

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

FORM 8-K

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

Date of Report (Date of earliest event reported): July 25, 2024

DUCOMMUN INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-08174
(Commission
File Number)

95-0693330
(IRS Employer
Identification No.)

600 Anton Boulevard, Suite 1100
Costa Mesa, California
(Address of principal executive offices)

92626-7100
(Zip Code)

Registrant's telephone number, including area code (657) 335-3665

N/A

(Former name or former address, if changed since last report.)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$.01 per share	DCO	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD

On July 25, 2024, Ducommun Incorporated (“Ducommun” or the “Company”) issued a press release responding to Albion River LLC’s revised non-binding indication of interest, dated July 15, 2024, to acquire all outstanding shares of common stock of the Company for \$65.00 per share in cash. The Board of Directors has unanimously determined it is not in the best interests of the Company and its shareholders to pursue further discussions regarding the proposal and that the Company’s previously disclosed Vision 2027 Strategy reflects a substantially better long-term value creation opportunity for Ducommun’s shareholders.

A copy of the Company’s press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated in this Item 7.01 by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Exhibit Title or Description
99.1	Ducommun Incorporated press release issued on July 25, 2024
104	Cover Page Interactive Data File (embedded within the inline XBRL document)

SIGNATURES

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

DUCOMMUN INCORPORATED

(Registrant)

Date: July 25, 2024

By: /s/ Rajiv A. Tata

Rajiv A. Tata

Vice President, General Counsel & Corporate Secretary

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DUCOMMUN INCORPORATED REJECTS UNSOLICITED REVISED, NON-BINDING INDICATION OF INTEREST FROM ALBION RIVER

Revised proposal undervalues Ducommun’s mid- and long-term growth initiatives and does not fully reflect the Company’s strong record of performance. Ducommun’s Board and Management remain focused on successfully delivering our Vision 2027 Strategy.

COSTA MESA, California (July 25, 2024) - Ducommun Incorporated (NYSE: DCO) (“Ducommun” or the “Company”), a global supplier of innovative electronic systems and structural solutions for the aerospace and defense industry, today responded to an unsolicited revised, non-binding indication of interest dated July 15, 2024 from Albion River LLC (“Albion River”), a private direct investment firm, to acquire all outstanding shares of Ducommun for \$65.00 per share in cash. The Board of Directors has unanimously determined it is not in the best interests of the Company and Ducommun shareholders to pursue further discussions regarding the proposal.

Consistent with its fiduciary duties and in consultation with its legal and financial advisors, our Board of Directors carefully reviewed and considered Albion River’s revised proposal. Following that review, our Board of Directors concluded that the Company’s previously disclosed Vision 2027 Strategy reflects a substantially better long-term value creation opportunity for Ducommun’s shareholders.

Over the past seven years, our Board and Management team have effectively transformed the Company’s business with strategic acquisitions of engineered product businesses with high aftermarket mix, implementation of a value-based pricing strategy, significant facility consolidation, improved operations and customer metrics, a leaner management structure and many other cost reduction actions. Despite the impact of the COVID-19 pandemic and the 737MAX on our markets, Ducommun’s revenue has grown from \$551M in 2016 to a new all-time revenue record of \$767M in LTM Q1 2024. Also, Ducommun’s EBITDA margins have expanded from 10.1% in 2016 to 14.4% in the first quarter 2024. As a result, the Company’s shareholders benefitted from an increase in market capitalization from approximately \$286M at the end of 2016 to approximately \$929M as of July 23, 2024. In addition, the Company managed through the COVID-19 pandemic and 737MAX with limited impact on its Adjusted EBITDA despite significant deterioration in the commercial aerospace industry. This was accomplished by growing its military and space business from \$278M in 2018 to \$421M in 2022 and through proactive cost management.

In December 2022, Ducommun management held an investor meeting to lay out Vision 2027 and has been executing on that strategy by consolidating its facility footprint, continuing its targeted acquisition program, increasing the revenue proportion of engineered product and aftermarket content, implementing our offloading strategy with defense primes in high growth segments of the defense budget, and by expanding content on key commercial aerospace platforms. These strategic initiatives already have positioned Ducommun to benefit from the continuing recovery in aircraft production rates over the next several years. Ducommun’s market capitalization has increased to approximately \$929M as of July 23, 2024, a 28% increase in one year. Our Board of Directors and management team expect that, as previously disclosed in our Vision 2027 Strategy, by 2027 Ducommun will achieve \$950M to \$1,000M in net revenues (representing a 33% to 40% increase since 2022), with approximately 18% adjusted EBITDA margins. This would represent a gain of approximately 460 basis points since the end of 2023 and approximately 13% adjusted operating income margins (an increase of approximately 480 basis points since the end of 2023).

Our Board of Directors believes that Albion River's revised proposal significantly undervalues Ducommun's long-term value for shareholders. We remain committed to our strategy to substantially grow and increase the long-term value of Ducommun for its investors. Our Board of Directors and management will continue to listen to all Ducommun shareholders and act in their collective best interests.

About Ducommun Incorporated

Ducommun Incorporated delivers value-added innovative manufacturing solutions to customers in the aerospace, defense and industrial markets. Founded in 1849, the company specializes in two core areas – Electronic Systems and Structural Systems – to produce complex products and components for commercial aircraft platforms, mission-critical military and space programs, and sophisticated industrial applications. For more information, visit Ducommun.com

Forward Looking Statements

This press release includes "forward looking statements" within the meaning of the of the federal securities laws relating to Ducommun Incorporated, including any statements about its 2027 Vision Strategy and similar expressions that concern Ducommun's intentions or beliefs about future occurrences, expectations, or results. Forward looking statements are subject to risks, uncertainties and other factors that may change over time and may cause actual results to differ materially from those that are expected. It is very difficult to predict the effect of known factors, and Ducommun cannot anticipate all factors that could affect actual results that may be important to an investor. All forward-looking information should be evaluated in the context of these risks, uncertainties and other factors, including those factors disclosed under "Risk Factors" in our reports filed with the Securities and Exchange Commission, including the Company's Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K, and Current Reports on Form 8-K. The forward-looking statements included in this press release are made only as of the date of this press release, and Ducommun does not undertake any obligation to (and expressly disclaims any such obligation to) update the forward-looking statements to reflect subsequent events or circumstances.

CONTACTS:

Suman Mookerji, Senior Vice President, Chief Financial Officer, 657.335.3665

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