First Quarter

Ended March 31, 2018
Forward-Looking Statement

Except for historical information provided herein, this presentation may contain information and statements of a forward-looking nature concerning the future performance of Dorel Industries Inc. These statements are based on assumptions 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, general economic conditions; changes in product costs and supply channels; foreign currency fluctuations; customer and credit risk, including the risk resulting from the liquidation and reorganization of Toys“R”Us referred to in this presentation and the concentration of revenues with a small number of 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 there being no certainty that Dorel’s current dividend policy will be maintained. 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 Canadian 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.

Note: All figures are in US dollars.
Non-GAAP Financial Measures

As a result of restructuring and other costs, remeasurement of forward purchase agreement liabilities and loss on early extinguishment of long-term debt incurred in 2018 and 2017, the Company is including in this investor presentation the following non-GAAP financial measures: “adjusted gross profit”, “adjusted operating profit (loss)”, “adjusted tax rate”, “adjusted net income” and “adjusted earnings per diluted share”. The Company believes that this results in a more meaningful comparison of its core business performance between the periods presented. These non-GAAP financial measures do not have a standardized meaning prescribed by GAAP and therefore are unlikely to be comparable to similar measures presented by other issuers. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with GAAP are included in the MD&A for the first quarter ended March 31, 2018.
Overview

TSX: DII.B  DII.A

• 3 business segments
  • Dorel Home  (2017 revenue - $791 million)
  • Dorel Juvenile  (2017 revenue - $922 million)
  • Dorel Sports  (2017 revenue - $865 million)

• $2.6 billion in sales annually
• Approximately 10,000 employees
• Sales to 100+ countries
• Facilities located in 25 countries
Overview

First Quarters ended March 31

<table>
<thead>
<tr>
<th>(in thousands, other than EPS)</th>
<th>2018</th>
<th>2017(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>$ 642,286</td>
<td>$ 646,712</td>
</tr>
<tr>
<td>Adjusted net income</td>
<td>$ 5,542</td>
<td>$ 22,705</td>
</tr>
<tr>
<td>Adjusted EPS (diluted)</td>
<td>$ 0.17</td>
<td>$ 0.69(2)</td>
</tr>
</tbody>
</table>

(1) The Company has initially applied IFRS 15 and IFRS 9 as at December 31, 2017. Under the transition methods chosen, comparative information is not restated.

(2) As at March 31, 2017, the convertible debentures were included in the calculation of the adjusted diluted earnings per share by adjusting the adjusted net income attributable to equity holders as well as the adjusted diluted weighted average number of shares outstanding as these debentures were deemed to be dilutive.
First Quarters ended March 31

<table>
<thead>
<tr>
<th>(in thousands)</th>
<th>2018</th>
<th>2017(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>$192,262</td>
<td>$204,038</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$33,993</td>
<td>$34,572</td>
</tr>
<tr>
<td>Operating profit</td>
<td>$16,267</td>
<td>$19,765</td>
</tr>
</tbody>
</table>

(1) The Company has initially applied IFRS 15 and IFRS 9 as at December 31, 2017. Under the transition methods chosen, comparative information is not restated.
Q1 Highlights

- Within the segment’s sales channels, e-commerce continued to grow and represented 50% of total segment revenue although this growth did not fully make up for a shortfall in brick and mortar sales, compounded by the Toys“R”Us liquidation.
- Gross profit continued to improve due to the higher proportion of dot.com sales with higher margin items. Offsetting the margin improvement were higher operating costs required by on-going investment in people and technology necessary to support the growth of the business.
- The decline in operating profit includes the $2.1 million impairment loss on the trade accounts receivable from Toys“R”Us.
First Quarters ended March 31

<table>
<thead>
<tr>
<th>(in thousands)</th>
<th>2018</th>
<th>2017(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>$243,337</td>
<td>$228,658</td>
</tr>
<tr>
<td>Adjusted gross profit</td>
<td>$68,887</td>
<td>$71,102</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>$3,725</td>
<td>$15,342</td>
</tr>
</tbody>
</table>

\(^{(1)}\) The Company has initially applied IFRS 15 and IFRS 9 as at December 31, 2017. Under the transition methods chosen, comparative information is not restated.
Overview

- Intensive product development to result in most robust product pipeline in years with several new launches through 2018 and into 2019.
- Fresh approach incorporating a market-led business model and a simplified organizational structure that emphasizes the local consumer.
- Over-riding strategy: diverse, known brands; exciting, quality products; Company-owned distribution.
Dorel Juvenile – Q1 Highlights

- Revenue increased moderately in Juvenile’s mature markets of the U.S. and Europe, and in Latin America where strong growth in Brazil, and to a lesser extent Peru, was offset by challenges in the Chilean market.
- Profitability for the first quarter was negatively affected by lower earnings in Chile and at the Dorel Juvenile China factory.
- Production has stabilized at the China factory and deliveries were on-time to both internal and external customers around Chinese New Year. However, higher commodity prices and unfavourable foreign exchange levels are reducing earnings.
- In Chile, the shifting marketplace means sales and gross profit are lower as wholesale customers have moved completely on-line, lowering retail price points and impacting Dorel-owned retail stores as consumers can easily comparison shop products on-line. Infanti remains the country’s number one baby retailer and brand. We are aggressively expanding our e-commerce capabilities and reducing our retail footprint to compete in this new environment.
- Operating expenses were well contained.
- The adjusted operating profit decline includes the $3.8 million impairment loss on the trade accounts receivable from Toys“R”Us.
China
Dorel Juvenile USA - Innovation

- Safety 1<sup>st</sup> is setting the Highest Standard in Safety in a category where industry standards for locks and latches do not exist.
- As leaders in the category, Safety 1<sup>st</sup> is working with the CPSC to set our internal standards as the industry wide standard.
- Safety 1<sup>st</sup> locks and latches have been tested against competitors in the lab and toddler tested in the home and proven to be stronger.
Dorel Juvenile Europe - Innovation

Maxi-Cosi Magellan

• One premium car seat which combines 10 years of safety, comfort and adventure

• 5-in-1 seating system for children from 5 - 120 lbs, designed to grow with children from birth to 10 years.

• The only convertible car seat equipped with Maxi-Cosi’s patented Adjustable Side Impact Protection
### First Quarters ended March 31

(in thousands)  | 2018  | 2017<sup>(1)</sup>  
---|---|---  
Total revenue  | $206,687 | $214,016  
Adjusted gross profit  | $45,688 | $48,044  
Adjusted operating profit (loss)  | $(774) | $9,472  

<sup>(1)</sup> The Company has initially applied IFRS 15 and IFRS 9 as at December 31, 2017. Under the transition methods chosen, comparative information is not restated.
Q1 Highlights

- Excluding the impact of FX rates, organic revenue decreased by approximately 6.2%, mostly in the mass-market channel due to weak consumer demand at major retailers, and the impact of halted shipments to Toys“R”Us in March.
- A less favourable sales mix accounted for most of the decline in gross profit of 80 basis points. Excluding restructuring and other costs, the decrease in adjusted gross profit was only 30 basis points from 22.4% to 22.1%.
- Adjusted operating profit decrease includes the $6.6 million impairment loss on the trade accounts receivable from Toys“R”Us.
- The coming months will see the introduction of several exciting model year ’19 mountain and road bikes, expected to be enthusiastically received. Cannondale will launch a complete e-bike line in Europe in response to the growing popularity of e-bikes abroad.
- A new category of interactive ride-ons has been developed to launch this fall, which will set Dorel Sports apart from the competition.
Recent Cannondale Introductions

Synapse Endurance

Cannondale Cujo – kids mountain bike
Recent Pacific-Cycle Introductions

Schwinn Perla

Mongoose Scooter
Dorel Sports – 3 Divisions

1) Cycling Sports Group (CSG)
   • IBD Division
   • Premium Brands
   • Innovation – continuing focus
   • SUGOI – world class cycling, run and triathlon apparel and outdoor gear. Incorporates Cannondale apparel.
Dorel Sports – 3 Divisions

2) Pacific Cycle

• Mass merchants/sporting goods channel

• Full service provider – bikes, parts & accessories, branded apparel

• Brand building has enhanced Schwinn/Mongoose awareness

• Electric ride-on toys.
3) Caloi

- Largest bicycle brand in LATAM and leader in Brazilian market
- Portfolio includes full range of bicycles, from high-performance to children’s mountain bikes, urban, recreational and road bikes
- Caloi’s factory in Manaus is largest bicycle manufacturing plant outside Southeast Asia
- Brazil is a Dorel production hub, assembling Caloi, Cannondale, Schwinn, Mongoose & GT brand bicycles for local and export markets.
Taxes
The Company’s effective tax rate was 6.9% in the first quarter of 2018 compared to 35.7% in 2017. Excluding income taxes on restructuring and other costs, remeasurement of forward purchase agreement liabilities and loss on early extinguishment of long-term debt, the Company’s adjusted tax rate was 10.2% in the first quarter compared with 22.6% a year ago. The main cause of the variation in the adjusted tax rate year-over-year is due to changes in the jurisdictions in which the Company generated its income (including the impact related to the U.S. Tax Reform signed into law on December 22, 2017 which reduces the U.S. federal corporate income tax rate from 35% to 21%, effective as of January 1, 2018). The Company is stating that for the full year it expects its annual adjusted tax rate to be between 20% and 25%.
Outlook

While 2018 started with lower sales and earnings than initially expected, we still expect improvements over last year as the year progresses. We are confident that much of the lost Toys“R”Us sales will be recovered commencing in the second half.

At Dorel Home, since a slow January, sales have bounced back and as such, we remain committed to further growth in revenue and higher operating profit in 2018.

Many significant Dorel Juvenile launches are still to come this year and into 2019. The impact of the Toys“R”Us liquidation, the reduced earnings in our Chilean business, and increases in costs in China may dampen earnings in the short-term. However, we are seeing e-commerce growth and point-of-sale increases in many of our markets, and our planned new product introductions have never been stronger. We still expect revenue and adjusted operating profit improvement, in the second half of the year.

Dorel Sports’ second quarter earnings may be reduced by the residual impact of the Toys“R”Us insolvency as they liquidate on-hand inventory, and by the poor April weather in most of our markets. As we enter the second half of the year, the hangover effect of the Toys“R”Us liquidation should dissipate and our upcoming new products are expected to drive improved sales and adjusted operating profit.
Significant Event in 2018

On March 15, 2018, Toys“R”Us, Inc. (“Toys“R”Us”), one of the Company’s customers, announced that it had filed a motion seeking Bankruptcy Court approval to begin the process of conducting an orderly wind-down of its U.S. business and liquidation of inventory in all of its U.S. stores. Considering this event, the Company has determined that an amount of $17.3 million of trade accounts receivable from this customer as at March 31, 2018 is at risk of collection ($7.6 million as at December 30, 2017). Accordingly, the Company has recorded an additional impairment loss of $12.5 million within impairment loss on trade and other receivables in its condensed consolidated interim income statement for the three months ended March 31, 2018 with respect to these trade accounts receivable from Toys“R”Us U.S. (fourth quarter ended December 30, 2017 - $3.8 million). Of this amount, $2.1 million (fourth quarter ended December 30, 2017 - nil) is within Dorel Home, $3.8 million (fourth quarter ended December 30, 2017 - $0.7 million) is within Dorel Juvenile and $6.6 million (fourth quarter ended December 30, 2017 - $3.1 million) is within Dorel Sports. These amounts represent management’s current best estimate of potential losses arising from non-payment based on information available to date; the actual loss incurred may differ from these amounts. The maximum credit risk to which the Company is exposed as at March 31, 2018 represents the total value of the trade accounts receivable.

As at March 31, 2018, in total, the Company has trade accounts receivable from Toys“R”Us U.S. amounting to $4.9 million (net of impairment loss allowance including the impairment loss referred to above). This represents $0.7 million within Dorel Home, $1.4 million within Dorel Juvenile and $2.8 million within Dorel Sports. The Company will continue to carefully monitor the Toys“R”Us situation as it unfolds, and will revise its estimated impairment loss allowance and record any required allowance adjustment in its 2018 quarterly consolidated financial statements.
Why Invest in Dorel

• Sustained growth in Dorel Home with a proven e-commerce growth model.
• Strategically growing Dorel Juvenile and Dorel Sports in global markets.
• A diverse portfolio of known, premium brands.
• Product development that drives growth.
• Established customer relationships.
• Annual dividend of $1.20 per share.
• Consistent generator of cash flow to support acquisitions.
• Consolidation of Chinese manufacturing facilities to reinforce supply chain and increase competitiveness.
# Financial Performance
## 5 Years adjusted (1)
(In thousands of U.S. dollars, except per share data)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,577,668</td>
<td>2,603,185</td>
<td>2,683,357</td>
<td>2,678,154</td>
<td>2,435,449</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>1,965,657</td>
<td>1,987,503</td>
<td>2,098,117</td>
<td>2,064,837</td>
<td>1,871,662</td>
</tr>
<tr>
<td>Gross profit</td>
<td>612,011</td>
<td>615,682</td>
<td>585,240</td>
<td>613,317</td>
<td>563,787</td>
</tr>
<tr>
<td>as percent of revenue</td>
<td>23.7%</td>
<td>23.7%</td>
<td>21.8%</td>
<td>22.9%</td>
<td>23.1%</td>
</tr>
<tr>
<td>Expenses</td>
<td>492,566</td>
<td>514,346</td>
<td>481,955</td>
<td>482,578</td>
<td>458,819</td>
</tr>
<tr>
<td>Operating profit</td>
<td>119,445</td>
<td>101,336</td>
<td>103,285</td>
<td>130,739</td>
<td>104,968</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>86,672</td>
<td>62,702</td>
<td>60,198</td>
<td>96,964</td>
<td>83,862</td>
</tr>
<tr>
<td>as percent of revenue</td>
<td>3.4%</td>
<td>2.4%</td>
<td>2.3%</td>
<td>3.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>19,717</td>
<td>4,451</td>
<td>2,193</td>
<td>12,985</td>
<td>13,279</td>
</tr>
<tr>
<td>Net income</td>
<td>66,955</td>
<td>58,251</td>
<td>58,005</td>
<td>83,979</td>
<td>70,583</td>
</tr>
<tr>
<td>as percent of revenue</td>
<td>2.6%</td>
<td>2.2%</td>
<td>2.2%</td>
<td>3.1%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Earnings per share</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>2.07</td>
<td>1.80</td>
<td>1.79</td>
<td>2.61</td>
<td>2.22</td>
</tr>
<tr>
<td>Diluted</td>
<td>2.05</td>
<td>1.79</td>
<td>1.78</td>
<td>2.59</td>
<td>2.19</td>
</tr>
<tr>
<td>Book value per share at end of year (2)</td>
<td>33.67</td>
<td>32.59</td>
<td>34.09</td>
<td>37.35</td>
<td>42.20</td>
</tr>
</tbody>
</table>

(1) As a result of impairment losses on goodwill and intangible assets, restructuring and other costs, remeasurement of forward purchase agreement liabilities and loss on early extinguishment of long-term debt, this 5 year financial performance table is presented on an adjusted basis except for book value per share amounts. For additional information regarding the specific items and non-GAAP financial measures, please refer to the section entitled “Operating results: non-GAAP financial measures” in the MD&A for the quarters and the years ended December 30, 2017, 2016, 2015 and 2014.

(2) Based on the number of shares outstanding at year-end.
Growth Through Acquisitions

- **1988**  Cosco Inc (DJG)
- **1990**  Charleswood Corporation
- **1994**  Maxi-Miliaan B.V. (Maxi-Cosi)
- **1998**  Ameriwood Industries
- **2000**  Safety 1st Inc.
- **2001**  Quint B.V. (Quinny)
- **2003**  Ampa France (Dorel Europe)
- **2004**  Pacific Cycle
- **2007**  IGC Australia
- **2008**  Cannondale/SUGOI
- **2008**  PTI Sports
- **2009**  Baby Art
Growth Through Acquisitions

- **2009**  Dorel Brazil
- **2009**  Iron Horse Bicycles
- **2009**  Gemini Bicycles (Australia)
- **2009**  Hot Wheels, Circle Bikes (UK)
- **2011**  Silfa Group (Chile, Peru, Bolivia, Argentina) - 70% interest
- **2012**  Poltrade (Poland)
- **2012**  Best Brands Group SA (Panama) and Baby Universe SAS (Colombia) – 70% interest
- **2013**  Caloi (Brazil)
- **2014**  Tiny Love Ltd. (Israel)
- **2014**  Right to sell Infanti brand in Brazilian market
- **2014**  Juvenile business of Lerado Group (Hong Kong)
- **2014**  Intercycles (Chile)
Total Revenue by Segment

2017

31% DOREL JUVENILE
36% DOREL SPORTS
33% DOREL HOME

2016

28% DOREL JUVENILE
36% DOREL SPORTS
36% DOREL HOME
Geographical Distribution of Total Revenue

<table>
<thead>
<tr>
<th>Region</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>60%</td>
<td>62%</td>
</tr>
<tr>
<td>Canada</td>
<td>21%</td>
<td>21%</td>
</tr>
<tr>
<td>Europe</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Latin America</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Asia</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>
Sustainability Philosophy

- Active in sustainability on several fronts throughout all three segments.
- Dorel Home Products facility is FSC certified.
- Cornwall RTA plant recycling for 10 years.
- 98% of materials are recycled or sold.
- DJG’s sustainability initiatives include zero landfill, water usage reduced by 98%; high-efficiency lighting systems.
- Strict policy in place to ensure sustainable business practices of suppliers.
THANK YOU