



DOREL DETAILS IMPACT OF KMART EXPOSURE

Company Maintains 2002 Guidance

JUVENILE

Cosco
Maxi-Miliaan B.V.
Safety 1st
Dorel (U.K.)

READY-TO-ASSEMBLE

Ameriwood
Ridgewood

HOME FURNISHINGS

Dorel Home Products
Cosco
Dorel Asia

EXCHANGES

CANADA:
Toronto
Stock Exchange:
DII.A, DII.B

U.S.A.:
NASDAQ:
DIIBF

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Montreal, January 22, 2002 - Dorel Industries Inc. (TSE: DII.A, DII.B; NASDAQ: DIIBF) has provided details on its exposure to Kmart in light of the retailer's announcement today that it had filed for Chapter 11 bankruptcy protection. Dorel expects that it will incur an additional expense of no more than \$0.05 per share related to its outstanding receivables from Kmart. This expense will be booked in the Company's December 31, 2001 results, to be released in February. The Company also confirmed that despite this event, it is maintaining its recently released earnings per share guidance for the 2002 fiscal year of \$1.90 to \$2.00 per share.

The Company stated that its current accounts receivable exposure was limited due to the effective use of credit insurance and the close monitoring of the Kmart account. Going forward, Dorel intends to work with Kmart and continue shipping, once satisfactory assurances are obtained from the bankruptcy courts.

Mr. Martin Schwartz, President and Chief Executive Office of Dorel stated, "We have enjoyed an excellent relationship with Kmart over the years and are hopeful that today's filing under the bankruptcy protection laws will allow Kmart to address its problems. We expect Kmart to once again be a strong partner going forward."

DOREL PROFILE

Dorel Industries Inc. is a rapidly growing, consumer products manufacturer specializing in three product areas. Dorel's product offerings include juvenile products such as infant car seats, strollers, high chairs, toddler beds, cribs, infant health and safety aids, play-yards and juvenile accessories; a wide variety of ready-to-assemble (RTA) furniture for home and office use; and home furnishings such as metal folding furniture, chairs, tables, bunk beds, futons and step stools.

Dorel employs approximately 3,800 people in nine countries. Major North American facilities are located in Montreal, Quebec; Cornwall, Ontario; Columbus, Indiana; Wright City, Missouri; Tiffin, Ohio; Dowagiac, Michigan; Cartersville, Georgia and Canton, Massachusetts. The Company's major divisions in the United States include Cosco, Ameriwood and Safety 1st. In Canada, Dorel operates Ridgewood and Dorel Home Products. European operations are carried out through Maxi-Miliaan B.V. in the Netherlands as well as Dorel (U.K.) in the United Kingdom.

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Forward-looking statement

Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of the Company. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.