



## C O M M U N I Q U É

### **DOREL JUVENILE GROUP, North America**

Cosco  
Safety 1<sup>st</sup>

### **DOREL JUVENILE GROUP, Europe**

Maxi Cosi

### **HOME FURNISHINGS**

Ameriwood  
Ridgewood  
Dorel Home Products  
Cosco  
Dorel Asia

### **EXCHANGES**

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

**U.S.A.:**  
NASDAQ:  
**DIIBF**

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## **DOREL PROJECTS STRONG GROWTH IN 2003**

**Montreal, January 28, 2003**--Dorel Industries Inc. (TSE: DII.A, DII.B; NASDAQ: DIIBF) today issued full year guidance for 2003 stating that it expects to earn between \$2.30 to \$2.36 per share for the year ending December 30, 2003. This marks a significant increase from the last 2002 guidance that the company issued. The increase comes despite the dilutive effect of a 7% increase in the number of shares used in determining Earnings per Share for 2003.

### **Modified Reporting for Operating Segments**

Dorel also announced that it is modifying the way in which it will report its operating segments going forward. The Ready-to-Assemble and Home Furnishing segments are to be combined into one segment that will be referred to as Home Furnishings. Over the past number of years the operating units within these two segments have become increasingly integrated in the way they are operated and in the way they are reported internally. This change is in accordance with Canadian Generally Accepted Accounting Principles (GAAP), which considers the similar nature of the customers, products, production processes and distribution channels employed by the business units that make up these two segments.

### **2003 Segmented Guidance**

This newly combined Home Furnishings segment should record sales of between \$500 and \$550 million with earnings from operations of between 13% to 14% of sales. The Juvenile Segment is expected to record sales of between \$560 and \$600 million and earnings from operations of between 9.5% and 10.5% of sales.

Home Furnishings should experience improvement over 2002. Imports are becoming a larger part of the segment and will continue to drive sales growth. The dramatic pace of improvement in the futon business will slow, but all of the other units within the group are expected to show growth in sales and earnings. A much greater effort is also being made within the manufacturing operations to open new accounts and to develop new product lines for markets where in the past Dorel did not compete. These factors, along with the expected improvements in purchasing, should allow this segment to show strong growth over 2002.

In Juvenile, improvements are expected in Europe and North America. Sales growth is expected to be outpaced by earnings as operations should improve due to Management's considerable emphasis on improving margins, cutting costs and leveraging purchasing power. The improvement programs put in place in 2002 will begin to show results in 2003.

"Despite the highly competitive conditions in the markets we serve, I am pleased that both of our segments are on track for growth and profitability in 2003," said Martin Schwartz, President and CEO of Dorel Industries. "We remain committed to our growth strategies, and to increasing our global presence in the markets in which we specialize."

## **PROFILE**

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

Dorel employs approximately 3,500 people in nine countries. Major North American facilities are located in Montreal, Quebec; Cornwall, Ontario; Columbus, Indiana; Wright City, Missouri; Tiffin, Ohio; Dowagiac, Michigan; and Canton, Massachusetts. The Company's major divisions in the United States include Ameriwood Industries and the Dorel Juvenile Group (DJG USA), which incorporates the Cosco and Safety 1<sup>st</sup> brand names. In Canada, Dorel operates Ridgewood Industries and Dorel Home Products. European operations are carried out through the Dorel Juvenile Group (DJG Europe) which includes the Maxi-Cosi, Quinny and Safety 1<sup>st</sup> brand names. Dorel's international sourcing operations are carried out through Dorel Asia based in Hong Kong.

### **Forward-Looking Statements**

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.