



C O M M U N I Q U É

JUVENILE

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

RECREATIONAL / LEISURE

Cannondale
GT
SUGOI
Schwinn
Mongoose
Iron Horse
InSTEP

HOME FURNISHINGS

Ameriwood
Altra Furniture
Dorel Home Products
Cosco Home & Office
Dorel Asia

EXCHANGES

TSX: DII.B, DII.A

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DOREL MOVES INTO UK BICYCLE MARKET

Latest transaction in line with plan to grow bike business into global force

Montreal, Quebec - October 1, 2009 - Dorel Industries Inc. (TSX: DII.B, DII.A), today announced it has acquired assets of UK-based Hot Wheels and Circle Bikes, UK's preeminent distributors of the Mongoose and GT brands. This latest purchase is in line with Dorel's aggressive growth strategy of its Recreational/Leisure segment and is the third transaction in just two months. In parallel with this deal, a new subsidiary, to be known as Cycling Sports Group UK (CSG UK), is being created to drive the future growth of Mongoose and GT. CSG UK will be dedicated to the Independent Bike Dealer (IBD) channel.

Hot Wheels has a portfolio of top selling, innovative bicycle products and components, which are marketed to retail and leisure outlets throughout the UK. Circle Bikes owns the popular Charge brand. Combined sales for the fiscal year ended August 31, 2009 were approximately £14 million (approximately US\$22.4 million), the majority of the revenue from Hot Wheels. EBITDA for the same period was £1.5 million (approximately US\$2.4 million). Terms of the transaction are not being disclosed at this time.

To be located in Poole, Dorset, CSG UK will coordinate all sales, marketing, distribution and customer service to better support its growing network of dealers in the UK. The Mongoose and GT brands will be distributed immediately by the new subsidiary, followed by Cannondale in January 2010.

Robert Baird, President of Dorel's Recreational/Leisure segment said the creation of this newest subsidiary follows a similar initiative in Australia last month and underlines Dorel's commitment to take control of its international bicycle brands in certain geographies and work closer with distributors in others in order to accelerate growth within the critical IBD channel.

"We have developed a multi-faceted strategy to grow our bike business into a global force and we are moving ahead decisively with this plan by leveraging our excellent portfolio of recognized brands and by investing in leaders in their respective markets. CSG UK will now be that much closer to the market and will react quickly to both dealer and consumer demands."

CSG's Vice President Sales and Marketing for Europe, Middle East and Africa (EMEA), Christophe Jouffret, noted that there are numerous advantages to consolidating resources "in country" for all CSG brands. "We want to ensure full support for this latest subsidiary by increasing our ability to service and deliver product faster to our UK retailers as well as rapidly respond to market changes and opportunities".

It was also announced that Russell and Neil Merry, the former owners of Hot Wheels and Circle Bikes, have been named Co-Managing Directors of CSG UK. The two have been instrumental in furthering the development of the GT and Mongoose brands, not only in the UK but globally as well. "Dorel is fortunate to partner with Russell and Neil, both of whom bring a wealth of industry knowledge and experience with them," added Mr. Baird.

"This is an exciting time and opportunity for growth in the global bicycle industry," commented Russell Merry. "The UK has many positive factors favouring the industry with increasingly cycle friendly central and local government policies to help beat congestion, cut obesity rates and address environmental concerns. Neil and I recognised that our local knowledge and experience could take the business to the next level if we had the backing and global horsepower of Dorel. We believe that Dorel's CSG business is set to be one of the fastest growing bicycle companies in the world in what can only be described as a positive environment for the bicycle business."

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. Dorel's powerfully branded products include Safety 1st, Quinny, Cosco, Maxi-Cosi and B  b   Confort in Juvenile, as well as Cannondale, Schwinn, GT, Mongoose, Iron Horse and SUGOI in Recreational/Leisure. Dorel's Home Furnishings segment markets a wide assortment of furniture products, both domestically produced and imported. Dorel is a US\$2.2 billion company with 4700 employees, facilities in eighteen countries, and sales worldwide.

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. 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.