



C O M M U N I Q U É

JUVENILE

Cosco
Safety 1st
Maxi-Cosi
Quinny
Baby Relax
Babidéal
MonBébé
Bébé Confort

HOME FURNISHINGS

Ameriwood
Ridgewood
Charleswood
Dorel Home Products
Cosco Home & Office
Dorel Asia
Carina Furniture

RECREATIONAL / LEISURE

Pacific Cycle
Schwinn
GT
Mongoose
InSTEP

EXCHANGES

CANADA

TSX:
DII.A, DII.B

U.S.A.

NASDAQ:
DIIB

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DOREL ISSUES FIRST QUARTER UPDATE

Company to record additional costs due to dispute with insurer

Montreal, April 26, 2004 - Dorel Industries Inc. (TSX: DII.A, DII.B; NASDAQ: DIIB) today announced that due to a dispute with one of its insurance carriers over the aggregate amount of insurance available to the Company, including one claim that came due this month, Dorel is recording a charge for liability claims in the amount of US\$6.5 million pre-tax in the first quarter ended March 31, 2004. The insurance company's refusal to honour its policy, despite fully paid up premiums, has resulted in a shortfall in Dorel's planned liability reserves. The US\$6.5 million pre-tax expense is equivalent to a US\$0.13 per share after-tax impact and will be recorded in the Company's first quarter results.

As a result, Dorel is reducing its guidance for fiscal 2004 by US\$0.13 per share, to earnings of between US\$3.12 to US\$3.22 per share.

Dorel President and CEO Martin Schwartz said the situation with TIG Specialty Insurance Solutions, of Irving Texas is highly irregular and most disappointing. TIG Specialty Insurance Solutions is a subsidiary of Fairfax Financial Holdings Inc. "We adamantly disagree with the position being asserted by the insurer and have engaged in legal proceedings with the insurance company. We are optimistic that we will be able to prove our position. Should a decision be made in our favour, the recovery will be included in our net income in future periods."

Mr. Schwartz said that Dorel's 2004 budget has sufficient reserves in place to address liability issues for the balance of the year. "We have routinely budgeted for our liability requirements through a combination of self-insurance and insurance from carriers. TIG Insurance's refusal to honour its obligations has created a temporary situation which we must fund."

Full first quarter results will be released this Wednesday, April 28, 2004. A conference call to discuss the first quarter will also be held Wednesday at 1:30 PM, Montreal time.

Profile

Dorel is a global consumer products company which designs, manufactures or sources, markets and distributes a diverse portfolio of powerful product brands, marketed through its Juvenile, Home Furnishings, and Recreational/Leisure segments. US operations include the Dorel Juvenile Group USA, which incorporates the Cosco and Safety 1st brands; Ameriwood Industries, Cosco Home & Office; and Pacific Cycle, which includes the Schwinn, Mongoose, GT, InSTEP and Roadmaster brands. In Canada, Dorel operates Dorel Juvenile Group Canada, Ridgewood Industries and Dorel Home Products. The Dorel Juvenile Group Europe carries out activities throughout Europe, under the Maxi-Cosi, Quinny, Safety 1st, Bébé Confort, Babidéal, MonBébé and Baby Relax brands. Dorel Asia sources and imports home furnishings. Dorel employs approximately 5,000 people in fourteen countries. 2003 sales were US\$1.2 billion. 2004 sales are expected to be between US\$1.6 – US\$1.8 billion.

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 the Company. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.