



C O M M U N I Q U É

**JUVENILE**

- Cosco
- Safety 1<sup>st</sup>
- 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 REPORTS ROBUST FIRST QUARTER**

- Revenue increases 22% to US\$556 million
- Net income improves 26% to US\$35 million
- Dorel Europe posts best quarter ever
- Cannondale/SUGOi acquisition boosts Recreational/Leisure segment

**Montreal, April 30, 2008** — Dorel Industries Inc. (TSX: DII.B DII.A) today released strong results for the first quarter ended March 31, 2008. Total revenue for the period increased 22.0% to US\$556.0 million from US\$455.7 million last year. First quarter 2008 revenue includes two months of revenue from the February 4, 2008 acquisition of the Cannondale Bicycle Corporation and SUGOi Performance Apparel. Net income for the first quarter was US\$35.1 million or US\$1.05 per diluted share, up 25.7% from US\$27.9 million or US\$0.85 per diluted share in 2007. First quarter 2008 pre-tax earnings rose 43.8% to US\$42.5 million from US\$29.5 million in the first quarter a year ago.

“The first quarter performance clearly indicates that Dorel has the right combination of products and price points for consumers at the right time. In light of the difficult economy in the United States, we are seeing consumers shopping more at mass merchants where Dorel has traditionally been strong. In Europe, where conditions remain better, consumers continue to seek higher-end products, and Dorel’s European operations enjoy a solid position in this market. It is also satisfying to report that we have turned the corner in our ready-to-assemble furniture business. Notwithstanding this strong start, it is unclear what the balance of the year will bring due to the weak economy in the U.S. and the current increasing cost environment,” said Dorel CEO and President, Martin Schwartz.

Summary of Financial Highlights			
First Quarters Ended March 31			
All figures in thousands of US \$, except per share amounts			
	2008	2007	Change %
Revenues	556,034	455,669	22.0%
Net income	35,133	27,939	25.7%
Per share – Basic	1.05	0.85	23.5%
Per share - Diluted	1.05	0.85	23.5%
Average number of shares outstanding –			
diluted weighted average	33,397,803	32,990,690	

## Segmented Information

Effective January 2008, Dorel has re-classified certain Dorel Asia figures to the Juvenile segment from the Home Furnishings segment. To allow for better year-over-year comparability, prior year comparative segmented revenues of US\$17.1 million and earnings from operations of US\$2.4 million have been reclassified.

### Juvenile

First Quarters Ended March 31					
	2008		2007		
	\$	% of rev.	\$	% of rev.	Change %
Revenues	317,579	100.0%	264,400	100.0%	20.1%
Gross Profit	94,979	29.9%	82,304	31.1%	15.4%
Earnings from operations	37,229	11.7%	34,323	13.0%	8.5%

Dorel Europe had its best quarter ever with record sales and earnings. Gains came in virtually all of the Company's European markets and were particularly strong in Germany and France. Driven by DJG USA, where sales were up across almost all product categories, revenue in North America increased by almost 20%. Due to the timing of the settlement of some product liability cases, the related costs in the quarter were US\$5.2 million higher than in the first quarter of 2007. Despite this increase, the Company remains on track with its current full year product liability budget.

### Recreational/Leisure

First Quarters Ended March 31					
	2008		2007		
	\$	% of rev.	\$	% of rev.	Change %
Revenues *	136,144	100.0%	87,889	100.0%	54.9%
Gross Profit	34,626	24.9%	17,070	19.4%	102.8%
Earnings from operations	14,909	10.7%	7,227	8.2%	106.3%

\* - 2008 revenue figure excludes Inter-segment sales of US\$2.7 million

The segment experienced strong sell-through in advance of the busy spring season. This was particularly the case at the Pacific Cycle division with its mass merchant customers. The addition of Cannondale and SUGOi in Dorel's new Independent Bicycle Dealers (IBD) division contributed significantly to first quarter results. The significant gross margin increase was due mainly to the contribution of higher margins on Cannondale bicycles and SUGOi clothing. However, the improved earnings percentage of 10.7% versus 8.2% in the prior year was not due solely to Cannondale, but rather resulted from both Pacific and the newly acquired businesses.

## Home Furnishings

First Quarters Ended March 31					
	2008		2007		
	\$	% of rev.	\$	% of rev.	Change %
Revenues *	102,311	100.0%	103,380	100.0%	-1.0%
Gross Profit	12,516	12.0%	11,793	11.2%	6.1%
Earnings (loss) from operations	1,586	1.5%	(22)	0.0%	n/a

\* - 2008 revenue figure excludes Inter-segment sales of US\$2.3 million (2007; US\$2.1 million)

The earnings improvement in the quarter was due principally to improved results at Ameriwood. Concentrating principally on domestically produced RTA furniture, Ameriwood posted its fourth successive profitable quarter. With a greatly reduced manufacturing footprint, its two remaining plants are running efficiently and it has gained back the confidence of its customers. Considerable new product is in the pipeline, including items with mid to high price points. The Segment's remaining businesses posted combined results that were similar to those of the prior year.

### Other

The Board of Directors of Dorel declared its regular quarterly dividend of US\$0.125 per share on the outstanding number of the Company's Class A Multiple Voting Shares, Class B Subordinate Voting Shares and Deferred Share Units. The dividend is payable on May 26, 2008 to shareholders of record as at the close of business on May 12, 2008.

### Outlook

Rising commodity prices are affecting the majority of the Company's operating divisions. In particular high crude oil prices, and their impact on freight and resin costs, as well as increases in steel and other metals, both domestically and in the Orient, are challenges to the Company maintaining the same level of profitability. In addition, the costs of finished goods sourced in China are being affected by the weakening of the U.S. dollar versus the Chinese RMB.

"To offset these increases we are taking action on pricing, but there is a timing lag that is unavoidable. In addition to pricing opportunities, the focus remains on improving productivity, containing costs and developing new products that improve margins. Our diversity of product and price points should help to position the Company well within our segments in the current environment. However, these economic and cost uncertainties will likely continue through the balance of 2008 and may mitigate the strong start to the year," concluded Mr. Schwartz.

### Conference Call

Dorel Industries Inc. will hold a conference call to discuss these results today, April 30, 2008 at 1:00 P.M. Eastern Time. Interested parties can join the call by dialling 1-800-594-3615. The conference call can also be accessed via live webcast at [www.dorel.com](http://www.dorel.com), [www.newswire.ca](http://www.newswire.ca) or [www.q1234.com](http://www.q1234.com). If you are unable to call in at this time, you may access a tape recording of the meeting by calling 1-877-289-8525 and entering the passcode 21270003# on your phone. This tape recording will be available on Wednesday, April 30, 2008 as of 3:00 P.M. until 11:59 P.M. on Wednesday, May 7, 2008.

Complete financial statements will be available on the Company's website, [www.dorel.com](http://www.dorel.com), and will be available through the SEDAR websites.

## 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 1<sup>st</sup>** 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.

**DOREL INDUSTRIES INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**ALL FIGURES IN THOUSANDS OF US \$**

	as at <u>March 31,</u> <u>2008</u>	as at <u>December 30,</u> <u>2007</u>
	(unaudited)	(audited)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 29,578	\$ 22,513
Accounts receivable	415,885	286,924
Income taxes receivable	7,860	6,519
Inventories	379,067	322,332
Prepaid expenses	17,586	10,538
Future income taxes	<u>44,789</u>	<u>35,228</u>
	894,765	684,054
PROPERTY, PLANT AND EQUIPMENT	149,151	140,362
INTANGIBLE ASSETS	284,937	276,383
GOODWILL	618,157	525,235
OTHER ASSETS	<u>37,750</u>	<u>31,870</u>
	<u>\$ 1,984,760</u>	<u>\$ 1,657,904</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Bank indebtedness	\$ 5,090	\$ 5,836
Accounts payable and accrued liabilities	380,540	325,938
Income taxes payable	30,855	25,532
Future Income Taxes	257	136
Current portion of long-term debt	<u>7,846</u>	<u>62,906</u>
	<u>424,588</u>	<u>420,348</u>
LONG-TERM DEBT	<u>444,555</u>	<u>192,385</u>
PENSION & POST-RETIREMENT BENEFIT OBLIGATIONS	<u>21,115</u>	<u>20,942</u>
FUTURE INCOME TAXES	<u>84,513</u>	<u>79,635</u>
OTHER LONG-TERM LIABILITIES	<u>9,748</u>	<u>6,848</u>
<b>SHAREHOLDERS' EQUITY</b>		
CAPITAL STOCK	177,271	177,271
CONTRIBUTED SURPLUS	13,104	11,623
RETAINED EARNINGS	672,932	641,981
ACCUMULATED OTHER COMPREHENSIVE INCOME	<u>136,934</u>	<u>106,871</u>
	<u>809,866</u>	<u>748,852</u>
	<u>1,000,241</u>	<u>937,746</u>
	<u>\$ 1,984,760</u>	<u>\$ 1,657,904</u>

**DOREL INDUSTRIES INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**ALL FIGURES IN THOUSANDS OF US \$, EXCEPT PER SHARE AMOUNTS**

	<b>Three Months Ended</b>	
	<b>March 31, 2008</b>	<b>March 31, 2007</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Sales	\$ 551,033	\$ 450,159
Licensing and commission income	5,001	5,510
<b>TOTAL REVENUE</b>	<b>556,034</b>	<b>455,669</b>
<b>EXPENSES</b>		
Cost of sales	413,913	344,502
Selling, general and administrative expenses	80,429	60,819
Depreciation and amortization	11,086	9,544
Research and development costs	2,713	2,608
Restructuring costs	823	2,126
Interest on long-term debt	4,705	6,548
Other interest	(97)	-
	513,572	426,147
Income before income taxes	42,462	29,522
Income taxes	7,329	1,583
<b>NET INCOME</b>	<b>\$ 35,133</b>	<b>\$ 27,939</b>
<b>EARNINGS PER SHARE</b>		
Basic	\$1.05	\$0.85
Diluted	\$1.05	\$0.85
<b>SHARES OUTSTANDING</b>		
Basic - weighted average	33,397,192	32,951,162
Diluted - weighted average	33,397,803	32,990,690

**DOREL INDUSTRIES INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**ALL FIGURES IN THOUSANDS OF US \$**

	<b>Three Months Ended</b>	
	<b>March 31, 2008</b>	<b>March 31, 2007</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
NET INCOME	\$ 35,133	\$ 27,939
OTHER COMPREHENSIVE INCOME:		
Net change in unrealized foreign currency gains on translation of net investments in self- sustaining foreign operations, net of tax of nil	30,063	3,475
COMPREHENSIVE INCOME	\$ 65,196	\$ 31,414

**DOREL INDUSTRIES INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**ALL FIGURES IN THOUSANDS OF US \$**

	<b>Three Months Ended</b>	
	<b>March 31, 2008</b>	<b>March 31, 2007</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
CAPITAL STOCK		
Balance, beginning of period	\$ 177,271	\$ 162,555
Issued under stock option plan	-	14,716
Balance, end of period	177,271	177,271
CONTRIBUTED SURPLUS		
Balance, beginning of period	11,623	6,061
Stock-based compensation	1,481	824
Balance, end of period	13,104	6,885
RETAINED EARNINGS		
Balance, beginning of period	641,981	567,020
Net income	35,133	27,939
Dividends on common shares	(4,179)	(4,177)
Dividends on deferred share units	(3)	-
Balance, end of period	672,932	590,782
ACCUMULATED OTHER COMPREHENSIVE INCOME		
Balance, beginning of period	106,871	63,886
Other comprehensive income	30,063	3,475
Balance, end of period	136,934	67,361
TOTAL SHAREHOLDERS' EQUITY	\$ 1,000,241	\$ 842,299

**DOREL INDUSTRIES INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**ALL FIGURES IN THOUSANDS OF US \$**

	<b>Three Months Ended</b>	
	<b>March 31, 2008</b>	<b>March 31, 2007</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 35,133	\$ 27,939
Items not involving cash:		
Depreciation and amortization	11,086	9,544
Amortization of deferred financing costs	59	42
Future income taxes	(3,671)	(3,198)
Stock based compensation	1,481	824
Pension and post-retirement defined benefit plan	31	750
Restructuring activities	(684)	2,114
Loss (gain) on disposal of property, plant and equipment	20	(9)
	43,455	38,006
Net changes in non-cash balances related to operations:		
Accounts receivable	(69,540)	(18,688)
Inventories	16,673	8,531
Prepaid expenses	763	(1,715)
Accounts payable, accruals and other liabilities	15,810	(35,968)
Income taxes	3,217	1,599
	(33,077)	(46,241)
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>10,378</b>	<b>(8,235)</b>
<b>FINANCING ACTIVITIES</b>		
Bank indebtedness	(1,010)	1,297
Repayments of long-term debt	(55,156)	(6,584)
Increase of long-term debt	252,175	-
Dividends on common shares	(4,179)	-
Issuance of capital stock	-	14,698
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>191,830</b>	<b>9,411</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of subsidiary companies	(186,812)	(2,170)
Additions to property, plant and equipment - net	(5,281)	(4,167)
Deferred development costs	(4,401)	(2,317)
Intangible assets	(233)	(118)
<b>CASH USED IN INVESTING ACTIVITIES</b>	<b>(196,727)</b>	<b>(8,772)</b>
Effect of exchange rate changes on cash and cash equivalents	1,584	181
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,065</b>	<b>(7,415)</b>
Cash and cash equivalents, beginning of period	22,513	25,925
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 29,578</b>	<b>\$ 18,510</b>

**DOREL INDUSTRIES INC.**  
**INDUSTRY SEGMENTED INFORMATION**  
**FOR THE FIRST QUARTERS ENDED MARCH 31**  
**ALL FIGURES IN THOUSANDS OF US \$**

	Total		Juvenile		Recreational / Leisure		Home Furnishings		Eliminations	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Sales to customers	\$ 556,034	\$ 455,669	\$ 317,579	\$ 264,400	\$ 136,144	\$ 87,889	\$ 102,311	\$ 103,380	\$ -	\$ -
Inter-segment sales	-	-	-	-	2,717	-	2,311	2,059	(5,028)	(2,059)
Total Revenue	556,034	455,669	317,579	264,400	138,861	87,889	104,622	105,439	(5,028)	(2,059)
Cost of sales	413,913	344,502	222,600	182,096	104,235	70,819	92,106	93,646	(5,028)	(2,059)
Selling, general and administrative	73,795	55,382	47,007	36,526	18,167	9,336	8,621	9,520	-	-
Depreciation and amortization	11,066	9,523	8,002	7,411	1,550	507	1,514	1,605	-	-
Research and development costs	2,713	2,608	1,966	1,918	-	-	747	690	-	-
Restructuring costs	823	2,126	775	2,126	-	-	48	-	-	-
Earnings (loss) from Operations	53,724	41,528	\$ 37,229	\$ 34,323	\$ 14,909	\$ 7,227	\$ 1,586	\$ (22)	\$ -	\$ -
Interest	4,608	6,548								
Corporate expenses	6,654	5,458								
Income taxes	7,329	1,583								
Net income	<u>\$ 35,133</u>	<u>\$ 27,939</u>								
<u>Earnings per Share</u>										
Basic	<u>\$1.05</u>	<u>\$0.85</u>								
Diluted	<u>\$1.05</u>	<u>\$0.85</u>								