



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'S PACIFIC CYCLE FURTHER STRENGTHENS MASS MARKET POSITION WITH PURCHASE OF PTI SPORTS ASSETS

- Bicycle parts and accessories company second largest in U.S.
- PTI known for innovation and strong brands

Montreal, June 26, 2008---Dorel Industries Ltd. (TSX: DII.A, DII.B;) today announced its Pacific Cycle division has acquired the assets of PTI Sports, a leading U.S. designer, manufacturer and distributor of bicycle parts, helmets and other accessories. The purchase is in line with Dorel's strategy to aggressively grow its bicycle and juvenile products businesses. PTI will be integrated into the Pacific Cycle division within Dorel's Recreational/Leisure segment. The transaction will be immediately accretive to earnings.

The purchase price was US\$28.1 million. PTI recorded sales of US\$ 65 million and an adjusted EBITDA of US\$ 5 million in the 2007 fiscal year.

Established in 1991, PTI Sports has widespread distribution at the key mass and sporting goods retailers throughout North America, including Category Manager positions and 100% exclusive agreements with a number of its customers. With a dedication to product innovation, PTI's brand portfolio is the strongest in the industry, with such licenses as: Schwinn, Mongoose, Disney, Nickelodeon, Mattel (Polly) Master Lock, Thomas the Train and The Discovery Channel. PTI is the number two North American player in the bicycle helmet market.

Pacific Cycle and PTI Sports began its relationship in 2002 with a license agreement to bring Schwinn and Mongoose branded bicycle parts and accessories to market. Since then, the ties between the two organizations have developed into a partnership that includes marketing initiatives and product development innovations.

An excellent fit with Dorel's growth strategy

Dorel President and CEO, Martin Schwartz stated the PTI Sports acquisition underscores the Company's commitment to enhance shareholder value. "We are executing on our plan to focus on and grow our Recreational/Leisure segment. In February Dorel purchased Cannondale bicycles and SUGOi fitness apparel to augment our position in the independent bicycle dealer (IBD) category. While this transaction will have little impact on our IBD business, PTI fits perfectly with Pacific Cycle, our mass merchant division, and we can now go to the major chains and offer integrated buying with both bicycles and bike accessories."

Synergies

There are significant synergies between Pacific Cycle and PTI Sports that will provide a strong foundation going forward.

- In most cases, the same buyers that are responsible for the bicycle category also manage the parts and accessories category. This allows for a more efficient and consolidated sales effort.
- Parts and accessories are a natural extension of Pacific Cycle's current product categories.
- As a division of Dorel, Pacific Cycle has the resources to allow for greater economies of scale, unique technologies and the ability to bring new products to market faster in a wide variety of product categories, including parts and accessories.
- The acquisition of PTI Sports allows for an ease in executing new marketing initiatives between compatible product lines and developing wide-reaching, exclusive programs for key retailers.

"We are excited about this transaction as we will be able to quickly integrate PTI into Pacific Cycle, enabling us to capture and greater leverage our combined synergies, as well as provide additional innovative solutions to our customers. We clearly anticipate upside potential," said Alice Tillett, President of Pacific Cycle.

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.