



Investor Fact Sheet Q3'14

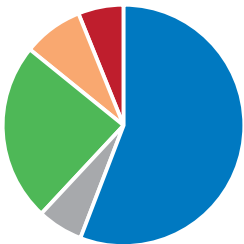
Third Quarter
September 30, 2014
TSX: DII.B, DII.A

A WORD FROM THE PRESIDENT

A number of positive highlights marked the third quarter. Results were generally good across most of our juvenile divisions, despite the strength of the US dollar relative to last year reducing earnings by around US\$4.0 million. Product development was showcased at two major juvenile trade shows and there is a substantial number of new product introductions scheduled for next year. There has been a great deal of activity associated with our newly-acquired facilities in China and Taiwan. We see the Lerado transaction as a game-changer for Dorel. We continue to be pleased with the sustained progress in our Recreational/Leisure segment. For the third consecutive quarter, segment revenue grew by double digits. The Cannondale Sports Group (CSG) has had a solid nine months and we see a bright future for this business with a dynamic management team in place. Caloi's operating profit was positive after losses during the first half and we still expect the bulk of Caloi's earnings during the current fourth quarter. In the mass channel, Pacific Cycle posted healthy increases with quarterly performance exceeding prior year in both revenue and operating profit. We look forward to an excellent racing year in 2015 with our new partners, Slipstream Racing. Home Furnishings revenues increased with Internet and drop ship vendor sales doing well. Operating profit was down slightly due to declines in domestically produced RTA furniture," concluded Mr. Schwartz.

Martin Schwartz
President & CEO
November 6, 2014

GEOGRAPHIC DISTRIBUTION OF 2013 SALES AND QUARTER SHARE PRICES AND VOLUMES



- 56% United States
- 6% Canada
- 8% Latin America
- 24% Europe
- 6% Other



COMPANY OVERVIEW

Dorel Industries Inc. (TSX: DII.B, DII.A) is a world class juvenile products and bicycle company. 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 global juvenile brands Safety 1st, Quinny, Maxi-Cosi, Bébé Confort and Tiny Love, complemented by regional brands such as Cosco and Infanti. In Recreational/Leisure, brands include Cannondale, Schwinn, GT, Mongoose, Caloi, IronHorse and SUGOI. Dorel's Home Furnishings segment markets a wide assortment of both domestically produced and imported furniture products, principally within North America. Dorel has annual sales of US\$2.4 billion and employs approximately 10,500 people in facilities located in twenty-five countries worldwide.

OUTLOOK

We remain on-track for a much improved year in Recreational/Leisure. Thanks to improved earnings at all three of our major divisions, CSG, Pacific Cycle and Caloi, we fully expect to deliver much better results for the fourth quarter versus last year. Both CSG and Pacific Cycle will build on 2014's solid year-to-date gains while Caloi will benefit from the addition of the Cannondale, GT and Schwinn brands in the Brazil market. In Juvenile, the strength of the US dollar against all of our operating currencies in other geographies had a material impact on the third quarter and based on current levels, will also impact the fourth quarter. Despite this and though fourth quarter results will be below last year's, full year earnings are expected to exceed prior year in line with our outlook issued at the end of the second quarter. Excluded from this outlook is the impact of the costs associated with integrating the Lerado operations and transitioning supply to our newly owned Asian-based facilities. Home Furnishings should maintain its steady performance of this year and we anticipate the fourth quarter will be better than last year.

I am pleased that our teams have worked diligently through the nine months of 2014 to rebuild after a difficult 2013. Not only have we posted significantly improved results to date, in addition, many projects have been launched to position us for an even better 2015. We are conscious of the macro challenges that we face such as an uncertain economy and fluctuating exchange rates in many of our markets, but with our broadened geographic footprint and diversified product line, we remain confident about 2015.

Q3 HIGHLIGHTS

- Completed transaction to purchase juvenile business of Hong Kong-based Lerado Group, giving Dorel 3 factories and an R&D facility in Asia.
- Dorel issued Debentures in an aggregate principal amount of US\$120.0 million to fund above purchase.
- Total revenue for the quarter increased 10.8% to US\$673.0 million compared to US\$607.3 million a year ago. Net income rose 75.4% to US\$19.5 million or US\$0.60 per diluted share compared to US\$11.1 million or US\$0.34 per diluted share in 2013.
- The appreciation of the US dollar had a net negative impact on Juvenile and Recreational/Leisure segments of approximately US\$5.0 million versus Q3 2013. Offsetting this was the favourable effect of exchange on the revaluation of put option liabilities, resulting in a gain of US\$3.1 million versus a loss of US\$3.5 million in Q3 2013 (representing a net favourable change of US\$6.6 million). Q3 total expenses related to Cannondale Pro Cycling team one-time costs and the segment's restructuring costs were US\$5.4 million pre-tax. Q3 2013 included a pre-tax expense of US\$8.0 million related to an unfavourable ruling in a US car seat product liability case.
- Juvenile revenue grew 9.1% to US\$260.7 million; operating profit increased 220.5% to US\$16.1 million. 9 month revenue was up 5.9% to US\$781.3 million while operating profit was up 33.8% to US\$51.9 million.
- Recreational/Leisure revenue increased 15.1% to US\$266.5 million; operating profit was US\$14.8 million and up 4.7%. Year-to-date revenue of US\$793.1 million, up 17.8%; operating profit up 69.4% to US\$46.3 million.
- Home Furnishings revenue up 6.6% to US\$145.8 million; operating profit down 6.3% to US\$5.5 million. 9 months revenue of US\$402.2 million, operating profit down 10.4% to US\$18.8 million.

FINANCIAL HIGHLIGHTS (in thousands of US\$, except per share amounts)

(Periods Ended September 30)	Q3'14	Q3'13	%chg	9M'14	9M'13	%chg
Revenue	673,020	607,298	10.8%	1,976,552	1,801,915	9.7%
Gross profit	151,494	134,624	12.5%	462,379	418,955	10.4%
Net income	19,480	11,105	75.4%	59,480	46,645	27.5%
Earnings per share - Basic	0.60	0.35	71.4%	1.85	1.47	25.9%
- Diluted	0.60	0.34	76.5%	1.83	1.45	26.2%
Capital expenditures*	13,863	16,825	-17.6%	41,455	44,944	-7.8%
Cash flow from operations	59,408	63,082	-5.8%	76,000	107,488	-29.3%
Weighted avg. # of diluted shares outstanding	32,493,300	32,207,439	0.9%	32,417,922	32,169,642	0.8%
Total assets	—	—	—	2,470,136	2,448,410	0.9%
Total debt **	—	—	—	464,939	440,299	5.6%
Shareholders' equity	—	—	—	1,338,730	1,339,745	-0.1%

* Capital expenditures = additions of property, plant and equipment and intangible assets net of any disposals

** Total debt = bank indebtedness + long-term debt

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STOCK DATA as at November 6, 2014 (TSX: DII.B, DII.A)

Shares outstanding
A 4,195,135
B 28,116,769
32,311,904

Market capitalization (CAD\$M) 1,133.2
P/E ratio (LTM) 14.7
Stock price (CAD\$) \$35.07
52-wk high (CAD\$) \$41.99
52-wk low (CAD\$) \$31.98

Except for historical information provided herein, this fact sheet 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.