DOREL JUVENILE
Maxi-Cosi
Quinny
Tiny Love
Safety 1st
Bébé Confort
Cosco
Infanti

DOREL SPORTS
Cannondale
Schwinn
Caloi
GT
Mongoose
KidTrax

DOREL HOME
Dorel Home Products
Cosco Home & Office
Ameriwood
Dorel Living
Signature Sleep
Little Seeds

EXCHANGES
TSX: DII.B, DII.A

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C O M M U N I Q U É

DOREL REPORTS THIRD QUARTER RESULTS

- **Dorel Sports posts improved results**
- **Dorel Home sets new record for quarterly revenue**
- **Dorel Juvenile focusing on improving gross margins**

Montréal, November 2, 2018 — Dorel Industries Inc. (TSX: DII.B, DII.A) today announced results for the third quarter and nine months ended September 30, 2018. Third quarter revenue was US$670.4 million, up 4.3% from US$642.6 million. Reported net income was US$9.6 million or US$0.29 per diluted share, compared to US$13.3 million or US$0.41 per diluted share last year. Adjusted net income was US$11.0 million or US$0.34 per diluted share, compared to US$14.5 million or US$0.44 per diluted share a year ago.

For the nine months, revenue was US$1.94 billion, an increase of 1.9% compared to US$1.90 billion last year. Reported net loss year-to-date was US$0.4 million or US$0.01 per diluted share, compared to a reported net income of US$33.6 million or US$1.03 per diluted share in 2017. Year-to-date adjusted net income was US$29.2 million or US$0.89 per diluted share, compared to US$49.7 million or US$1.52 per diluted share a year ago. Removing the impact of the 2018 first quarter impairment loss on trade accounts receivable from Toys“R”Us U.S. of US$9.4 million after tax, the year-to-date adjusted net income was US$38.6 million or US$1.18 per diluted share, compared to US$49.7 million or US$1.52 per diluted share a year ago.

“While we were pleased with the significant progress at Dorel Sports and the top line success at Dorel Home, Dorel Juvenile had a disappointing quarter. The combination of new model bicycles and strict cost containment resulted in substantial gains at Dorel Sports. With the sale of SUGOI, the segment was able to focus solely on the bicycle business. Dorel Home’s e-commerce business continued to account for a growing share of revenues, more than compensating for lost brick and mortar sales. Several factors caused lower gross margins at Dorel Juvenile, which significantly affected earnings and steps are underway to correct this situation. Our new product pipeline for our major markets, both launched and in progress, is the best it has been in recent memory and is expected to reverse the negative trend of the past two quarters.

“A substantial number of our imports from China into the U.S. are now subject to new 10% U.S. tariffs, which primarily affect our Dorel Home and Dorel Sports segments. We have informed our customers of the impending price increase necessitated by these tariffs. The rate of imposition is currently scheduled to increase to 25% on January 1, 2019 and at that level, these increases could impact consumer demand in the longer term,” stated Dorel President & CEO, Martin Schwartz.

The Company is presenting adjusted financial information, excluding impairment loss on intangible assets, restructuring and other costs, remeasurement of forward purchase agreement liabilities and loss on early extinguishment of long-term debt, as it believes this provides a more meaningful comparison of its core business performance between the periods presented. These announced items are detailed in the attached tables of this press release. Contained within this press release are reconciliations of non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with GAAP.

Summary of Financial Information (unaudited)			
Third Quarters Ended September 30,			
All figures in thousands of US $, except per share amounts			
	2018	**2017 (1)**	**Change**
	$	**$**	**%**
Total revenue	670,437	642,634	4.3%
Net income	9,594	13,294	(27.8%)
Per share - Basic	0.30	0.41	(26.8%)
Per share - Diluted	0.29	0.41	(29.3%)
Adjusted net income	10,988	14,538	(24.4%)
Per share - Basic	0.34	0.45	(24.4%)
Per share - Diluted	0.34	0.44	(22.7%)
Number of shares outstanding –			
Basic weighted average	32,438,503	32,403,980	
Diluted weighted average	32,738,830	32,699,875	

Summary of Financial Information (unaudited)			
Nine Months Ended September 30,			
All figures in thousands of US $, except per share amounts			
	2018	**2017 (1)**	**Change**
	$	**$**	**%**
Total revenue	1,935,967	1,900,616	1.9%
Net income (loss)	(445)	33,575	(101.3%)
Per share - Basic	(0.01)	1.04	(101.0%)
Per share - Diluted	(0.01)	1.03	(101.0%)
Adjusted net income	29,186	49,687	(41.3%)
Per share - Basic	0.90	1.53	(41.2%)
Per share - Diluted	0.89	1.52	(41.4%)
Number of shares outstanding –			
Basic weighted average	32,438,465	32,403,980	
Diluted weighted average	32,438,465	32,676,194	

(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.

Dorel Home

All figures in thousands of US $

Third Quarters Ended September 30 (unaudited)					
	2018		2017 (1)		Change
	$	% of rev.	$	% of rev.	%
Total revenue	221,627		201,449		10.0%
Gross profit	34,844	15.7%	35,408	17.6%	(1.6%)
Operating profit	19,504	8.8%	20,537	10.2%	(5.0%)

All figures in thousands of US $

Nine Months Ended September 30 (unaudited)					
	2018		2017 (1)		Change
	$	% of rev.	$	% of rev.	%
Total revenue	595,185		589,644		0.9%
Gross profit	99,389	16.7%	102,852	17.4%	(3.4%)
Operating profit	52,677	8.9%	57,017	9.7%	(7.6%)

(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.

Third quarter revenue set a new record, increasing US$20.2 million, or 10.0%, to US$221.6 million compared to US$201.4 million a year ago. Nine-month revenue was up US$5.5 million, or 0.9%, to US$595.2 million. Year-over-year third quarter e-commerce gross sales grew 26.6% representing 58% of total segment gross sales compared to 51% a year ago, driven by increased sales in all divisions to on-line retailers. Year-to-date e-commerce gross sales accounted for 55% of total segment gross sales, compared to 50% last year.

Operating profit in the third quarter decreased US$1.0 million, or 5.0%, to US$19.5 million from US$20.5 million as some divisions were slightly affected by overseas finished goods cost increases that have not yet been fully offset by price increases. Warehouse and distribution costs were higher than prior year due to the segment's additional overall warehouse footprint. Nine-month operating profit decreased US$4.3 million to US$52.7 million from US$57.0 million. The US$4.3 million decrease includes the US$2.1 million impairment loss on trade accounts receivable from Toys"R"Us U.S. recorded in the first quarter of 2018.

On October 1, 2018, Dorel Home acquired the assets and operations of UK-based Alphason, a designer and distributer of award-winning home office and audio-visual furniture. The Alphason brand is well known in the UK and is sold at several large independent retailers across the country. "This tuck-in acquisition is highly strategic," stated Dorel Home President, Norman Braunstein. "We will use this base to expand and to provide strong logistics support with a distribution hub to serve and grow our European business, including our large North American e-commerce partners, many of whom have been growing in Europe and have been asking Dorel Home to support this growth."

The recent licensing agreement with *Cosmopolitan* magazine is off to a good start with several full-page ads already appearing in the September and October issues. Initial sales of the special *CosmoLiving* collection are encouraging. The line was featured at last month's High Point Furniture Show.

Dorel Juvenile

All figures in thousands of US $

Third Quarters Ended September 30 (unaudited)					
	2018		2017 (1)		Change
	$	% of rev.	$	% of rev.	%
Total revenue	229,690		235,645		(2.5%)
Gross profit	57,846	25.2%	69,601	29.5%	(16.9%)
Operating profit	1,038	0.5%	10,155	4.3%	(89.8%)
Adjusted operating profit	1,675	0.7%	11,355	4.8%	(85.2%)

All figures in thousands of US $

Nine Months Ended September 30 (unaudited)					
	2018		2017 (1)		Change
	$	% of rev.	$	% of rev.	%
Total revenue	690,462		682,363		1.2%
Gross profit	182,735	26.5%	204,616	30.0%	(10.7%)
Operating profit (loss)	(18,754)	(2.7%)	26,911	3.9%	(169.7%)
Adjusted gross profit	182,822	26.5%	205,910	30.2%	(11.2%)
Adjusted operating profit	9,010	1.3%	34,783	5.1%	(74.1%)

(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.

Third quarter revenue decreased US$6.0 million, or 2.5%, to US$229.7 million, caused mainly by less favourable foreign exchange rates as the organic revenue decrease was only approximately 0.4%. Revenue for the nine months increased US$8.1 million, or 1.2%, to US$690.5 million, as year-to-date foreign exchange rates have been more favourable. Excluding the impact of varying foreign exchange rates year-over-year, the year-to-date organic revenue decline was approximately 1.0%.

Dorel Juvenile U.S. sales improved by 5% in the quarter and by 8% year-to-date. Point-of-sales growth was strong again, but a major customer reduced orders to lower on-hand inventory causing the slower growth in the quarter. Sales improvements continued at major customers as they benefitted from the absence of Toys“R”Us stores. Both these positive trends should continue through the balance of the year. New product launches in Brazil combined with price increases, contributed more than 30% revenue growth for both the quarter and year-to-date, though in US dollar terms, this growth equates to 5% for the quarter and 17% for the year-to-date.

Sales in Europe in US dollar terms were down 2% for the quarter and up 1% for the year-to-date as several new market introductions are slowly gaining traction. These new products include strollers and multiple-age car seats under the Maxi-Cosi brand. Sales of single age car seats are slowing as multiple-age models grow in popularity. Dorel Juvenile Europe has begun shipping new items in this space, with several more in the product pipeline for 2019. In Chile, the business is continuing to be re-shaped to meet local challenges, but revenues in local currency were below prior year for both the quarter and year-to-date by over 10%.

The largest contributor to the quarter's lower operating profit was gross profit, as virtually all markets faced pressure on input costs, such as resin and less favourable foreign exchange rates which impacted US dollar denominated input costs. In Europe, car seat competition and market trends have forced price reductions to minimize sales shortfalls in this category. In Chile, price discounting continued to reduce inventories and certain categories are being exited as that business continues to focus on profitable growth opportunities. The steady increase in the value of the US dollar and higher input costs have forced several markets to raise prices, the benefit of which will only be realized late in the fourth quarter and into 2019.

Year-over-year third quarter operating profit decreased to US$1.0 million from US$10.2 million, while nine-month operating loss was US$18.8 million, compared to an operating profit of US$26.9 million last year. Adjusted operating profit for the third quarter decreased US$9.7 million, or 85.2% to US$1.7 million from US$11.4 million last year due to lower revenue and lower gross profit partially offset by overall lower operating expenses. Nine-month adjusted operating profit declined US$25.8 million, or 74.1%, to US$9.0 million from US$34.8 million. When excluding the impairment loss on trade accounts receivable from Toys"R"Us U.S. of US$3.8 million recorded in the first quarter of 2018, year-to-date adjusted operating profit was US$12.8 million compared to US$34.8 million last year which is mainly explained by the decrease of 370 basis points in adjusted gross profit.

Dorel Sports

All figures in thousands of US $

Third Quarters Ended September 30 (unaudited)					
	2018		2017 (1)		Change
	$	% of rev.	$	% of rev.	%
Total revenue	219,120		205,540		6.6%
Gross profit	46,144	21.1%	45,823	22.3%	0.7%
Operating profit	6,993	3.2%	176	0.1%	3,873.3%
Adjusted gross profit	46,244	21.1%	46,076	22.4%	0.4%
Adjusted operating profit	7,549	3.4%	587	0.3%	1,186.0%

All figures in thousands of US $

Nine Months Ended September 30 (unaudited)					
	2018		2017 (1)		Change
	$	% of rev.	$	% of rev.	%
Total revenue	650,320		628,609		3.5%
Gross profit	139,621	21.5%	142,835	22.7%	(2.3%)
Operating profit	2,937	0.5%	15,218	2.4%	(80.7%)
Adjusted gross profit	141,305	21.7%	142,239	22.6%	(0.7%)
Adjusted operating profit	14,730	2.3%	15,720	2.5%	(6.3%)

(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.

Dorel Sports posted a strong quarter with revenue up US$13.6 million, or 6.6%, to US$219.1 million from US$205.5 million. Nine-month revenue was up US$21.7 million, or 3.5%, to US$650.3 million compared to US$628.6 million a year ago. Organic revenue grew approximately 11.8% for the quarter and 3.9% year-to-date, after excluding the impact of varying foreign exchange rates year-over-year and the divestment of the performance apparel line of business (SUGOI) in the second quarter of 2018.

Cycling Sports Group delivered improved year-over-year results, due to several factors. The U.S. independent bike dealers channel had a solid third quarter finish on the heels of strong momentum created at the annual August sales meeting as dealers responded positively to the brand strategy outlined. As well, the divestiture of SUGOI, other cost cutting measures across all regions and previous restructuring efforts markedly reduced operating expenses.

Pacific Cycle experienced a third quarter double-digit revenue increase as customers built inventory in advance of the busy holiday season. Other drivers included improved parts and accessories shipments, continued growth in Mongoose scooter sales and strong sales of battery powered ride-ons including the new innovative interactive Rideamals. Additional ride-ons introductions offset the earlier loss of the Toys“R”Us U.S. business.

Caloi posted strong organic revenue growth in the quarter versus prior year, although declined in reported currency due to unfavourable foreign exchange. Organic revenue growth was driven by price increases implemented to offset rising inflationary costs and new product innovation. Brand mix and price points improved significantly versus prior year, however unfavourable foreign exchange and higher costs related to Caloi’s brand support resulted in a modest drop in operating profit.

As a result of the segment improvements outlined above, third quarter operating profit increased to US$7.0 million, up US$6.8 million, from US$0.2 million a year ago. Adjusted operating profit rose to US$7.5 million, up US$7.0 million. For the nine months, operating profit decreased to US$2.9 million, down US$12.3 million, from US$15.2 million a year ago mainly due to the restructuring costs related to the divestment of the performance apparel line of business. Excluding restructuring and other costs, nine-month adjusted operating profit was US$14.7 million compared to US$15.7 million in 2017. When excluding the US$6.6 million impairment loss on trade accounts receivable from Toys“R”Us U.S. recorded in the first quarter of 2018, year-to-date adjusted operating profit increased to US$21.3 million, up US$5.6 million, from US$15.7 million in 2017, mainly explained by higher revenue and reduced general and administrative expenses offset by the 90 basis points decrease in adjusted gross profit.

Other

During the third quarter and nine months ended September 30, 2018, the Company’s effective tax rates were 28.2% and 90.4%, respectively versus 21.3% and 27.6% for the same periods in the prior year. Excluding income taxes on restructuring and other costs, the Company’s third quarter adjusted tax rate was 24.5% in 2018 and 21.4% in 2017. Excluding income taxes on impairment loss on intangible assets, restructuring and other costs, remeasurement of forward purchase agreement liabilities and loss on early extinguishment of long-term debt, the adjusted tax rate for the nine months was 16.5% in 2018 versus 23.8% in 2017. Variations in the adjusted tax rate year-over-year for the third quarter and nine months are explained largely 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, 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%.

Quarterly dividend

Dorel’s Board of Directors declared its regular quarterly dividend of US$0.30 per share on the outstanding number of the Company’s Class “A” Multiple Voting Shares, Class “B” Subordinate Voting Shares, Deferred Share Units, cash-settled Restricted Share Units and cash-settled Performance Share Units. The dividend is payable on November 30, 2018 to shareholders of record as at the close of business on November 16, 2018.

Outlook
"As in the third quarter, Dorel Home is expected to deliver higher sales in the fourth quarter, compared to last year, with operating profit consistent with prior year," stated Dorel President & CEO, Martin Schwartz.

"As we enter the fourth quarter, we expect Dorel Juvenile to recover from its poor third quarter. Current expectations are for the segment's organic revenue growth to be in the mid single digit range, with improved gross margins versus the third quarter. As a result, we foresee fourth quarter adjusted operating profit will be close to prior year levels. Sales strength should continue in the U.S. and the increasing contribution of new product introductions will benefit Europe. In Chile and Peru, the fourth quarter is always the strongest of the year and price increases in several markets will begin to take effect.

"Dorel Sports' improved third quarter results will continue into the fourth quarter as successfully introduced new products start shipping in significant quantities. Much improved fourth quarter adjusted operating profit on higher revenue, will result in excellent year-over-year gains for the segment.

"As Dorel has substantial multi-national operations, foreign exchange rates are a risk. However, should the value of the US dollar against the Chinese currency continue to rise, this would provide opportunity for cost savings in all three segments, possibly negating some of the possible negative impacts of other currencies deflating, and of the higher U.S. tariffs," concluded Mr. Schwartz.

Conference Call
Dorel Industries Inc. will hold a conference call to discuss these results today, November 2, 2018 at 1:00 P.M. Eastern Time. Interested parties can join the call by dialing 1-877-223-4471. The conference call can also be accessed via live webcast at http://www.dorel.com. If you are unable to call in at this time, you may access a recording of the meeting by calling 1-800-585-8367 and entering the passcode 5446019 on your phone. This recording will be available on Friday, November 2, 2018 as of 4:00 P.M. until 11:59 P.M. on Friday, November 9, 2018.

Complete condensed consolidated interim financial statements as at September 30, 2018 will be available on the Company's website, www.dorel.com, and will be available through the SEDAR website.

Profile
Dorel Industries Inc. (TSX: DII.B, DII.A) is a global organization, operating three distinct businesses in juvenile products, bicycles and home products. Dorel's strength lies in the diversity, innovation and quality of its products as well as the superiority of its brands. Dorel Juvenile's powerfully branded products include global brands Maxi-Cosi, Quinny and Tiny Love, complemented by regional brands such as Safety 1st, Bébé Confort, Cosco and Infanti. Dorel Sports brands include Cannondale, Schwinn, GT, Mongoose, Caloi and IronHorse. Dorel Home, with its comprehensive e-commerce platform, markets a wide assortment of domestically produced and imported furniture. Dorel has annual sales of US$2.6 billion and employs approximately 9,200 people in facilities located in twenty-five countries 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, or if any of them do, what benefits Dorel will derive from them. 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 Dorel's expectations expressed in or implied by the forward-looking statements include: 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 press release and the concentration of revenues with 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. 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 Management Discussion and Analysis 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 Dorel's 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.

Non-GAAP financial measures

As a result of impairment loss on intangible assets, 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 press release the following non-GAAP financial measures: "adjusted cost of sales", "adjusted gross profit", "adjusted operating profit", "adjusted finance expenses", "adjusted income before income taxes", "adjusted income taxes expense", "adjusted tax rate", "adjusted net income" and "adjusted earnings per basic and 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. Contained within this press release are reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with GAAP.

(All figures in the tables below are in thousands of US $, except per share amounts)

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Reconciliation of non-GAAP financial measures

	Third Quarters Ended September 30,									
	2018					2017[1]				
	Reported	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue	**Reported**	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue
	$	%	$	**$**	%	**$**	%	$	**$**	%
TOTAL REVENUE	**670,437**	100.0	-	**670,437**	100.0	**642,634**	100.0	-	**642,634**	100.0
Cost of sales	**531,603**	79.3	(100)	**531,503**	79.3	**491,802**	76.5	(253)	**491,549**	76.5
GROSS PROFIT	**138,834**	20.7	100	**138,934**	20.7	**150,832**	23.5	253	**151,085**	23.5
Selling expenses	**59,177**	8.8	-	**59,177**	8.8	**60,899**	9.5	-	**60,899**	9.5
General and administrative expenses	**47,431**	7.1	-	**47,431**	7.1	**54,144**	8.4	-	**54,144**	8.4
Research and development expenses	**9,276**	1.4	-	**9,276**	1.4	**8,309**	1.3	-	**8,309**	1.3
Impairment loss on trade and other receivables	**246**	-	-	**246**	-	**1,513**	0.2	-	**1,513**	0.2
Restructuring and other costs	**1,093**	0.2	(1,093)	**-**	-	**1,358**	0.3	(1,358)	**-**	-
OPERATING PROFIT	**21,611**	3.2	1,193	**22,804**	3.4	**24,609**	3.8	1,611	**26,220**	4.1
Finance expenses	**8,254**	1.2	-	**8,254**	1.2	**7,723**	1.2	-	**7,723**	1.2
INCOME BEFORE INCOME TAXES	**13,357**	2.0	1,193	**14,550**	2.2	**16,886**	2.6	1,611	**18,497**	2.9
Income taxes expense	**3,763**	0.6	(201)	**3,562**	0.6	**3,592**	0.5	367	**3,959**	0.6
Tax rate	***28.2%***			***24.5%***		***21.3%***			***21.4%***	
NET INCOME	**9,594**	1.4	1,394	**10,988**	1.6	**13,294**	2.1	1,244	**14,538**	2.3
EARNINGS PER SHARE										
Basic	**0.30**		0.04	**0.34**		**0.41**		0.04	**0.45**	
Diluted	**0.29**		0.05	**0.34**		**0.41**		0.03	**0.44**	
SHARES OUTSTANDING										
Basic - weighted average	**32,438,503**			**32,438,503**		**32,403,980**			**32,403,980**	
Diluted - weighted average	**32,738,830**			**32,738,830**		**32,699,875**			**32,699,875**	

(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. Comparative information has been reclassified due to a new impairment loss line presentation.

Reconciliation of non-GAAP financial measures

	Nine Months Ended September 30,									
	2018					2017[1]				
	Reported	% of revenue	Impairment loss on intangible assets, restructuring and other costs	**Adjusted**	% of revenue	**Reported**	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue
	$	%	$	**$**	%	**$**	%	$	**$**	%
TOTAL REVENUE	**1,935,967**	100.0	-	**1,935,967**	100.0	**1,900,616**	100.0	-	**1,900,616**	100.0
Cost of sales	**1,514,222**	78.2	(1,771)	**1,512,451**	78.1	**1,450,313**	76.3	(698)	**1,449,615**	76.3
GROSS PROFIT	**421,745**	21.8	1,771	**423,516**	21.9	**450,303**	23.7	698	**451,001**	23.7
Selling expenses	**176,965**	9.1	-	**176,965**	9.1	**174,177**	9.2	-	**174,177**	9.2
General and administrative expenses	**146,841**	7.7	-	**146,841**	7.7	**160,686**	8.4	-	**160,686**	8.4
Research and development expenses	**27,337**	1.4	-	**27,337**	1.4	**23,026**	1.2	-	**23,026**	1.2
Impairment loss on trade and other receivables	**13,407**	0.7	-	**13,407**	0.7	**3,359**	0.2	-	**3,359**	0.2
Restructuring and other costs	**13,593**	0.7	(13,593)	**-**	-	**7,676**	0.4	(7,676)	**-**	-
Impairment loss on intangible assets	**24,193**	1.2	(24,193)	**-**	-	**-**	-	-	**-**	-
OPERATING PROFIT	**19,409**	1.0	39,557	**58,966**	3.0	**81,379**	4.3	8,374	**89,753**	4.7
Finance expenses	**24,024**	1.2	-	**24,024**	1.2	**35,026**	1.9	(10,475)	**24,551**	1.3
INCOME (LOSS) BEFORE INCOME TAXES	**(4,615)**	(0.2)	39,557	**34,942**	1.8	**46,353**	2.4	18,849	**65,202**	3.4
Income taxes expense (recovery)	**(4,170)**	(0.2)	9,926	**5,756**	0.3	**12,778**	0.6	2,737	**15,515**	0.8
Tax rate	***90.4%***			***16.5%***		***27.6%***			***23.8%***	
NET INCOME (LOSS)	**(445)**	-	29,631	**29,186**	1.5	**33,575**	1.8	16,112	**49,687**	2.6
EARNINGS (LOSS) PER SHARE										
Basic	**(0.01)**		0.91	**0.90**		**1.04**		0.49	**1.53**	
Diluted	**(0.01)**		0.90	**0.89**		**1.03**		0.49	**1.52**	
SHARES OUTSTANDING										
Basic - weighted average	**32,438,465**			**32,438,465**		**32,403,980**			**32,403,980**	
Diluted - weighted average	**32,438,465**			**32,722,433**		**32,676,194**			**32,676,194**	

(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. Comparative information has been reclassified due to a new impairment loss line presentation.

Dorel Juvenile

Reconciliation of non-GAAP financial measures

	Third Quarters Ended September 30,									
	2018					2017(1)				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue
	$	%	$	$	%	$	%	$	$	%
TOTAL REVENUE	**229,690**	100.0	-	**229,690**	100.0	**235,645**	100.0	-	**235,645**	100.0
Cost of sales	**171,844**	74.8	-	**171,844**	74.8	**166,044**	70.5	-	**166,044**	70.5
GROSS PROFIT	**57,846**	25.2	-	**57,846**	25.2	**69,601**	29.5	-	**69,601**	29.5
Selling expenses	**29,726**	12.9	-	**29,726**	12.9	**29,450**	12.5	-	**29,450**	12.5
General and administrative expenses	**19,055**	8.4	-	**19,055**	8.4	**22,271**	9.4	-	**22,271**	9.4
Research and development expenses	**6,987**	3.0	-	**6,987**	3.0	**5,876**	2.5	-	**5,876**	2.5
Impairment loss on trade and other receivables	**403**	0.2	-	**403**	0.2	**649**	0.3	-	**649**	0.3
Restructuring and other costs	**637**	0.2	(637)	**-**	-	**1,200**	0.5	(1,200)	**-**	-
OPERATING PROFIT	**1,038**	0.5	637	**1,675**	0.7	**10,155**	4.3	1,200	**11,355**	4.8

	Nine Months Ended September 30,									
	2018					2017(1)				
	Reported	% of revenue	Impairment loss on intangible assets, restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue
	$	%	$	$	%	$	%	$	$	%
TOTAL REVENUE	**690,462**	100.0	-	**690,462**	100.0	**682,363**	100.0	-	**682,363**	100.0
Cost of sales	**507,727**	73.5	(87)	**507,640**	73.5	**477,747**	70.0	(1,294)	**476,453**	69.8
GROSS PROFIT	**182,735**	26.5	87	**182,822**	26.5	**204,616**	30.0	1,294	**205,910**	30.2
Selling expenses	**89,106**	12.9	-	**89,106**	12.9	**86,743**	12.7	-	**86,743**	12.7
General and administrative expenses	**60,412**	8.8	-	**60,412**	8.8	**66,620**	9.8	-	**66,620**	9.8
Research and development expenses	**20,108**	2.9	-	**20,108**	2.9	**16,259**	2.4	-	**16,259**	2.4
Impairment loss on trade and other receivables	**4,186**	0.6	-	**4,186**	0.6	**1,505**	0.2	-	**1,505**	0.2
Restructuring and other costs	**3,484**	0.5	(3,484)	**-**	-	**6,578**	1.0	(6,578)	**-**	-
Impairment loss on intangible assets	**24,193**	3.5	(24,193)	**-**	-	**-**	-	-	**-**	-
OPERATING PROFIT (LOSS)	**(18,754)**	(2.7)	27,764	**9,010**	1.3	**26,911**	3.9	7,872	**34,783**	5.1

(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. Comparative information has been reclassified due to a new impairment loss line presentation.

Dorel Sports

Reconciliation of non-GAAP financial measures

	Third Quarters Ended September 30,									
	2018					2017[1]				
	Reported	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue	**Reported**	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue
	$	%	$	**$**	%	**$**	%	$	**$**	%
TOTAL REVENUE	**219,120**	100.0	-	**219,120**	100.0	**205,540**	100.0	-	**205,540**	100.0
Cost of sales	**172,976**	78.9	(100)	**172,876**	78.9	**159,717**	77.7	(253)	**159,464**	77.6
GROSS PROFIT	**46,144**	21.1	100	**46,244**	21.1	**45,823**	22.3	253	**46,076**	22.4
Selling expenses	**22,834**	10.4	-	**22,834**	10.4	**24,644**	12.0	-	**24,644**	12.0
General and administrative expenses	**14,846**	6.9	-	**14,846**	6.9	**18,540**	9.0	-	**18,540**	9.0
Research and development expenses	**1,174**	0.5	-	**1,174**	0.5	**1,450**	0.7	-	**1,450**	0.7
Impairment loss on trade and other receivables (reversal)	**(159)**	(0.1)	-	**(159)**	(0.1)	**855**	0.4	-	**855**	0.4
Restructuring and other costs	**456**	0.2	(456)	**-**	-	**158**	0.1	(158)	**-**	-
OPERATING PROFIT	**6,993**	3.2	556	**7,549**	3.4	**176**	0.1	411	**587**	0.3

	Nine Months Ended September 30,									
	2018					2017[1]				
	Reported	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue	**Reported**	% of revenue	Restructuring and other costs	**Adjusted**	% of revenue
	$	%	$	**$**	%	**$**	%	$	**$**	%
TOTAL REVENUE	**650,320**	100.0	-	**650,320**	100.0	**628,609**	100.0	-	**628,609**	100.0
Cost of sales	**510,699**	78.5	(1,684)	**509,015**	78.3	**485,774**	77.3	596	**486,370**	77.4
GROSS PROFIT	**139,621**	21.5	1,684	**141,305**	21.7	**142,835**	22.7	(596)	**142,239**	22.6
Selling expenses	**67,920**	10.4	-	**67,920**	10.4	**67,047**	10.7	-	**67,047**	10.7
General and administrative expenses	**47,507**	7.3	-	**47,507**	7.3	**53,712**	8.5	-	**53,712**	8.5
Research and development expenses	**3,981**	0.6	-	**3,981**	0.6	**3,940**	0.6	-	**3,940**	0.6
Impairment loss on trade and other receivables	**7,167**	1.1	-	**7,167**	1.1	**1,820**	0.3	-	**1,820**	0.3
Restructuring and other costs	**10,109**	1.6	(10,109)	**-**	-	**1,098**	0.2	(1,098)	**-**	-
OPERATING PROFIT	**2,937**	0.5	11,793	**14,730**	2.3	**15,218**	2.4	502	**15,720**	2.5

(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. Comparative information has been reclassified due to a new impairment loss line presentation.