



C O M M U N I Q U É

JUVENILE

Cosco
Safety 1st
Maxi-Cosi
Bébé Confort
Quinny
Baby Relax
Babidéal
Mon Bébé
Bertini
Mother's Choice

RECREATIONAL / LEISURE

Cannondale
GT
SUGOi
Pacific Cycle
Schwinn
Mongoose
InSTEP
PlaySafe
Pacific Outdoors

HOME FURNISHINGS

Ameriwood
Altra Furniture
Dorel Home Products
Cosco Home & Office
Dorel Asia
Cosco Ability Care Essentials
Adepta

EXCHANGES
TSX: DII.B, DII.A

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DOREL LOOKS TO STRONG 2008

- Year begins with best quarter ever with record Juvenile performance
- Company seeks to become global force in bicycles
- RTA furniture has turned the corner

Montreal, May 27, 2008 — Dorel Industries Inc. (TSX: DII.B DII.A) President and CEO, Martin Schwartz, today painted an optimistic picture for shareholders attending the Company's annual meeting. He reported that the Juvenile segment has had a strong start to the year, both in North America and Europe, thanks to Dorel's innovative product development, its diversity of branded products and price points. Further, the addition of revenue and earnings from newly acquired Cannondale bicycles and SUGOi apparel help push the Recreational/Leisure segment to new heights, and even ready-to-assemble (RTA) furniture's results were significantly better. "There is a great deal happening at Dorel and we will continue to optimize the results of each of our segments," stated Mr. Schwartz.

2008 has begun with its best quarter ever. For the period ended March 31, 2008, Dorel posted revenue of US\$556 million and net income of US\$35.1 million or US\$1.05 per share.

Growing Juvenile

The focus on Juvenile, now a US\$1 billion business for Dorel, continued to pay off as the segment posted its most successful year ever in 2007. The first quarter of 2008 kept pace with a 20.1% top line growth and an 8.5% gain in earnings from operations. Dorel is the world's largest juvenile products company in its categories and is further building on this strength. Dorel Europe has been a driving force in Juvenile and again set new records in revenue and earnings during the first quarter due to its innovation and dominant position in the mid-to-high price categories of car seats and strollers.

Mr. Schwartz said the growth is also the result of the increasing cooperation between the US and European Juvenile divisions to maximize opportunities. "The concurrent U.S. launch last summer of Europe's Maxi Cosi and Quinny higher price-point brands has been an overwhelming hit and highlights the progress we're making with the introduction of Dorel's European-styled products in the U.S. In 2006 Dorel Juvenile Group USA recorded just \$1 million in sales in European products, while this year it is estimated they will do \$17 million."

Seeking a dominant position in bicycles

Shareholders were told that Dorel plans to aggressively develop its bicycle business. The February Cannondale purchase is the first step in the Company's goal to become the world's number one Independent Bicycle Dealer (IBD) player. Backed by Dorel's extensive resources, the Cannondale Sports Group, a newly formed Recreational/Leisure division, is already building on Cannondale's strengths to grow significantly within the IBD channel. Initial results are highly encouraging. The first quarter this year included two months of Cannondale/SUGOi revenue and helped push year-over-year Recreational/Leisure revenue up 55%, while earnings from operations soared 106%. Pacific Cycle was a strong contributor to the quarter as well with robust sales at its mass merchant customers.

"The purchase of Cannondale and SUGOi immediately establishes huge IBD positioning for Dorel and will help us move toward a dominant worldwide position in the bicycle industry. Our intention is to seek further acquisitions in similar high quality, performance bicycle companies and create new innovative products. We sincerely believe that with our strong and respected premium brands we can build our bicycle business into a global force much as we have established our juvenile segment to satisfy consumers worldwide in both the mass merchant and independent boutique channels."

Re-establishing RTA furniture

There was also good news concerning Ameriwood, Dorel's RTA furniture business. The division has been the focus of intensive restructuring after it was determined that its factory network exceeded anticipated market needs. As a result, there are now two efficient plants in North America instead of four three years ago. RTA is running well and is very busy. Last month Ameriwood posted its fourth successive profitable quarter.

"We had not commented on our RTA furniture business for some time, as we were not comfortable that things were solidly headed in the right direction. That has now changed. We have turned the corner at Ameriwood and we feel we will continue to make inroads in the RTA furniture industry, given our reduced manufacturing footprint, efficiencies and considerable new product pipeline, including items with mid to high price points," commented Dorel's CFO, Jeffrey Schwartz.

Outlook

"Our first quarter performance is proof that Dorel has the right combination of products and price points for consumers at the right time. With the difficult economy in North America, consumers are shopping more at mass merchants where Dorel has traditionally been strong. In Europe, conditions are better. Consumers continue to seek higher-end products at independents and boutiques, and Dorel's European operations enjoy a solid position in this market. Dorel has the flexibility and product diversity to deal with varying markets," concluded Mr. Schwartz.

Profile

Dorel Industries Inc. (TSX: DII.B, DII.A) is a world class juvenile products and bicycle company. Established in 1962, Dorel creates style and excitement in equal measure to safety, quality and value. The Company's lifestyle leadership position is pronounced in both its Juvenile and bicycle categories with an array of trend-setting products. In the Juvenile segment, Dorel's powerfully branded products such as **Quinny**, **Maxi-Cosi**, **Safety 1st** and **Bébé Confort** have shown the way to safety, originality and fashion. Similarly, its highly popular brands such as **Cannondale**, **Schwinn**, **GT**, **Mongoose** and **Sugoi** have made Dorel a principal player with both independent bicycle dealers and mass merchants. Dorel's Home Furnishings segment markets a wide assortment of furniture products, both domestically produced and imported. The Company exerts relentless innovation and marketing flair across all of its divisions. Dorel is a \$2 billion company with forty-six hundred employees, facilities in seventeen countries, and sales worldwide.

US operations include **Dorel Juvenile Group USA**; the **Cannondale Sports Group**; **Pacific Cycle**; **Ameriwood Industries** which produces ready-to-assemble furniture; **Altra Furniture**; and **Cosco Home & Office**. In Canada, Dorel operates **Dorel Distribution Canada**, **Dorel Home Products** and **Sugoi**. Abroad, operations include **Dorel Europe** and **IGC** in Australia, a manufacturer and distributor of juvenile products. **Dorel Asia** sources and imports home furnishings products. **Dorel China** has eight offices which oversee the sourcing, engineering and logistics of the Company's Asian supplier chain.

Caution Concerning 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 Dorel Industries Inc. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. The business of the Company and these forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ from expected results. Important factors which could cause such differences may include, without excluding other considerations, increases in raw material costs, particularly for key input factors such as particle board and resins; increases in ocean freight container costs; failure of new products to meet demand expectations; changes to the Company's effective income tax rate as a result of changes in the anticipated geographic mix of revenues; the impact of price pressures exerted by competitors, and settlements for product liability cases which exceed the Company's insurance coverage limits. A description of the above mentioned items and certain additional risk factors are discussed in the Company's Annual MD&A and Annual Information Form, filed with the securities regulatory authorities in Canada and the U.S. The risk factors outlined in the previously mentioned documents are specifically incorporated herein by reference. The Company's business, financial condition, or operating results could be materially adversely affected if any of these risks and uncertainties were to materialize. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

- 30 -