DUCOMMUN INC /DE/
Form 10-Q/A
January 06, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-Q/A

Amendment No. 1

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

For the quarterly period ended October 1, 2011

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

(310) 513-7200

(Registrant s telephone number, including area code)

(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 definitions of large accelerated filer, accelerated filer, non-accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

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

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date. As of October 1, 2011, there were outstanding 10,538,987 shares of common stock.

EXPLANATORY NOTE

This Amendment No. 1 on Form 10-Q/A amends Part I, Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations, Overview, pages 21, 23 and 24, Critical Accounting Policies, Goodwill page 25 and Business Segment Performance, page 35 of the Quarterly Report on Form 10-Q of Ducommun Incorporated (the Company) for the third quarter ended October 1, 2011, as filed with the Securities and Exchange Commission (SEC) on November 7, 2011 (the Quarterly Report). Due to comments received from the SEC regarding the Company s Form 10-Q for the third quarter ended October 1, 2011, the Quarterly Report, as originally filed, did not reflect the amendments noted above to the Management s Discussion and Analysis of Financial Condition and Results of Operations.

Unless otherwise stated, all information contained in this amendment is as of November 7, 2011, the filing date of the Quarterly Report. This Form 10-Q/A does not reflect events or transactions occurring after such filing date or modify or update those disclosures in the Quarterly Report that may have been affected by events or transactions occurring subsequent to such filing date. No information in the Quarterly Report other than as set forth above is amended hereby.

DUCOMMUN INCORPORATED

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Item 2. Management s Discussion and Analysis of Financial Condition and Results of Operations

Overview

Ducommun Incorporated (Ducommun or the Company), through its subsidiaries designs, engineers and manufactures structural components and subassemblies for aerospace and military markets, and electronic and electromechanical subsystems and devices, aerospace, military and other diverse markets. The components, assemblies and subsystems are provided principally for domestic and foreign commercial and military aircraft, helicopter, missile and space programs. The Company also provides engineering, technical and program management services almost entirely for United States defense, space and homeland security programs.

A summary of highlights for the third quarter ended October 1, 2011 includes:

- Net sales increased 86% for the third quarter of 2011 versus the third quarter of 2010, reflecting increased sales of $83,800,000 from the LaBarge, Inc. acquisition

- Diluted earnings per share for the third quarter 2011 were $0.09 and, excluding merger-related expenses, were $0.34

- Firm backlog at the end of the third quarter of 2011 was approximately $611,700,000

On June 28, 2011, the Company completed the acquisition of all the outstanding stock of LaBarge, Inc. (LaBarge), formerly a publicly-owned company based in St. Louis, Missouri for $325,315,000 (net of cash acquired and excluding acquisition costs). LaBarge is a broad-based provider of electronics to technology-driven companies in diverse markets. LaBarge has significant sales to customers in the aerospace defense, natural resources, industrial, medical and other commercial markets. The Company provides its customers with sophisticated electronic, electromechanically and mechanical products through contract design and manufacturing services. The operating results for the acquisition have been included in the consolidated statements of operations since the date of the acquisition. For the three months and nine months ended October 1, 2011, operating expenses included expenses related to the acquisition of LaBarge of $2,682,000 and $15,337,000, respectively, and interest expense in the nine months ended October 1, 2011 included the write-off of $831,000 of unamortized financing costs, as a result of the Company s debt refinancing related to the acquisition of LaBarge.

In connection with the acquisition of LaBarge on June 28, 2011, the Company borrowed $190,000,000 under a senior secured term loan and entered into a senior secured revolving credit facility of $60,000,000. Both the term loan and the credit facility provide the option of choosing the LIBOR rate (with a Libor rate floor of 1.25%) plus 4.25%, or the Alternate Base Rate (with an Alternative Base Rate floor of 2.25%) plus 3.25%. The Alternate Base Rate is the greater of the (a) Prime rate and (b) Federal Funds rate plus 0.5%. The term loan requires quarterly principal payments of $475,000 beginning on September 30, 2011 and mandatory prepayment of certain amounts of excess cash flow on an annual basis beginning

2012. The revolving credit facility matures on June 28, 2016 and the term loan matures on June 30, 2017. The revolving credit facility and term loan contain minimum Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and maximum leverage ratio covenants under certain circumstances, as well as limitations on future disposition of property, capital expenditures, investments, acquisitions, repurchase of stock, dividends, and outside indebtedness.

In connection with the acquisition of LaBarge, the Company also issued $200,000,000 of senior unsecured notes with interest of 9.75% per annum, payable semi-annually on January 15 and July 15 of each year, beginning in 2012 and ending 2018, at which time the entire principal amount is due.

The Company believes the LaBarge acquisition will allow us to expand our presence significantly in the aerospace and defense markets, as well as diversify our sales base across new markets, including industrial, natural resources, medical and other commercial end markets. More specifically, the Company expects to realize the following benefits from the LaBarge acquisition:

Strengthen our market position as a significant Tier 2 supplier for both structural and electronic assemblies

Diversify our end markets

Expand our platforms work content on existing programs and capabilities on new and existing programs

Increase value-added manufacturing services content in our product portfolio

Expand our technology product portfolio

Realize potential synergies

For the third quarter of 2011, we generated sales of $185,080,000 and recorded net income of $961,000. EBITDA and Adjusted EBITDA in the third quarter and the first nine months of 2011 were $17,087,000 and $25,770,000, respectively. See below for certain information regarding EBITDA and Adjusted EBITDA, including reconciliations of EBITDA and Adjusted EBITDA to net income. We view EBITDA and Adjusted EBITDA as important operating performance measures that serve as a basis for measuring business segment operating performance. We use EBITDA and Adjusted EBITDA internally as complementary financial measures to evaluate the performance of our businesses and, when viewed with our GAAP financial results and accompanying reconciliations, we believe they provide additional useful information to gain an understanding of the factors and trends affecting our businesses. We have expanded our operations significantly through the recent LaBarge acquisition. As a result, our operating income has included significant charges for amortization and merger-related transaction and change-in-control compensation expenses. EBITDA and Adjusted EBITDA exclude these charges and provide meaningful information about the operating performance of our businesses apart from the amortization and merger-related transactions and change-in-control compensation expenses, as well as interest and tax expenses.

Non-GAAP Financial Measures

We prepare and publicly release quarterly unaudited financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (***GAAP***). In accordance with Securities and Exchange Commission (the SEC) rules, we also disclose and discuss certain non-GAAP financial measures in our public releases.

To supplement financial information presented in accordance with GAAP, we use additional measures to clarify and enhance the understanding of our respective past performance and future prospects such as EBITDA and Adjusted EBITDA and the related financial ratios. 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, Adjusted EBITDA and the related financial ratios, as presented in this Form 10-Q report, 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. We present EBITDA, Adjusted 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. In addition, we utilize EBITDA and Adjusted EBITDA when interpreting operating trends and results of operations of our respective businesses. The presentation of these measures should not be interpreted to mean that our future results will be unaffected by unusual or nonrecurring items.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them 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 and Adjusted EBITDA do 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 and Adjusted EBITDA differently from us, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA, Adjusted 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 and Adjusted EBITDA only supplementally. See our consolidated financial statements contained in this Form 10-Q report.

However, the Company believes that EBITDA and Adjusted EBITDA are 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 and Adjusted 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
- Merger related expenses, including change in control compensation, may be useful to investors for determining current cash flow
- Interest expense may be useful to investors for determining current cash flow

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.

Management uses non-GAAP measures by using a non-GAAP measure only to supplement our GAAP results and to provide additional information that is useful to gain an understanding of the factors and trends affecting our business.

The following table sets forth a reconciliation of net income to EBITDA and Adjusted EBITDA.

	(In thousands)			
	Three Months Ended		Nine Months Ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Net income	$ 961	$ 5,773	$ 911	$ 15,649
Depreciation & amortization (1)	7,455	3,230	14,472	10,070
Interest expense, net (2)	8,256	544	10,047	1,692
Income tax provision (credit)	415	(85)	340	4,773
EBITDA	$ 17,087	$ 9,462	$ 25,770	$ 32,184
Merger-related transaction expenses (3)	308		11,785	
Merger-related change-in-control compensation expenses (4)	2,374		2,374	
	2,682		14,159	
Adjusted EBITDA	$ 19,769	$ 9,462	$ 39,929	$ 32,184

(1) Includes amortization of intangibles and additional depreciation expense related to the LaBarge acquisition and prior acquisitions.
(2) Includes deferred financing costs in connection with the LaBarge acquisition.
(3) Includes investment banking, accounting, legal, tax and valuation expenses as a direct result of the LaBarge acquisition.
(4) Merger-related transaction cost resulting from a change-in-control provision for certain LaBarge key executives and employees arising in connection with the LaBarge acquisition.

Critical Accounting Policies

Revenue Recognition

Except as described below, the Company recognizes revenue when persuasive evidence of an arrangement exists, the price is fixed or determinable, collection is reasonably assured and delivery of products has occurred or services have been rendered. Revenue from products sold under long-term contracts is recognized by the Company on the same basis as other sale transactions.

Ducommun LaBarge Technologies (DLT , as a result of the LaBarge acquisition) has a significant number of contracts for which net sales are accounted for under the percentage-of-completion method using the units of delivery as the measure of completion. The percentage-of-completion method requires the use of assumptions and estimates related to the contract value, the total cost at completion, and measurement of progress towards completion. These contracts are primarily fixed-price contracts that vary widely in terms of size, length of performance period and expected gross profit margins. When the units-of-delivery measurement is used, DLT recognizes net sales when title transfers, which is usually upon shipment of the product or completion of the service.

The Company recognizes revenue on the sale of services (including prototype products) by its Miltec subsidiary based on the type of contract: time and materials, cost-plus reimbursement and firm-fixed price. Revenue is recognized by Miltec (i) on time and materials contracts as time is spent at hourly rates, which are negotiated with customers, plus the cost of any allowable materials and out-of-pocket expenses, (ii) on cost-plus reimbursement contracts based on direct and indirect costs incurred plus a negotiated profit calculated as a percentage of cost, a fixed amount or a performance-based award fee, and (iii) on fixed-price contracts on the percentage-of-completion method measured by the percentage of costs incurred to estimated total costs.

Goodwill

The Company performs its annual goodwill impairment test during the fourth quarter. As of December 31, 2010, the date of the most recent annual impairment test, the Ducommun AeroStructures, Inc. (DAS), Ducommun Technologies, Inc. (DTI , now known as DLT) and Miltec reporting units had $56.6 million, $35.5 million, and $8.3 million of recorded goodwill, respectively. However, certain factors may result in the need to perform an impairment test prior to the fourth quarter, including significant underperformance of the Company s business relative to expected operating results, significant adverse economic and industry trends, significant decline in the Company s market capitalization for an extended period of time relative to net book value, or a decision to divest an individual business within a reporting unit. Based upon the Company s assessment of these factors in connection with the preparation of the Company s third quarter financial statements, given both a decline in the Company s stock price and a decline in the Miltec reporting unit s performance for the nine months ended October 1, 2011, the Company performed an interim impairment test for the Miltec reporting unit using a discounted cash flow analysis and evaluated whether any adverse economic or industry trends would negatively affect the conclusions drawn from the prior period discounted cash flow analysis of Miltec. The results of the Company s interim impairment evaluation indicated that the fair value of the Miltec reporting unit exceeded its carrying value by 28%. The Company in turn concluded that the Miltec reporting unit s goodwill was not impaired based on the interim impairment evaluation. A discounted cash flow analysis requires the Company to make various judgmental assumptions about sales, operating margins, growth rates and discount rates. Assumptions about discount rates are based on a weighted-average cost of capital for comparable companies. Assumptions about sales, operating margins, and growth rates are based on the Company s forecasts, business plans, economic projections, anticipated future cash flows and marketplace data. These assumptions could be adversely impacted by the current uncertainty surrounding global market conditions, as well as the competitive environment in which the Company operates.

The fair value of the DAS and DTI reporting units had exceeded their carrying values by 14% and 36%, respectively, as of the most recent annual impairment test on December 31, 2010. As the DAS and DLT reporting units did not underperform significantly during the nine months ended October 1, 2011 and no other negative qualitative factors were present, the Company determined it was not necessary to perform an interim impairment assessment for these reporting units as it does not believe that there were any events or changes in circumstances since December 31, 2010 that make it more likely than not that the fair value of those reporting units have decreased below their carrying amount. However, if the Company s stock price continues to decline and the reporting units begin to underperform for the reasons listed below, impairment charges could be triggered in the future:

- decline in business volumes due to reductions in Military spending, primarily driven by reductions in the U.S. Government s budgetary forecast and funding levels in the military markets resulting in the declines in the engineering services business from lower RDT&E budgets, reduced demand for specific engineering services as a result of increases in government in-sourcing and reduced Congressional earmarks;

- failure to win new business; and/or

- increased competition resulting in pressure on operating margins and cash flow.

In evaluating the Company s market capitalization compared to its net book value as of October 1, 2011, the Company determined the difference to be reasonable based on the decline in its stock price being a recent event, the control premium being representative of current transaction levels in the market, debt and equity to EBITDA multiples being within a reasonable range, and lack of significant underperformance at the DAS and DTI/DLT reporting units. The Company will perform its annual goodwill impairment test by the end of the fourth quarter.

Results of Operations

Third Quarter of 2011 Compared to Third Quarter of 2010

Sales, gross profit as a percentage of sales, selling, general and administrative expense as a percentage of sales, the effective tax rate and the diluted earnings per share in the three months ended October 1, 2011 and October 2, 2010, respectively, were as follows:

	(in thousands) Third Quarter October 1, 2011	October 2, 2010
Sales	$ 185,080	$ 99,443
Gross Profit % of Sales	18.5%	20.0%
SG&A Expense % of Sales	13.3%	13.8%
Effective Tax Rate/(Benefit)	30.2%	(1.5)%
Diluted Earnings Per Share	$ 0.09	$ 0.55

The Company s net sales by end use segment in the third quarter of 2011 and 2010, respectively, were approximately as follows:

Net Sales by Market

Sales		(in thousands) Third Quarter		% sales	
Consolidated Ducommun	Change	October 1, 2011	October 2, 2010	2011	2010
Military and Space	$ 36,827	$ 94,578	$ 57,751	51%	58%
Commercial Aerospace	2,454	44,146	41,692	24%	42%
Natural Resources	17,137	17,137		9%	%
Industrial	17,534	17,534		10%	%
Medical & Other	11,685	11,685		6%	%
Total	$ 85,637	$ 185,080	$ 99,443	100%	100%

Sales (in thousands)

Ducommun Aerostructures

	Change	Third Quarter October 1, 2011	October 2, 2010	% Sales 2011	2010
Military & Space	$ 4,028	$ 35,752	$ 31,723	48%	47%
Commercial Aerospace	3,413	39,324	35,911	52%	53%
Natural Resources				%	%
Industrial				%	%
Medical & Other				%	%
Total	$ 7,441	$ 75,076	$ 67,634	100%	100%

Sales (in thousands)

Ducommun LaBarge Technologies

	Change	Third Quarter October 1, 2011	October 2, 2010	% Sales 2011	2010
Military & Space	$ 32,799	$ 58,826	$ 26,028	53%	82%
Commercial Aerospace	(959)	4,822	5,781	4%	18%
Natural Resources	17,137	17,137		16%	%
Industrial	17,534	17,534		16%	%
Medical & Other	11,685	11,685		11%	%
Total	$ 78,196	$ 110,004	$ 31,809	100%	100%

The Company had substantial sales to Boeing, Raytheon, Owens-Illinois, Schlumberger and United Technologies. During the third quarters of 2011 and 2010, sales to these customers were as follows:

Net Sales to Top Customers

	(In thousands) Third Quarter	
Sales	October 1, 2011	October 2, 2010
Boeing	$ 30,099	$ 26,476
Raytheon	16,715	10,266
Owens-Illinois	10,167	
Schlumberger	8,695	
United Technologies	8,215	7,727
Total	$ 73,891	$ 44,469

Receivables

	(In thousands) Third Quarter October 1, 2011
Receivables	
Boeing	$ 11,039
Raytheon	8,981
Owens-Illinois	7,206
Total	$ 27,226

The sales and receivables relating to Boeing, Raytheon, Owens-Illinois, Schlumberger and United Technologies are diversified over a number of different military and space, commercial, aerospace, natural resources, industrial medical and other programs.

Sales for the third quarter of 2011 increased 86% to $185,080,000 as compared to $99,443,000 for the third quarter of 2010, reflecting sales of $83,800,000 from the LaBarge acquisition and 2% organic growth, primarily from increased sales of products for commercial aircraft.

Cost of Sales and Gross Profit

	(dollars in thousands) Third Quarter	
	October 1, 2011	October 2, 2010
Cost of Sales	$ 150,891	$ 79,506
Percent of Net Sales	81.5%	80.0%
Gross Profit	$ 34,189	$ 19,937
Gross Profit % of Sales	18.5%	20.0%

Gross profit margins vary considerably by contract. Gross profit dollars increased primarily due to the increased gross profit from the LaBarge acquisition. Gross profit percentages were lower in the 2011 period primarily due to a high proportion of sales of lower margin products, inventory step-up write-off related to the LaBarge acquisition and lower operating performance at DAS.

Selling, General and Administrative Expenses

	(dollars in thousands) Third Quarter	
	October 1, 2011	October 2, 2010
Selling, General and Administrative Expenses	$ 24,557	$ 13,705
% of Net Sales	13.3%	13.8%

The SG&A expenses increased primarily due to SG&A expenses from the newly acquired LaBarge organization of $11,271,000, including approximately $2,682,000 of acquisition-related expenses and $1,852,000 for amortization of intangibles.

Interest Expense

	(dollars in thousands) Third Quarter	
	October 1, 2011	October 2, 2010
Interest Expenses	$ 8,256	$ 544
% of Net Sales	4.5%	0.5%

The increase in interest expense was due to higher debt and interest rates related to the LaBarge acquisition.

Income Tax Expenses

	(dollars in thousands) Third Quarter	
	October 1, 2011	October 2, 2010
Income Taxes/(Benefit)	$ 415	$ (85)
Effective Tax Rate/(Benefit)	30.2%	(1.5)%

The Company s effective tax rate for the third quarter of 2011 was higher as a result of the non-deductibility of various expenses related to the acquisition of LaBarge, partially offset by various tax benefits related to research and development tax credits. The Company s effective tax benefit for the third quarter of 2010 was 1.5%, as a result of the revision of the Company s estimate of its unrecognized tax benefits related to research and development tax credits. The Company s effective tax rate for the third quarter of 2010 reflected no current year federal research and development tax benefits.

Due to acquisition-related expenses and higher interest expenses, the Company s net income was only $961,000, or $0.09 per diluted share, for the third quarter of 2011, compared to net income of $5,773,000, or $0.55 per diluted share, for the comparable period last year. The third quarter of 2011 results included pre-tax acquisition-related expenses (including cost of sales relating to the write-up of LaBarge inventory) of $3,860,000 ($2,694,000 after-tax, or $0.25 per diluted share). Excluding acquisition-related expenses (including cost of sales relating to the write-up of LaBarge inventory), net income would have been $3,655,000, or $0.34 per diluted share in the third quarter of 2011.

Nine Months of 2011 Compared to Nine Months of 2010

Sales, gross profit as a percentage of sales, selling, general and administrative expense as a percentage of sales, the effective tax rate and the diluted earnings per share in the nine months ended October 1, 2011 and October 2, 2010, respectively, were as follows:

	(in thousands) Nine Months Ended	
	October 1, 2011	October 2, 2010
Sales	$ 392,676	$ 306,636
Gross Profit % of Sales	18.7%	20.1%
SG&A Expense % of Sales	15.9%	12.9%
Effective Tax Rate	27.2%	23.4%
Diluted Earnings Per Share	$ 0.09	$ 1.48

Net Sales by Market

Sales		(dollars in thousands) Nine Months Ended		% Sales	
Consolidated Ducommun	Change	October 1, 2011	October 2, 2010	2011	2010
Military and Space	$ 23,549	$ 205,795	$ 182,246	52%	59%
Commercial Aerospace	16,135	140,525	124,390	36%	41%
Natural Resources	17,137	17,137		4%	%
Industrial	17,534	17,534		5%	%
Medical & Other	11,685	11,685		3%	%
Total	$ 86,040	$ 392,676	$ 306,636	100%	100%

Sales

(in thousands)

Ducommun Aerostructures

	Change	Nine Months October 1, 2011	October 2, 2010	% sales 2011	2010
Military & Space	$ 3,825	$ 101,960	$ 98,135	46%	48%
Commercial Aerospace	14,083	121,930	107,847	54%	52%
Natural Resources				%	%
Industrial				%	%
Medical & Other				%	%
Total	$ 17,908	$ 223,890	$ 205,982	100%	100%

Sales

(in thousands)

Ducommun Labarge Technologies

	Change	Nine Months October 1, 2011	October 2, 2010	% sales 2011	2010
Military & Space	$ 19,724	$ 103,835	$ 84,111	62%	84%
Commercial Aerospace	2,052	18,595	16,543	11%	16%
Natural Resources	17,137	17,137		10%	%
Industrial	17,534	17,534		10%	%
Medical & Other	11,685	11,685		7%	%
Total	$ 68,132	$ 168,786	$ 100,654	100%	100%

The Company had substantial sales to Boeing, United Technologies, Raytheon, and Spirit Aerosystems. During the nine months of 2011 and 2010, sales to these customers were as follows:

	(In thousands) Nine Months Ended October 1, 2011	October 2, 2010
Boeing	$ 84,302	$ 83,056
Raytheon	34,009	33,995
United Technologies	21,746	23,237
Spirit Aerosystems	21,593	20,206
Total	$ 161,650	$ 160,494

Sales for the first nine months of 2011 increased 28% to $392,676,000 compared to $306,636,000 for the first nine months of 2010, reflecting sales of $84,721,000 from the LaBarge acquisition as well as an increase in sales of products for commercial aircraft.

Cost of Sales and Gross Profit

	(dollars in thousands) Nine Months Ended	
	October 1, 2011	October 2, 2010
Cost of Sales	$ 319,075	$ 245,038
Percent of Net Sales	81.3%	79.9%
Gross Profit	$ 73,601	$ 61,598
Gross Profit % of Sales	18.7%	20.1%

Gross profit margins were lower in the 2011 period primarily due to a higher proportion of sales of lower margin products, inventory step-up write-off related to the LaBarge acquisition and lower operating performance at DAS, partially offset by higher gross profit margins from the LaBarge, Inc. acquisition. Gross profit, as a percent of sales, in the nine months of 2010 was favorably impacted by an adjustment to operating expenses of approximately $1,278,000, or 0.4 percentage points, relating to the reversal of certain accounts payable accruals recorded in prior periods.

Selling, General and Administrative Expense

	(dollars in thousands) Nine Months Ended	
	October 1, 2011	October 2, 2010
Selling, General and Administrative Expenses	$ 62,303	$ 39,484
% of Net Sales	15.9%	12.9%

The SG&A expenses in the first nine months of 2011 rose by $22,819,000 from the comparable period last year. The increase resulted from SG&A expenses of $11,839,000 from the newly acquired LaBarge organization, along with $11,785,000 of acquisition-related expenses at Corporate, partially offset by a reduction of $800,000 in other expenses.

Interest Expense

	(dollars in thousands) Nine Months Ended	
	October 1, 2011	October 2, 2010
Interest Expenses	$ 10,047	$ 1,692
% of Net Sales	2.6%	0.6%

The increased interest expense reflects approximately $7,524,000 of higher interest expense due to higher debt levels and interest rates, and the write-off of $831,000 of unamortized financing costs, as a result of the Company s debt refinancing related to the acquisition of LaBarge.

Income Tax Expenses

	(dollars in thousands) Nine Months Ended	
	October 1, 2011	October 2, 2010
Income Taxes	$ 340	$ 4,773
Effective Tax Rate	27.2%	23.4%

The decrease in income tax expense was due to lower income before taxes, primarily related to cost associated with the LaBarge acquisition. The Company s effective tax rate for the nine months of 2011 was higher as a result of the non-deductibility of various expenses related to the acquisition of LaBarge, partially offset by various tax benefits related to research and development tax credits. The Company s effective tax rate for the nine months of 2010 included benefits received from the revision of the Company s estimate of its unrecognized tax benefits related to research and development tax credits. The Company s effective tax rate for the nine months of 2010 reflected no current year federal research and development tax benefits.

Due to transaction-related expenses and higher interest expenses, the Company s net income was only $911,000, or $0.09 per diluted share for the first nine months of 2011, compared to net income of $15,649,000, or $1.48 per diluted share, for the comparable period last year. Excluding pre-tax acquisition-related expenses (including cost of sales relating to the write-up of LaBarge inventory) of $15,337,000, or $1.05 per diluted share, net income was $12,076,000, or $1.13 per diluted share in the first nine months of 2011.

Business Segment Performance

We report our financial performance based on the following two reportable segments: DAS and DLT. The results of operations among our operating segments vary due to differences in competitors, customers, extent of proprietary deliverables and performance. DAS engineers and manufactures aerospace structural components and subassemblies.

DLT, was formed in June 2011 by the combination of our former DTI segment and LaBarge. DLT designs, engineers and manufactures a broad range of electronic, electromechanical and interconnect systems and components. In addition, DLT provides technical and program management services (including design, development, and integration and testing of prototype products) principally for advanced weapons and missile defense systems.

We currently generate a majority of our revenue from customers in the aerospace and defense industry. In addition, we service technology driven markets in the industrial, natural resources and medical markets. The following table summarizes our net sales by end-market by business segment. The loss of one or more of our major customers, an economic downturn or a reduction in commercial aircraft production rates or defense markets could have a material adverse effect on our business.

DUCOMMUN INCORPORATED AND SUBSIDIARIES

BUSINESS SEGMENT PERFORMANDE

(In thousands)

(Unaudited)

	Three Months October 1, 2011	Three Months October 2, 2010	% Change	Nine Months October 1, 2011	Nine Months October 2, 2010	% Change
Net Sales:						
Ducommun AeroStructures	$ 75,076	$ 67,634	11.0%	$ 223,890	$ 205,982	8.7%
Ducommun LaBarge Technologies	110,004	31,809	245.8%	168,786	100,654	67.7%
Total Net Sales	$ 185,080	$ 99,443	86.1%	$ 392,676	$ 306,636	28.1%
Segment Operating Income (1)						
Ducommun AeroStructures	$ 6,503	$ 6,725		$ 22,414	$ 23,343	
Ducommun LaBarge Technologies	7,287	3,120		12,129	8,912	
	13,790	9,845		34,543	32,255	
Corporate General and Administrative Expenses (2)	(4,158)	(3,613)		(23,245)	(10,141)	
Total Operating Income	$ 9,632	$ 6,232		$ 11,298	$ 22,114	
EBITDA (1)						
Ducommun AeroStructures						
Operating Income	$ 6,503	$ 6,725		$ 22,414	$ 23,343	
Depreciation and Amortization	2,681	2,243		7,710	7,110	
	9,184	8,968		30,124	30,453	
Ducommun LaBarge Technologies						
Operating Income	7,287	3,120		12,129	8,912	
Depreciation and Amortization	4,745	983		6,725	2,902	
	12,032	4,103		18,854	11,814	
Corporate General and Administrative Expenses (2)(3)						
Operating Income	(4,158)	(3,613)		(23,245)	(10,141)	
Depreciation and Amortization	29	4		37	58	
	(4,129)	(3,609)		(23,208)	(10,083)	
EBITDA	$ 17,087	$ 9,462		$ 25,770	$ 32,184	
Adjusted EBITDA						
Merger related transaction expenses (4)	$ 308	$		$ 11,785	$	
Merger related change-in-control compensation expenses (5)	2,374			2,374		
	2,682			14,159		
Adjusted EBITDA	$ 19,769	$ 9,462		$ 39,929	$ 32,184	
Capital Expenditures:						
Ducommun AeroStructures	$ 2,838	$ 734		$ 6,972	$ 3,363	

Ducommun LaBarge Technologies		2,494		532		3,970		1,622
Corporate Administration		50		9		244		69
Total Capital Expenditures	$	5,382	$	1,275	$	11,186	$	5,054

(1) Before certain allocated corporate overhead.

(2) Includes approximately $0.3 million and $11.8 million of merger-related transaction expenses in the three months 2011 and nine months 2011, respectively, related to the LaBarge acquisition.

(3) Certain expenses, previously incurred by the operating units, are now included in the corporate general and administrative expenses as a result of the Company s organizational changes.

(4) Includes investment banking, accounting, legal, tax and valuation expenses as a direct result of the LaBarge acquisition.

(5) Merger-related transaction costs resulting from a change-in-control provision for certain LaBarge key executives and employees arising in connection with the LaBarge acquisition.

Ducommun AeroStructures: DAS segment net sales increased by 11.0% to $75,100,000 for the quarter ended October 1, 2011 and increased by 8.7% to $223,900,000 for the nine months ended October 1, 2011. The increase for the three months was due to an increase in both commercial and military sales. The increase for the nine months was primarily due to an increase in commercial sales, primarily for large commercial aircraft and regional jet programs.

Ducommun LaBarge Technologies: DLT segment net sales increased by 245.8% to $110,004,000 for the quarter ended October 1, 2011 and increased 67.7% to $168,786,000 for the nine months ended October 1, 2011. Net sales increased primarily due to $83,848,000 and $84,722,000 in sales from the LaBarge acquisition for the third quarter and first nine months of 2011, respectively.

DAS segment operating income and EBITDA were down slightly in the third quarter and first nine months of 2011 from the comparable period in 2010 primarily from an increased portion of sales of lower margin products and slightly lower operating performance compared to last year s comparable period. In addition, operating income and EBITDA for the nine months of 2010 were favorably impacted by an adjustment to operating expenses of $1,285,000, or 0.6 percentage points, relating to the reversal of certain accounts payable accruals.

DLT segment operating income and EBITDA were higher as a result of added operating income from the LaBarge acquisition, partially offset by lower engineering services operating income. In addition, DLT incurred certain costs during the quarter relating to the completion of the consolidation of one of its product lines.

Backlog

Backlog is subject to delivery delays or program cancellations, which are beyond the Company s control. As of October 1, 2011, backlog believed to be firm was approximately $611,722,000 compared to $328,045,000 at December 31, 2010. The increase in backlog was mainly due to backlog from the acquisition of LaBarge of $258,743,000, along with higher backlog for the Boeing 777 aircraft, and the Apache and Blackhawk helicopters. Approximately $172,000,000 of total backlog is expected to be delivered during the remainder of 2011.

Trends in the Company s overall level of backlog, however, may not be indicative of trends in future sales because the Company s backlog is affected by timing differences in the placement of customer orders and because the Company s backlog tends to be concentrated in several programs to a greater extent than the Company s sales.

Backlog at October 1, 2011 was broken down as follows:

		(in thousands)	
Ducommun Incorporated	Change	October 1, 2011	December 31, 2010
Military and Space	$ 177,494	$ 320,915	$ 143,421
Commercial Aerospace	8,865	193,489	184,624
Natural Resources	44,523	44,523	
Industrial	28,347	28,347	
Medical & Other	24,448	24,448	
Total	$ 283,677	$ 611,722	$ 328,045

		(in thousands)	
Ducommun AeroStructures	Change	October 1, 2011	December 31, 2010
Military and Space	$ 28,321	$ 120,448	$ 92,127
Commercial Aerospace	2,267	172,317	170,050
Natural Resources			
Industrial			
Medical & Other			
Total	$ 30,588	$ 292,765	$ 262,177

		(in thousands)	
Ducommun LaBarge Technologies	Change	October 1, 2011	December 31, 2010
Military and Space	$ 149,173	$ 200,467	$ 51,294
Commercial Aerospace	6,598	21,172	14,574
Natural Resources	44,523	44,523	
Industrial	28,347	28,347	
Medical & Other	24,448	24,448	
Total	$ 253,089	$ 318,957	$ 65,868

Financial Condition

Cash Flow Summary

Net cash used in operating activities for the nine months of 2011 and 2010 was $28,896,000 and $2,715,000, respectively. Net cash used in operating activities during the nine months of 2011 was impacted by lower net income, an increase in accounts receivables, primarily related to the timing of billings to customers and extension of payments by the customers, an increase in inventory, primarily related to work-in-process for production jobs scheduled to ship in 2011 and afterward, payments of accounts payable, increase in other assets and payments in 2011 for expenses recorded in accrued liabilities in 2010. Net cash used in operating activities for the nine months of 2011was also negatively impacted by $18,111,000 of acquisition expenses impacting net income.

Net cash used in investing activities for the nine months of 2011 was $336,450,000. This consisted of $325,315,000 for the acquisition of LaBarge and $400,000 for the acquisition of Foam Matrix, $11,186,000 of capital expenditures and proceeds of $451,000 from the sale of assets.

Net cash used in financing activities for the nine months of 2011 of $374,454,000 included approximately $390,000,000 of borrowings, primarily to finance the acquisition of LaBarge, $786,000 of repayment of senior notes, term loan and revolver debt, $14,025,000 of debt issue cost paid, also related to the acquisition of LaBarge and $790,000 of dividend payments.

Liquidity and Capital Resources

At October 1, 2011, the Company had $58,410,000 of unused revolver lines of credit, after deducting $1,590,000 for outstanding standby letters of credit. The Company had no outstanding revolver loans and was in compliance with all covenants at October 1, 2011. The weighted average interest rate on borrowings outstanding was 7.66% at October 1, 2011, compared to 3.06% at October 2, 2010. The carrying amount of long-term debt approximates fair value based on the terms of the related debt, recent transactions and estimates using interest rates currently available to the Company for debt with similar terms and remaining maturities.

In connection with the acquisition of LaBarge on June 28, 2011, the Company borrowed $190,000,000 under a senior secured term loan and entered into a senior secured revolving credit facility of $60,000,000. Both the term loan and the credit facility provide the option of choosing the LIBOR rate (with a Libor rate floor of 1.25%) plus 4.25%, or the Alternate Base Rate (with an Alternative Base Rate floor of 2.25%) plus 3.25%. The Alternate Base Rate is the greater of the (a) Prime rate and (b) Federal Funds rate plus 0.5%. The term loan requires quarterly principal payments of $475,000 beginning on September 30, 2011 and mandatory prepayment of certain amounts of excess cash flow on an annual basis beginning 2012. The Company made a $475,000 payment on the term loan in September 2011. The revolving credit facility matures on June 28, 2016 and the term loan matures on June 30, 2017. The revolving credit facility and term loan contain minimum EBITDA and maximum leverage ratio covenants under certain circumstances, as well as limitations on future disposition of property, capital expenditures, investments, acquisitions, repurchase of stock, dividends, and outside indebtedness.

In connection with the acquisition of LaBarge, the Company also issued $200,000,000 of senior unsecured notes with interest of 9.75% per annum, payable semi-annually on January 15 and July 15 of each year, beginning in 2012. The senior unsecured notes mature on July 15, 2018, at which time the entire principal amount is due.

The Company continues to depend on operating cash flow and the availability of its bank line of credit to provide short-term liquidity. Cash from operations and bank borrowing capacity are expected to provide sufficient liquidity to meet the Company s obligations during the next twelve months.

In connection with the DAS-New York acquisition in December 2008, the Company issued a promissory note in the initial principal amount of $7,000,000 with interest of 5% per annum payable annually on each anniversary of the closing date (December 23). Principal of the promissory note in the amount of $4,000,000 was paid on June 23, 2010 and $3,000,000 is payable on December 23, 2013.

The Company expects to spend approximately $17,000,000 for capital expenditures in 2011. The increase in capital expenditures in 2011 from 2010 is principally to support new contract awards at DAS and DLT, including LaBarge capital expenditures, and offshore manufacturing expansion. The Company believes the ongoing subcontractor consolidation makes acquisitions an increasingly important component of the Company s future growth. The Company will continue to make prudent acquisitions and capital expenditures for manufacturing equipment and facilities to support long-term contracts for commercial and military aircraft programs, defense, medical, natural resources, industrial and other commercial markets. As part of the Company s strategic direction in moving to 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.

The Company has made guarantees and indemnities under which it 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, the Company has indemnified its lessors for certain claims arising from the facility or the lease. The Company indemnifies its directors and officers to the maximum extent permitted under the laws of the State of Delaware. However, the Company has a directors and officers insurance policy that may reduce its exposure in certain circumstances and may enable it 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 the Company could be obligated to make. Historically, payments related to these guarantees and indemnities have been immaterial. The Company estimates the fair value of its indemnification obligations as insignificant based on this history and insurance coverage and has, therefore, not recorded any liability for these guarantees and indemnities in the accompanying consolidated balance sheets. However, there can be no assurances that the Company will not have any future financial exposure under these indemnification obligations.

As of October 1, 2011, the Company expects to make the following payments on its contractual obligations (in thousands):

		Payments Due by Period			
Contractual Obligations	Total	Remainder of 2011	2012-2013	2014-2015	After 2015
Long-term debt	$ 392,734	$ 490	$ 6,923	$ 3,847	$ 381,474
Operating leases	19,893	1,892	11,679	4,067	2,255
Pension liability	9,657	197	1,759	2,010	5,691
Liabilities related to uncertain tax position	1,974	157	947	870	
Future interest on notes payable and long-term debt	196,264	2,756	60,942	59,195	73,371
Total	$ 620,522	$ 5,492	$ 82,250	$ 69,989	$ 462,791

Ducommun has been named as a defendant in five putative class actions filed in April, 2011 by purported stockholders of LaBarge against LaBarge, its Board of Directors and Ducommun in connection with the LaBarge acquisition. Two of the stockholder actions (filed by purported class representatives Barry P. Borodkin and Insulators and Asbestos Workers Local No. 14) were filed in the Delaware Chancery Court, and the court consolidated those two actions. The other three stockholder actions (filed by purported class representatives J. M. Foley, Jr., William Wheeler and Doris A. Gastineau) were filed in the Circuit Court of St. Louis County, Missouri, and that court consolidated those three actions. The consolidated Delaware and Missouri putative class actions generally allege that the individual members of the Board of Directors of LaBarge breached their fiduciary duties to LaBarge stockholders with respect to the merger transaction announced on April 4, 2011. These actions also allege that Ducommun and LaBarge aided and abetted the breach of fiduciary duties. They seek equitable relief (including injunctive relief), judicial declarations that the merger agreement was entered into in breach of the LaBarge directors fiduciary duties, rescission of the transactions contemplated by the merger agreement, and the award of attorneys fees and expenses for the plaintiffs. In the Delaware consolidated actions, the parties engaged in expedited discovery in connection with a preliminary injunction hearing scheduled for June 17, 2011. After document discovery and depositions, and before the plaintiffs filed their motion for preliminary injunction, the parties negotiated and signed a memorandum of understanding to settle plaintiffs claims. The preliminary settlement is subject to a definitive agreement and final approval of the Delaware Chancery Court. There can be no assurance that the parties will ultimately enter into a stipulation of settlement or that the Chancery Court will approve the settlement even if the parties do enter into such stipulation. In the Missouri consolidated actions, the defendants sought a stay of the Missouri actions from the Missouri court, the plaintiffs opposed that request, and the Missouri court stayed the actions. Plaintiffs sought reconsideration of the court s stay, and the defendants opposed that request. On June 16, 2011, a hearing before the Missouri court was held on plaintiffs motion for reconsideration. On June 20, 2011, the Missouri court denied plaintiffs motion for reconsideration and reaffirmed the court s stay. Ducommun believes these lawsuits are without merit, and in the event that settlement of these claims is not finalized, intends to defend them vigorously.

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 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 the Boeing Commercial Airplane Group-Wichita Division which were installed by Boeing in aircraft ultimately sold to the United States Government. The number of Boeing aircraft subject to the lawsuit has been reduced to 21 aircraft following the District Court s granting of partial summary judgment in favor of Boeing and Ducommun. The lawsuit seeks damages, civil penalties and other relief from the defendants for presenting or causing to be presented false claims for payment to the United States Government. Although the amount of alleged damages are not specified, 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 $10,000 for each false claim made on or before September 28, 1999, and $11,000 for each false claim made on or after September 28, 1999, together with attorneys fees and costs. One of Relators experts has opined that the United States Government s damages are in the amount of $833,000,000. After investigating the allegations, the United States Government has declined to intervene in the lawsuit. 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 ground water contamination at its facilities located in El Mirage and Monrovia, California. Based on currently available information, the Company has established a reserve for its estimated liability for such investigation and corrective action in the approximate amount of $1,509,000. DAS also faces liability as a potentially responsible party for hazardous waste disposed at two landfills located in Casmalia and West Covina, California. DAS and other companies and government entities have entered into consent decrees with respect to each landfill 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, at the West Covina landfill the Company preliminarily estimates that the range of its liabilities in connection with the landfill is between approximately $900,000 and $3,300,000. The Company established a reserve for its estimated liability and has been making payments against this liability. The balance in the reserve included in the Company s liabilities, in connection with the West Covina landfill was approximately $732,000 at October 1, 2011. The Company 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, the Company makes various commitments and incurs contingent liabilities. While it is not feasible to predict the outcome of these matters, the Company 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.

Off-Balance Sheet Arrangements

The Company s off-balance sheet arrangements consist of operating leases and indemnities.

Recent Accounting Pronouncements

In May 2011, the FASB issued amendments to disclosure requirements for common fair value measurement. These amendments, effective for the interim and annual periods beginning on or after December 15, 2011 (early adoption is prohibited), result in common definition of fair value and common requirements for measurement of and disclosure requirements between U.S. GAAP and IFRS. Consequently, the amendments change some fair value measurement principles and disclosure requirements. The implementation of this amended accounting guidance is not expected to have a material impact on our consolidated financial position and results of operations.

In June 2011, the FASB issued amendments to disclosure requirements for presentation of comprehensive income. This guidance, effective retrospectively for the interim and annual periods beginning on or after December 15, 2011 (early adoption is permitted), requires presentation of total comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The implementation of this amended accounting guidance is not expected to have a material impact on our consolidated financial position and results of operations.

In September 2011, the FASB issued amendments to the goodwill impairment guidance which provides an option for companies to use a qualitative approach to test goodwill for impairment if certain conditions are met. The amendments are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011 (early adoption is permitted). The implementation of amended accounting guidance is not expected to have a material impact on our consolidated financial position and results of operations.

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.

DUCOMMUN INCORPORATED
(Registrant)

By: /s/ Joseph P. Bellino
Joseph P. Bellino
Vice President and Chief Financial Officer
(Duly Authorized Officer of the Registrant)

By: /s/ Samuel D. Williams
Samuel D. Williams
Vice President and Controller
(Chief Accounting Officer of the Registrant)

Date: January 6, 2012

Exhibits

31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002