	7,934	7.2 %	7.7 %
		17,291	14,565		
Corporate General and Administrative Expenses (1)		(3,308)	(4,263)	(1.8)%	(2.4)%
Total Operating Income		$ 13,983	$ 10,302	7.8 %	5.9 %
EBITDA					
DAS					
Operating Income		$ 10,247	$ 6,631		
Depreciation and Amortization		2,416	2,327		
		12,663	8,958	15.5 %	12.3 %
DLT					
Operating Income		7,044	7,934		
Depreciation and Amortization		5,008	4,663		
		12,052	12,597	12.3 %	12.2 %
Corporate General and Administrative Expenses (1)					
Operating Loss		(3,308)	(4,263)		
Depreciation and Amortization		2	43		
		(3,306)	(4,220)		
EBITDA		$ 21,409	$ 17,335	11.9 %	9.9 %

(1) Includes costs not allocated to either the DLT or DAS operating segments.

Ducommun AeroStructures

DAS's net sales year over year in the first quarter of 2014 increased approximately 12% reflecting an approximately 12% increase in commercial aerospace sales and approximately 13% increase in military aircraft product sales.

The DAS segment operating income and EBITDA increased approximately $3.6 million and $3.7 million, respectively, year over year in the first quarter of 2014 primarily due to approximately 12% higher sales and improved product mix.

Ducommun LaBarge Technologies

DLT's net sales year over year in the first quarter 2014 decreased approximately 5% reflecting approximately 9% decrease in defense technologies sales which was partially off-set by an approximately 2% increase in non aerospace and defense sales.

DLT's segment operating income and EBITDA decreased approximately $0.9 million and $0.5 million, respectively, year over year during the three months ended March 29, 2014 primarily due to approximately 1% lower operating margins from reduced sales.

Corporate General and Administrative ("CG&A")

CG&A expenses decreased approximately $0.9 million year over year in the first quarter of 2014 primarily due to the first quarter of the prior year included approximately $0.5 million charge related to the Company's debt repricing transaction, approximately $0.3 million in non-recurring professional fees, and higher benefit related costs.

Backlog

Backlog is subject to delivery delays or program cancellations, which are beyond our control. Backlog is affected by timing differences in the placement of customer orders and tends to be concentrated in several programs to a greater extent than our net sales. Backlog in non-aerospace and defense markets tends to be of a shorter duration and is generally fulfilled within a 3-month period. As a result of these factors, trends in our overall level of backlog may not be indicative of trends in our future net sales. Approximately $484 million of total backlog is expected to be delivered during the remainder of 2014. The following table summarizes our backlog as of March 29, 2014 and December 31, 2013:

	(In thousands)		
	Change	March 29, 2014	December 31, 2013
Consolidated Ducommun			
Military and space			
Defense technologies	$ (23,593)	$ 193,860	$ 217,453
Defense structures	6,178	123,911	117,733
Commercial aerospace	(8,580)	222,623	231,203
Natural resources	260	23,065	22,805
Industrial	8,043	21,659	13,616
Medical and other	3,150	20,333	17,183
Total	$ (14,542)	$ 605,451	$ 619,993
DAS			
Military and space (defense structures)	$ 6,178	$ 123,911	$ 117,733
Commercial aerospace	(11,238)	194,292	205,530
Total	$ (5,060)	$ 318,203	$ 323,263
DLT			
Military and space (defense technologies)	$ (23,593)	$ 193,860	$ 217,453
Commercial aerospace	2,658	28,331	25,673
Natural resources	260	23,065	22,805
Industrial	8,043	21,659	13,616
Medical and other	3,150	20,333	17,183
Total	$ (9,482)	$ 287,248	$ 296,730

LIQUIDITY AND CAPITAL RESOURCES

Available Liquidity

Total debt, the weighted-average interest rate, cash and cash equivalents and available credit facilities were as follows:

	(In millions)	
	March 29, 2014	December 31, 2013
Total debt, including long-term portion	$ 325.2	$ 332.7
Weighted-average interest rate on debt	7.83%	7.76%
Term Loan interest rate	4.75%	4.75%
Cash and cash equivalents	$ 29.4	$ 48.8
Unused Revolving Credit Facility	$ 58.4	$ 58.4

In the first quarter of 2014, we made a voluntary principal prepayment totaling $7.5 million on our term loan. We expect to pay down a total of $25.0 million to $30.0 million on the term loan in 2014.

The Revolving Credit Facility and Term Loan covenants require EBITDA of more than $50.0 million and a maximum leverage ratio under certain circumstances, as well as annual limitations on capital expenditures and limitations on future disposition of property, investments, acquisitions, repurchase of stock, dividends, and outside indebtedness. At March 29, 2014, we were in compliance with all covenants. At March 29, 2014, there were no amounts outstanding that would have triggered the leverage ratio covenant. However, we would have been in compliance with such coverage ratio.

We expect to spend a total of approximately $16.0 million for capital expenditures in 2014 financed by cash generated from operations, which would be higher than 2013, principally to support new contract awards at DAS and DLT. As part of our strategic plan to become a Tier 2 supplier, additional up-front investment in tooling will be required for newer programs which have higher engineering content and higher levels of complexity in assemblies.

We continue to depend on operating cash flow and the availability of our Revolving Credit Facility to provide short-term liquidity. Cash generated from operations and bank borrowing capacity is expected to provide sufficient liquidity to meet our obligations during the next twelve months.

Cash Flow Summary

Net cash used in operating activities for the first quarter of 2014 increased by approximately $3.6 million to $9.7 million, compared to net cash used of approximately $6.1 million in the prior year quarter. The higher cash usage during the first quarter of 2014 related primarily to an increase in accounts receivable and inventory balances due to payment and order timing differences with certain customers partially off-set by a decrease in other assets and higher net income in the current year period.

Net cash used in investing activities of approximately $2.2 million for the first three months of 2014 included capital expenditures, principally to support new contract awards at DAS and DLT. The decrease from the prior year was primarily due to timing of capital expenditures.

Net cash used in financing activities for the first three months of 2014 of approximately $7.5 million was related to a voluntary principal prepayment on our term loan.

Off-Balance Sheet Arrangements

Our off-balance sheet arrangements consist of operating leases and indemnities.

CRITICAL ACCOUNTING POLICIES

The preparation of our condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States requires estimation and judgment that affect the reported amounts of net revenues, expenses, assets and liabilities. For a description of our critical accounting policies, please refer to “Critical Accounting Policies” in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our 2013 Annual Report on Form 10-K. There have been no material changes in any of our critical accounting policies during the three months ended March 29, 2014.

Recent Accounting Pronouncements

See “Part I, Item 1. Ducommun Incorporated and Subsidiaries—Notes to Condensed Consolidated Financial Statements—Note 1. Summary of Significant Accounting Policies—Recent Accounting Pronouncements” for further information.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our main market risk exposure relates to changes in U.S. interest rates on our outstanding long-term debt. At March 29, 2014, we had borrowings of approximately $125.1 million under our Term Loan which bears interest, at our option, at a rate equal to either an alternate base rate or an adjusted LIBOR rate for a one-, two-, three-, or six-month interest period chosen by us, plus an applicable margin percentage. This LIBOR rate has a floor of 1.00%, and a margin of 3.75%. A hypothetical 10% increase or decrease in the interest rate would have an immaterial impact on our financial condition and results of operations.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company’s chief executive officer and chief financial officer have concluded, based on an evaluation of the Company’s disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)), that such disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended March 29, 2014 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 10, "Contingencies," in the accompanying notes to condensed consolidated financial statements included in Part I, Item 1 of this Form 10-Q for a description of our legal proceedings.

ITEM 1A. RISK FACTORS

See Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the year ended December 31, 2013 for discussion of risk factors.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 6. Exhibits

2.1 Agreement and Plan of Merger, dated as of April 3, 2011, among Ducommun Incorporated, DLBMS, Inc. and LaBarge, Inc. Incorporated by reference to Exhibit 2.1 to Form 8-K filed on April 5, 2011.

3.1 Restated Certificate of Incorporation filed with the Delaware Secretary of State on May 29, 1990. Incorporated by reference to Exhibit 3.1 to Form 10-K for the year ended December 31, 1990.

3.2 Certificate of Amendment of Certificate of Incorporation filed with the Delaware Secretary of State on May 27, 1998. Incorporated by reference to Exhibit 3.2 to Form 10-K for the year ended December 31, 1998.

3.3 Bylaws as amended and restated on March 19, 2013. Incorporated by reference to Exhibit 99.1 to Form 8-K dated March 22, 2013.

3.4 Amendment No. 2 to Bylaws dated August 1, 2013. Incorporated by reference to Exhibit 99.2 to Form 8-K dated August 5, 2013.

4.1 Indenture, dated June 28, 2011, between Ducommun Incorporated, certain of its subsidiaries and Wilmington Trust FSB, as trustee. Incorporated by reference to Exhibit 4.1 to Form 8-K filed on July 1, 2011.

4.2 Registration Rights Agreement, dated June 28, 2011, between Ducommun Incorporated, certain of its subsidiaries, UBS Securities LLC and Credit Suisse Securities (USA) LLC. Incorporated by reference to Exhibit 4.2 to Form 8-K filed on July 1, 2011.

10.1 Commitment Letter to Ducommun Incorporated, dated April 3, 2011 from UBS Loan Finance LLC and UBS Securities LLC, Credit Suisse Securities (USA) LLC and Credit Suisse AG. Incorporated by reference to Exhibit 10.1 to Form 8-K filed on April 5, 2011.

10.2 Credit Agreement, dated as of June 28, 2011, among Ducommun Incorporated, certain of its subsidiaries, UBS Securities LLC and Credit Suisse Securities (USA) LLC as joint lead arrangers, UBS AG, Stamford Branch as issuing bank, administrative agent and collateral agent, and other lenders party thereto. Incorporated by reference to Exhibit 10.1 to Form 8-K filed on July 1, 2011.

10.3 Amendment No. 1 to Credit Agreement, dated as of March 28, 2013, by and among Ducommun Incorporated, certain of its subsidiaries, UBS AG, Stamford Branch as administrative agent, collateral agent, swingline bank and issuing bank and other lenders party thereto. Incorporated by reference to Exhibit 10.1 to Form 8-K dated March 28, 2013.

10.4 Amendment No. 2 to Credit Agreement, dated as of October 18, 2013 by and among Ducommun Incorporated, certain of its subsidiaries, and UBS AG, Stamford Branch, as administrative agent, collateral agent, swingline bank and issuing bank, and other lenders party thereto. Incorporated by reference to Exhibit 10.1 to Form 8-K dated October 23, 2013.

*10.13 Form of Key Executive Severance Agreement entered with seven current executive officers of Ducommun. Incorporated by reference to Exhibit 99.1 to Form 8-K dated January 9, 2008. Incorporated by reference to Exhibit 99.1 to Form 8-K dated January 9, 2008. All of the Key Executive Severance Agreements are identical except for the name of the executive officer, the address for notice, and the date of the Agreement:

Executive Officer	Date of Agreement
Kathryn M. Andrus	February 18, 2014
Joseph P. Bellino	November 5, 2009
Joel H. Benkie	December 13, 2013
Douglas L. Groves	February 18, 2014
James S. Heiser	December 31, 2007
Anthony J. Reardon	December 31, 2007
Rose F. Rogers	November 5, 2009

Table of Contents

*10.14 Form of Indemnity Agreement entered with all directors and officers of Ducommun. Incorporated by reference to Exhibit 10.8 to Form 10-K for the year ended December 31, 1990. All of the Indemnity Agreements are identical except for the name of the director or officer and the date of the Agreement:

Director/Officer	Date of Agreement
Kathryn M. Andrus	January 30, 2008
Richard A. Baldridge	March 19, 2013
Joseph C. Berenato	November 4, 1991
Joseph P. Bellino	September 15, 2008
Joel H. Benkie	February 12, 2013
Gregory S. Churchill	March 19, 2013
Robert C. Ducommun	December 31, 1985
Dean W. Flatt	November 5, 2009
Douglas L. Groves	February 12, 2013
Jay L. Haberland	February 2, 2009
James S. Heiser	May 6, 1987
Robert D. Paulson	March 25, 2003
Anthony J. Reardon	January 8, 2008
Rosalie F. Rogers	July 24, 2008

*10.17 Employment Letter Agreement dated September 5, 2008 between Ducommun Incorporated and Joseph P. Bellino. Incorporated by reference to Exhibit 99.1 to Form 8-K dated September 18, 2008.

*10.18 Employment Letter Agreement dated May 3, 2012 between Ducommun Incorporated and Joel H. Benkie. Incorporated by reference to Exhibit 99.1 to Form 8-K dated June 4, 2012.

*10.19 Form of Performance Stock Unit Agreement for 2014 and after.

31.1 Certification of Principal Executive Officer.

31.2 Certification of Principal Financial Officer.

32 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS XBRL Instance Document

101.SCH XBRL Taxonomy Extension Schema

101.CAL XBRL Taxonomy Extension Calculation Linkbase

101.DEF XBRL Taxonomy Extension Definition Linkbase

101.LAB XBRL Taxonomy Extension Label Linkbase

101.PRE XBRL Taxonomy Extension Presentation Linkbase

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* Indicates an executive compensation plan or arrangement.

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, thereunto duly authorized.

Date: April 28, 2014	By:	/s/ Anthony J. Reardon
		Anthony J. Reardon
		Chairman and Chief Executive Officer
		(Principal Executive Officer)
Date: April 28, 2014	By:	/s/ Joseph P. Bellino
		Joseph P. Bellino
		Vice President, Treasurer and Chief Financial Officer
		(Principal Financial Officer)
Date: April 28, 2014	By:	/s/ Douglas L. Groves
		Douglas L. Groves
		Vice President, Controller and Chief Accounting Officer
		(Principal Accounting Officer)

DUCOMMUN INCORPORATED

PERFORMANCE STOCK UNIT AGREEMENT

This performance stock unit agreement is made as of January 1, ____ (the “Effective Date”), between Ducommun Incorporated, a Delaware corporation (the “Corporation”), and __________________ (“Award Holder”).

R E C I T A L S

This performance stock unit agreement is pursuant to the ____ Stock Incentive Plan (the “Plan”).

A G R E E M E N T S

1. Grant. The Corporation hereby grants to the Award Holder an award (the “Award”) with a target (if the Corporation achieves the target level performance goals described in Exhibit A) of ________ performance stock units (the “Target Units”), and a maximum of up to two hundred percent (200%) of the Target Units (if Corporation achieves the maximum level performance goals described in Exhibit A), in each case subject to certain adjustments as described herein. Each performance stock unit represents the right to receive one share of Common Stock, subject to the conditions set forth in this performance stock unit agreement and the Plan.

2. Definitions. Unless the context clearly indicates otherwise, and subject to the terms and conditions of the Plan as the same may be amended from time to time, the following terms, when used in this performance stock unit agreement, shall have the meanings set forth in this Section 2.

“Common Stock” shall mean the Common Stock, $.01 par value, of the Corporation or such other class of shares or other securities as may be applicable pursuant to the provisions of Section 7 of this performance stock unit agreement.

“Subsidiary” shall mean a corporation or other form of business entity more than 50% of the voting shares of which is owned or controlled, directly or indirectly, by the Corporation and which is designated by the Committee for participation in the Plan by the key employees thereof.

“Committee” shall mean the Compensation Committee of the Board of Directors of the Corporation, or if there is no such committee acting, the Board of Directors of the Corporation.

3. Vesting. The Award shall vest at the end of the 3-year performance period, beginning as of January 1, ____ and ending on December 31, ____ (the "Performance Period"). The vesting of the Award shall be subject to the Corporation achieving during the Performance Period the Diluted Earnings Per Share and the Leverage Ratios, as provided in Exhibit A attached hereto. Following the end of each fiscal year of the Performance Period and the collection of relevant data necessary to determine the extent to which the performance goals set forth in Exhibit A have been satisfied, the Committee will determine: (a) the amount of Diluted Earnings Per Share and the Leverage Ratio that was achieved by the Corporation for each fiscal year of the Performance Period, and (b) the percentage and number of the Target Units for each fiscal year (for each such fiscal year, the "Earned Units") that will become Vested Units (as defined in Exhibit A) as of the last day of the Performance Period or earlier as provided in Section 6(b). The Committee shall make these determinations in its sole discretion. The level of achievement of Diluted Earnings Per Share and the Leverage Ratio shall be evidenced by the Committee's written certification, in accordance with Internal Revenue Code Section 162(m). For the avoidance of doubt, any performance stock units subject to this Award that do not vest in accordance with the forgoing shall expire without consideration at the end of the Performance Period.

4. Settlement of Vested Units. Upon the vesting of all or a portion of the Award, one share of Common Stock shall be issuable for each Vested Unit (as defined in Exhibit A) (the "PSU Shares"). Thereafter, the Corporation will transfer such PSU Shares to the Award Holder upon the Committee's written certification as set forth in Section 3 and the satisfaction of any required tax withholding obligations, securities law registration or other requirements, and applicable stock exchange listing. No fractional shares shall be issued with respect to the Award. The Award Holder shall not acquire or have any rights as a shareholder of the Corporation by virtue of this performance stock unit agreement (or the Award evidenced hereby) until the certificates representing shares of Common Stock issuable pursuant to this Award are actually issued and delivered to the Award Holder in accordance with the terms of the Plan and this performance stock unit agreement.

5. Change in Control.

(a) In the event that a Change in Control occurs, the Target Units shall be deemed to have become fully vested immediately prior to the consummation of the Change in Control, provided, however, that the Committee may, in its discretion, increase (but not decrease) the number of performance stock units that are deemed to vest in the event of a Change in Control up to a maximum of two hundred percent (200%) of the Target Units.

(b) For purposes of this performance stock unit agreement, a "Change in Control" of the Corporation shall 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 Securities Exchange Act of 1934, as amended (the "Exchange Act"); provided that, without limitation, such a change in control shall be deemed conclusively to have occurred if (i) a tender offer shall be made and consummated for the ownership of 25% or more of the outstanding voting securities of the Corporation, (ii) the shareholders of the corporation approve that the Corporation be merged or consolidated with another corporation and as a result of such merger or consolidation less than 75% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of the Corporation, other than affiliates (within the meaning of the Exchange Act) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation, (iii) the shareholders of the Corporation approve that the Corporation sell, lease, exchange or transfer substantially all of its assets to another corporation, entity or person which is not a wholly-owned subsidiary and all government regulatory approvals necessary for the consummation of such transaction shall have been obtained, (iv) a person, as defined in Sections 13(d) and 14(d) (as in effect on the date hereof) of the Exchange Act, shall acquire 35% or more of the outstanding voting securities of the Corporation (whether directly, indirectly, beneficially or of record), (v) the shareholders of the Corporation approve a plan or proposal for the liquidation or dissolution of the Corporation and all government regulatory approvals necessary for the consummation of such transaction shall have been obtained, or (vi) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election by the Corporation's shareholders, of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period. For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3 (as in effect on the date hereof) under the Exchange Act. A sale or other change in control of any Subsidiary of the Corporation by which the Award Holder is employed shall not be deemed a Change in Control of the Corporation for purposes of this Agreement.

6. Termination.

(a) If the Award Holder's employment with the Corporation or a Subsidiary terminates before the end of the Performance Period for any reason, except as provided in this Section 6 or in Section 5 above, then the Award will be forfeited and cancelled and surrendered to the Corporation without payment of any consideration, effective on the date of the Award Holder's termination of employment. Upon the termination of the Award Holder's employment with the Corporation or a Subsidiary as a result of (i) death or "permanent disability" (as defined herein) or (ii) "retirement" (as defined herein), the number of Vested Units and the vesting of such Vested Units shall be determined in accordance with Section 6(b) below. As used herein, the term "retirement" shall mean that, on the date on which the Award Holder terminates employment with the Corporation or a Subsidiary, either (x) the Award Holder is sixty-five (65) or more years of age, or (y) the combination of the Award Holder's age plus years of service equals not less than seventy (70). As used herein, the term "permanent disability" shall mean the date on which the Award Holder has not worked or been able to work due to physical or mental incapacity for a period of one hundred eighty (180) consecutive days.

(b) Upon the termination of the Award Holder's employment with the Corporation or a Subsidiary as a result of death, permanent disability or retirement as provided in Section 6(a), (i) for each full fiscal year that the Award Holder was employed by the Corporation or a Subsidiary, the Earned Units (as defined in Section 3) shall vest immediately, and (ii) for the last fiscal year (if less than a full fiscal year) that the Award Holder was employed by the Corporation or a Subsidiary, the Target Units covered by the Award shall be reduced to a number of performance stock units equal to the Target Units set forth in Section 1 multiplied by a fraction, (x) the numerator of which equals the number of full calendar quarters that have elapsed between

January 1 of such fiscal year and the date of termination of employment, and (y) the denominator of which equals four (4), and such performance stock units (as reduced) shall then vest at such time as they become Earned Units (as defined in Section 3) or as provided in Section 5, provided that the Award Holder has not rendered services, directly or indirectly, to any third party engaged in competition with the Corporation or its Subsidiaries.

7. Adjustments

(a) If the outstanding shares of Common Stock of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation through recapitalization (other than the conversion of convertible securities according to their terms), reclassification, stock dividend, stock split or reverse stock split, an appropriate and proportionate adjustment shall be made, or if the Corporation shall spin-off, spin-out or otherwise distribute assets with respect to the outstanding shares of Common Stock of the Corporation, an appropriate and proportionate adjustment shall be made, in the number of performance stock units subject to this Award.

(b) In the event of the dissolution or liquidation of the Corporation, or upon any merger, consolidation or reorganization of the Corporation with any other corporations or entities as a result of which the Corporation is not the surviving corporation, or upon the sale of all or substantially all of the assets of the Corporation or the acquisition of more than 80% of the stock of the Corporation by another corporation or entity, there shall be substituted for each of the shares of Common Stock then subject to this Award the number and kind of shares of stock, securities or other assets which would have been issuable or payable in respect of or in exchange for such Common Stock then subject to the Award, as if the Award Holder had been the owner of such shares as of the transaction date. Any securities so substituted shall be subject to similar successive adjustments.

8. No Right to Continued Employment. Nothing in the Plan, in this performance stock unit agreement or in any other instrument executed pursuant thereto shall confer upon the Award Holder any right to continue in the employ of the Corporation or any Subsidiary of the Corporation or shall interfere in any way with the right of the Corporation or any such Subsidiary to at any time terminate the employment of the Award Holder with or without cause.

9. Legal Requirements. No shares issuable under this Award shall be issued or delivered unless and until, in the opinion of counsel for the Corporation, all applicable requirements of federal and state law and of the Securities and Exchange Commission pertaining to the issuance and sale of such shares and any applicable listing requirements of any national securities exchange on which shares of the same class are then listed, shall have been fully complied with. In connection with any such issuance or transfer, the person acquiring the shares shall, if requested by the Corporation, give assurances satisfactory to counsel to the Corporation in respect of such matters as the Corporation or any Subsidiary of the Corporation may deem desirable to assure compliance with all applicable legal requirements.

10. No Rights as a Shareholder. Neither the Award Holder nor any beneficiary or other person claiming under or through the Award Holder shall have any right, title or interest in or to any shares of Common Stock allocated or reserved for the purpose of the Plan or subject

to this Agreement except as to such shares of Common Stock, if any, as shall have been issued or transferred to such person.

11. Withholding. The Corporation or any Subsidiary of the Corporation may make such provisions as it may deem appropriate for the withholding of any taxes which the Corporation or such Subsidiary determines it is required to withhold in connection with this performance stock unit agreement and the transactions contemplated hereby, and the Corporation or any such Subsidiary may require the Award Holder to pay to the Corporation or such Subsidiary in cash any amount or amounts which may be required to be paid as withheld taxes in connection with any issuance of Common Stock pursuant to this Award or any other transaction contemplated hereby as a condition to the issuance of shares of the Common Stock, provided, however, that any amount withheld for taxes in connection with this Award may, at the election of the Award Holder, be paid with previously issued shares of Common Stock or the deduction of shares of Common Stock to be issued in connection with this Award.

12. No Assignments. Neither this performance stock unit agreement, nor this Award nor any other rights and privileges granted hereby shall be transferred, assigned, pledged or hypothecated in any way, whether by operation of law of descent and distribution. Upon any attempt to so transfer, assign, pledge, hypothecate or otherwise dispose of this performance stock unit agreement, this Award or any other right or privilege granted hereby contrary to the provisions hereof, this performance stock unit agreement, this Award and all of such rights and privileges shall immediately become null and void.

13. Other Programs. Nothing contained in this performance stock unit agreement shall affect the right of the Award Holder to participate in and receive benefits under and in accordance with the then current provisions of any pension, insurance, profit-sharing or other employee benefit plan or program of the Corporation or of any Subsidiary of the Corporation.

14. The Plan. The Award hereby granted is subject to, and the Corporation and Award Holder agree to be bound by all of the terms and conditions of the Plan as the same may be amended from time to time in accordance with the terms thereof, but no such amendment may adversely affect the Award Holder’s rights under this performance stock unit agreement. Award Holder acknowledges receipt of a complete copy of the Plan.

15. Committee Authority. All questions arising under the Plan or under this performance stock unit agreement shall be decided by the Committee in its total and absolute discretion. It is expressly understood that the Committee is authorized to administer, construe and make all determinations necessary or appropriate to the administration of the Plan and this performance stock unit agreement, all of which shall be binding upon the Award Holder to the maximum extent permitted by the Plan.

16. Consideration. The consideration for the rights and benefits conferred on Award Holder by this Award are the services rendered by the Award Holder after and not before the grant of this Award.

17. Applicable Law. This Award has been granted as of the effective date set forth above at Los Angeles, California, and the interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of California.

DUCOMMUN INCORPORATED

By: ______________________________________
Chief Executive Officer

By: ______________________________________
Secretary

____
Award Holder

PERFORMANCE STOCK UNIT AGREEMENT
Dated as of January 1, ____

Exhibit A

For purposes of this performance stock unit agreement, the "Diluted Earnings Per Share" means the diluted earnings per share of the Corporation for each of the Corporation's fiscal years ending December 31, ____, December 31, ____ and December 31, ____ as included in the Corporation's audited financial statements, subject to adjustment as provided herein. The Diluted Earnings Per Share shall be adjusted (as determined by the Committee) (i) for changes in accounting, (ii) for discontinued operations (including businesses and product lines that are sold), (iii) to exclude gain or loss on the sale of any business or product line, (iv) to exclude any asset impairment write-offs or charges (whether of goodwill, intangible or tangible assets), (v) to exclude any transaction-related costs or expenses arising in connection with the purchase or sale of any business or product line, including but not limited to the effects of Financial Accounting Standards Board Accounting Standards Codification Topic 805 (formerly, Statement of Financial Accounting Standards No. 141R), and (vi) to exclude any costs or expenses arising in connection with the refinancing, restructuring or prepayment of any Debt, including but not limited to the unamortized portion of any original issue discount, the unamortized portion of any original issue costs and expenses, and any prepayment or make-whole payments, costs or expenses. An appropriate adjustment in the Diluted Earnings Per Share amounts in the table below also shall be made for any of the events described in Section 7(a) above.

For purposes of this performance stock unit agreement, the following terms mean for each of the Corporation's fiscal years ended December 31, ____, December 31, ____ and December 31, ____, the following: (i) "Leverage Ratio" means the Net Debt divided by the EBITDA of the Corporation, (ii) "Net Debt" means the Debt minus the cash and cash equivalents of the Corporation, (iii) "Debt" means the "Consolidated Indebtedness" of the Corporation as defined in the Credit Agreement, dated as of June 28, 2011, among Ducommun Incorporated, certain of its subsidiaries, UBS Securities LLC and Credit Suisse Securities (USA) LLC as joint lead arrangers, UBS AG, Stamford Branch as issuing bank, administrative agent and collateral agent, and other lenders party thereto (the "Credit Agreement"), and (iv) "EBITDA" means the "Consolidated EBITDA" of the Corporation as defined in the Credit Agreement.

After the end of the Corporation's fiscal year ending December 31, ____, the Committee shall determine the Corporation's Diluted Earnings Per Share for such fiscal year and the applicable percentage of Target Units earned with respect to such performance measure for such fiscal year, and the Corporation's Leverage Ratio for such fiscal year and the applicable percentage of Target Units earned with respect to such performance measure for such fiscal year. After the end of the Corporation's fiscal year ending December 31, ____, the Committee shall determine the Corporation's Diluted Earnings Per Share for such fiscal year and the applicable percentage of Target Units earned with respect to such performance measure for such fiscal year, and the Corporation's Leverage Ratio for such fiscal year and the applicable percentage of Target Units earned with respect to such performance measure for such fiscal year. After the end of the Corporation's fiscal year ending December 31, ____, the Committee shall determine the

Corporation's Diluted Earnings Per Share for such fiscal year and the applicable percentage of Target Units earned with respect to such performance measure for such fiscal year, and the Leverage Ratio for such fiscal year and the applicable percentage of Target Units earned with respect to such performance measure for such fiscal year. Subject to the foregoing paragraphs and provided that the Award Holder has remained in the employment or service of the Corporation over the Performance Period, (except in the event of death, permanent disability or retirement as provided above), the number of performance stock units that will vest under this performance stock unit agreement shall be determined in accordance with the following table:

Diluted Earnings Per Share	2014	2015	2016	Total @ Target
Threshold				
Vesting % of Target Units	5%	5%	5%	
Target[1]				
Vesting % of Target Units	16.666%	16.666%	16.666%	50%
Maximum[2]				
Vesting % of Target Units	33.333%	33.333%	33.333%	
Leverage Ratio	2013	2014	2015	
Threshold				
Vesting % of Target Units	5%	5%	5%	
Target				
Vesting % of Target Units	16.666%	16.666%	16.666%	50%
Maximum				
Vesting % of Target Units	33.333%	33.333%	33.333%	________
Total at Target				100%

(1) Target represents approximately 6% compound annual growth from the 2013 Threshold

(2) Maximum represents approximately 15% compound annual growth from the 2013 Threshold

In the event that the Corporation's Diluted Earnings Per Share and/or Leverage Ratio for any fiscal year of the Performance Period falls between two of the percentages listed in the table above, the applicable percentage of Target Units earned based on such achievement shall be determined by linear interpolation. The total number of performance stock units subject to the Award that vest based upon the Corporation's achievement over the Performance Period (as determined by the Committee) will be equal to the sum of (i) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Diluted Earnings Per Share for the fiscal year ending December 31, ____ multiplied by the number of Target Units set forth in Section 1 above, plus (ii) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Leverage Ratio for the fiscal year ending December 31, ____ multiplied by the number of Target Units set forth in Section 1 above, plus (iii) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Diluted Earnings Per Share for the fiscal year ending December 31, ____ multiplied by the number of Target Units set forth in Section 1 above, plus (iv) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Leverage Ratio for the fiscal year ending December 31, ____ multiplied by the number of Target Units set forth in Section 1 above, plus (v) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Diluted Earnings Per Share for the fiscal year ending December 31, ____ multiplied by the number of Target Units set forth in Section 1 above, plus (vi) the Vesting Percentage determined by reference to the table above with respect to the Corporation's Leverage Ratio for the fiscal year ending December 31, ____ multiplied by the number of Target Units set forth in Section 1 above (such units collectively, the "Vested Units"). Notwithstanding anything herein to the contrary, in no event will more than two hundred percent (200%) of the number of Target Units become vested hereunder. Performance stock units granted under this Award that are not vested and remain subject to forfeiture are referred to herein as "Unvested Units."

EXHIBIT 31.1

Certification of Principal Executive Officer
Pursuant to Section 302 of the
Sarbanes-Oxley Act of 2002

I, Anthony J. Reardon, certify that:

1. I have reviewed this Quarterly Report of Ducommun Incorporated (the “registrant”) on Form 10-Q for the period ended March 29, 2014;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f), and 15d-15(f) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: April 28, 2014

/s/ Anthony J. Reardon

Anthony J. Reardon
Chairman and Chief Executive Officer

EXHIBIT 31.2

Certification of Principal Financial Officer
Pursuant to Section 302 of the
Sarbanes-Oxley Act of 2002

I, Joseph P. Bellino, certify that:

1. I have reviewed this Quarterly Report of Ducommun Incorporated (the “registrant”) on Form 10-Q for the period ended March 29, 2014;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f), for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: April 28, 2014

/s/ Joseph P. Bellino

Joseph P. Bellino
Vice President, Treasurer and Chief Financial Officer

EXHIBIT 32

Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to Section 906 of
the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Ducommun Incorporated (the “Company”) on Form 10-Q for the period ending March 29, 2014, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Anthony J. Reardon, Chairman and Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Anthony J. Reardon
Anthony J. Reardon
Chairman and Chief Executive Officer
April 28, 2014

In connection with the Quarterly Report of Ducommun Incorporated (the “Company”) on Form 10-Q for the period ending March 29, 2014, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Joseph P. Bellino, Vice President, Treasurer and Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Joseph P. Bellino
Joseph P. Bellino
Vice President, Treasurer and Chief Financial Officer
April 28, 2014

The foregoing certification is accompanying the Form 10-Q solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and is not being filed as part of the Form 10-Q or as a separate disclosure document.