



C O M M U N I Q U É

JUVENILE

Cosco
Safety 1st
Maxi-Cosi
Bébé Confort
Quinny
Baby Relax
Babidéal
Hoppop
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 BUILDING FOR ADDITIONAL GROWTH

- Innovation driving market gains, shareholders told
- Further acquisitions to be considered

Montreal, May 27, 2010 --- Coming off a record first quarter, Dorel Industries Inc. (TSX: DII.B, DII.A) is intent on growing and has maintained the required investments for the future. Dorel President and CEO, Martin Schwartz, reported to shareholders today that the Company has remained committed to product development innovation, despite the recession. "This resulted in the introduction of a number of excellent new products in 2009 which has further strengthened our competitive position in our core Juvenile and Recreational/Leisure segments. This positions us well for the months ahead."

Mr. Schwartz noted that all three Company segments experienced significant increases during the most recent quarter, ended March 31, 2010. "In recent months we've seen improving sales momentum in our Juvenile segment both in North America and in Europe. We are maintaining, if not slightly growing market share due to our great products and our diversity of recognized brands. Dorel Europe has begun to benefit from the improving economies in most European countries as well as from the impact of successful new juvenile product launches."

Bike sales in high gear

Dorel's Recreational/Leisure segment also turned in a solid report card for the first three months. Bike sales were up US\$20 million year-over-year, with significant improvement at the mass merchant level. The iconic Schwinn brand is currently being promoted through a national multi-million dollar advertising campaign. The Cycling Sport Group's (CSG) sales have also increased as new Cannondale models were enthusiastically received.

"There is every indication that this momentum will continue over the next few months," commented Mr. Schwartz. "The Cannondale product is the best it's been in years and the results are clear. A record number of new dealers have been added since January, many in key US markets such as Los Angeles, Northern California and Colorado. Another growth path is our new Apparel Footwear Group (AFG), which combines the branded apparel of SUGOI, Cannondale, GT, Schwinn, IronHorse and Mongoose, in both custom and its regular offerings. We've barely scratched the surface in the expanding custom market and expect to triple this business within 5 years."

Just two weeks ago, Dorel officially unveiled its new 70,000 square foot state-of-the-art equipped apparel facility in Burnaby, BC. The opportunity to significantly upgrade AFG's operations with a new and improved facility positions the division for global growth.

Home Furnishings remains a strong contributor

Home Furnishings also turned in a superior performance with first quarter year-over-year revenue up over 17% and earnings from operations jumping to US\$10.7 million from US\$4.4 million.

"This dramatic improvement is another example of how Dorel's entrepreneurial style can turn around under-performing businesses. Our opening price point products have been attractive to existing and new consumers seeking to fill their basic furniture needs, and underlines how we serve price-conscious consumers."

Further car seat innovations coming

Mr. Schwartz further told the annual meeting audience, "Innovation, expertise, and a commitment to quality make our reputation first class and our products the choice of millions around the world."

He explained that all North American car seat R&D and product development is to be consolidated in Columbus, Indiana by September in a new US\$21 million Design and Development Competency Centre for children's car seats. "This will drive additional technological advancements and important innovations for child passenger safety. Important projects are already on the drawing board."

First quarter 2010 results released earlier this month set records in both revenue and net income. Revenue grew 13.5% to just over US\$596 million and net income increased 33% to US\$37.4 million.

Outlook

"Consumer confidence has risen in many of Dorel's markets including in most of Europe. While margins could be affected by rising commodity and freight costs, the momentum we have established so far this year positions us to benefit from further new product introductions and our brand equity," stated CFO, Jeffrey Schwartz.

He also noted that Dorel management is very confident that a deal will be closed by next month with the Company's bankers concerning its revolving debt. Earlier this year Dorel refinanced its long-term debt by issuing US\$200 million of Senior Guaranteed Notes at fixed rates. Earlier this month Dorel's Board decided to increase the quarterly dividend by 20% to US\$0.60 per share per annum.

In his concluding remarks, Martin Schwartz stated that Dorel has grown through significant acquisitions. "We continue to keep our eyes open for companies in our sectors that are the proper fit. While there is nothing imminent, Dorel has the balance sheet and the capability to digest another key transaction. The management structure we put in place two years ago was designed with this in mind. We must ensure that we capitalize on further opportunities, deliver long-term sustainable growth and above all, maximize shareholder value."

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, IronHorse 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 billion company with 4500 employees, facilities in nineteen countries, and sales worldwide.

Caution Regarding Forward Looking Statements

Certain statements included in this press release may constitute “forward-looking statements” within the meaning of applicable Canadian securities legislation. Except as may be required by Canadian securities laws, Dorel does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements, by their very nature, are subject to numerous risks and uncertainties and are based on several assumptions which give rise to the possibility that actual results could differ materially from Dorel’s expectations expressed in or implied by such forward-looking statements and that the objectives, plans, strategic priorities and business outlook may not be achieved. As a result, Dorel cannot guarantee that any forward-looking statement will materialize. Forward-looking statements are provided in this press release for the purpose of giving information about Management’s current expectations and plans and allowing investors and others to get a better understanding of Dorel’s operating environment. However, readers are cautioned that it may not be appropriate to use such forward-looking statements for any other purpose.

Forward-looking statements made in this press release are based on a number of assumptions that Dorel believed were reasonable on the day it made the forward-looking statements. Factors that could cause actual results to differ materially from the Company’s expectations expressed in or implied by the forward-looking statements include: general economic conditions; changes in product costs and supply channel; foreign currency fluctuations; customer and credit risk including the concentration of revenues with few customers; costs associated with product liability; changes in income tax legislation or the interpretation or application of those rules; the continued ability to develop products and support brand names; changes in the regulatory environment; continued access to capital resources and the related costs of borrowing; changes in assumptions in the valuation of goodwill and other intangible assets and subject to dividends being declared by the Board of Directors, there can be no certainty that Dorel’s Dividend Policy will be maintained. These and other risk factors that could cause actual results to differ materially from expectations expressed in or implied by the forward-looking statements are discussed in Dorel’s annual MD&A and Annual Information Form filed with the applicable Canadian securities regulatory authorities. The risk factors outlined in the previously mentioned documents are specifically incorporated herein by reference.

Dorel cautions readers that the risks described above are not the only ones that could impact it. Additional risks and uncertainties not currently known to Dorel or that Dorel currently deems to be immaterial may also have a material adverse effect on our business, financial condition or results of operations. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

Except as otherwise indicated, forward-looking statements do not reflect the potential impact of any non-recurring or other unusual items or of any dispositions, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. The financial impact of these transactions and non-recurring and other unusual items can be complex and depends on the facts particular to each of them. Dorel therefore cannot describe the expected impact in a meaningful way or in the same way Dorel presents known risks affecting the business.