



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

CONTACTS:

MaisonBrison Communications

Rick Leckner

(514) 731-0000

Dorel Industries Inc.

Jeffrey Schwartz

(514) 934-3034

C O M M U N I Q U É

Dorel Reports Q4 and 2019 Year-End Results

- Inventory reduced by US\$80 million since third quarter
- Dorel Sports posts third consecutive quarter of revenue growth
- Dorel Juvenile improved operating profit in most markets, offset by Dorel Juvenile Europe performance
- Dorel Home e-commerce sales continued upward trend; margins reduced by higher operating/warehousing costs

Montréal, March 11, 2020 — Dorel Industries Inc. (TSX: DII.B, DII.A) today announced results for its fourth quarter and year ended December 30, 2019. Revenue for the fourth quarter was US\$653.4 million, down 4.4% from US\$683.5 million a year ago. Reported net loss for the quarter was US\$0.6 million or US\$0.02 per diluted share compared to US\$443.9 million or US\$13.68 per diluted share a year ago. Adjusted net income¹ was US\$2.3 million or US\$0.07 per diluted share compared to US\$10.3 million or US\$0.31 per diluted share in the fourth quarter of 2018.

Revenue for the full year was flat at US\$2.63 billion, compared to US\$2.62 billion the previous year. Reported net loss was US\$10.5 million or US\$0.32 per diluted share, compared to US\$444.3 million or US\$13.70 per diluted share the previous year. Adjusted net income for the year was US\$16.8 million or US\$0.51 per diluted share, compared to US\$39.5 million or US\$1.21 per diluted share last year.

“Our teams have done an excellent job bringing inventory down to more traditional levels, with a reduction of US\$80 million since the third quarter. Dorel Sports revenue grew for the third consecutive quarter as our new models, particularly Cannondale, are selling well. Dorel Juvenile Europe’s challenges overshadowed progress in other geographies. In the first two months of 2020 we are seeing signs of a turnaround in Europe. Issues at Dorel Home, primarily tariff-related, are being resolved and the segment is focused on growing its top line as it prepares to enter new categories. E-commerce sales continued their upward trend, representing 70% of total fourth quarter segment gross sales.

“Our China based suppliers delayed re-opening following the Chinese New Year due to the Coronavirus, with production delayed by two weeks in most cases. This temporary lack of manpower created several weeks of supply chain disruptions. Most factories in the country are now back in operation and are shipping, but not yet at normal levels. Operations at our main Juvenile factory in China are improving daily. We are now at 95% production capacity. Although production was slower than normal, we have not seen any significant impact on consumer spending at retail for Dorel products during the first two months of 2020 and our three segments continue to experience increased on-line shopping. Needless to say, we are closely monitoring the situation,” stated Dorel President & CEO, Martin Schwartz.

¹ This is a non-GAAP financial measure. Please refer to the “Non-GAAP financial measures” section at the end of this press release.

Summary of Financial Information (unaudited)			
Fourth Quarters Ended December 30,			
All figures in thousands of US \$, except per share amounts			
	2019	2018 *	Change
	\$	\$	%
Revenue	653,435	683,546	(4.4%)
Net loss	(639)	(443,898)	99.9%
Per share - Basic	(0.02)	(13.68)	99.9%
Per share - Diluted	(0.02)	(13.68)	99.9%
Adjusted net income ¹	2,297	10,298	(77.7%)
Per share - Basic ¹	0.07	0.32	(78.1%)
Per share - Diluted ¹	0.07	0.31	(77.4%)
Number of shares outstanding –			
Basic weighted average	32,466,082	32,439,189	
Diluted weighted average	32,466,082	32,439,189	

Summary of Financial Information (unaudited)			
Years Ended December 30,			
All figures in thousands of US \$, except per share amounts			
	2019	2018 *	Change
	\$	\$	%
Revenue	2,634,646	2,619,513	0.6%
Net loss	(10,453)	(444,343)	97.6%
Per share - Basic	(0.32)	(13.70)	97.7%
Per share - Diluted	(0.32)	(13.70)	97.7%
Adjusted net income ¹	16,760	39,484	(57.6%)
Per share - Basic ¹	0.52	1.22	(57.4%)
Per share - Diluted ¹	0.51	1.21	(57.9%)
Number of shares outstanding –			
Basic weighted average	32,448,448	32,438,645	
Diluted weighted average	32,448,448	32,438,645	

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Dorel Sports

All figures in thousands of US \$

Fourth Quarters Ended December 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	233,179		232,686		0.2%
Gross profit	55,874	24.0%	48,161	20.7%	16.0%
Operating profit (loss)	9,780	4.2%	(232,084)	(99.7%)	104.2%
Adjusted gross profit ¹	56,155	24.1%	48,096	20.7%	16.8%
Adjusted operating profit ¹	13,571	5.8%	5,130	2.2%	164.5%

All figures in thousands of US \$

Years Ended December 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	909,029		883,006		2.9%
Gross profit	191,799	21.1%	187,782	21.3%	2.1%
Operating profit (loss)	30,333	3.3%	(229,147)	(26.0%)	113.2%
Adjusted gross profit ¹	191,954	21.1%	189,401	21.4%	1.3%
Adjusted operating profit ¹	33,768	3.7%	19,860	2.2%	70.0%

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Fourth quarter revenue increased to US\$233.2 million, up US\$0.5 million, or 0.2%, from US\$232.7 million last year. For the year, Dorel Sports' revenue increased to US\$909.0 million, up US\$26.0 million, or 2.9%, from US\$883.0 million last year. Pacific Cycle Group (PCG) and Caloi posted growth in the quarter while the Cycling Sports Group's (CSG) revenue declined. PCG rose on the back of strong POS at key retailers and robust e-commerce sales. There has been tariff relief on children's bicycles and this mitigated the year's earlier impact at PCG. Caloi benefitted through the quarter from price increases on their models and improved mix on higher Cannondale sales. CSG organic revenue¹ growth was in most geographies with increased sales of Cannondale e-bikes and model year '20 product launches.

Fourth quarter operating profit was US\$9.8 million compared with an operating loss of US\$232.1 million last year. Adjusted operating profit¹ increased to US\$13.6 million, up US\$8.4 million, or 164.5% from last year, excluding impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs. For the year, the operating profit was US\$30.3 million compared to an operating loss of US\$229.1 million in 2018. Excluding impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs, adjusted operating profit increased by US\$13.9 million, or 70.0%, to US\$33.8 million.

In a move to support its next level of growth and to maintain the increasing momentum of the Cannondale brand, Dorel Sports is strengthening its European CSG operations, which will be centralized in the Netherlands. The existing assembly plant in Oldenzaal is being transformed into a state-of-the-art facility to more than double its current production capacity of Cannondale bicycles and e-bikes, and allow for an increase in focus on premium quality products. All production and supply related departments are being merged into the new facility.

In addition, CSG's European headquarters is being relocated to Woudenberg in a new, scenic campus, where an excellent working environment is being created in a setting that will bring CSG's brands to life. The offices in Oldenzaal and Basel,

Switzerland have been closed. The reorganization is expected to be fully completed by year-end and will result in estimated restructuring costs of between US\$8 million to US\$10 million, of which US\$3.8 million was recorded in the fourth quarter.

“This is a major step in implementing CSG Europe’s strategic plan. We have had excellent results in Europe in 2019 and the exciting changes we are announcing today will enable us to better serve our customers, boost our brand presence, and further develop our culture,” commented Dorel Sports President, Peter Woods.

Dorel Juvenile

All figures in thousands of US \$

Fourth Quarters Ended December 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	208,850		241,598		(13.6%)
Gross profit	50,276	24.1%	61,426	25.4%	(18.2%)
Operating loss	(4,145)	(2.0%)	(265,752)	(110.0%)	98.4%
Adjusted gross profit ¹	50,276	24.1%	61,978	25.7%	(18.9%)
Adjusted operating (loss) profit ¹	(2,309)	(1.1%)	1,731	0.7%	(233.4%)

All figures in thousands of US \$

Years Ended December 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	883,532		932,060		(5.2%)
Gross profit	225,714	25.5%	244,161	26.2%	(7.6%)
Operating loss	(13,466)	(1.5%)	(284,506)	(30.5%)	95.3%
Adjusted gross profit ¹	227,102	25.7%	244,800	26.3%	(7.2%)
Adjusted operating profit ¹	14,168	1.6%	10,741	1.2%	31.9%

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Fourth quarter revenue was US\$208.9 million, down US\$32.7 million, or 13.6%, from US\$241.6 million last year. Organic revenue decreased by approximately 11.6% excluding the impact of foreign exchange rate changes year-over-year. The negative effects of decreased sales of Europe’s older juvenile models continued during the quarter. However, current indications are that the new models introduced during the quarter such as the award-winning Coral and the Mica, a critical product in the rotating car seat category, are gaining traction. The U.S. adaptation of the Coral is in development and is on track for third quarter 2020 release. Segment full year revenue was US\$883.5 million, down US\$48.5 million, or 5.2%, from the prior year. Excluding foreign exchange rate fluctuations, organic revenue decreased by approximately 2.1%.

Dorel Juvenile fourth quarter operating loss was US\$4.1 million compared to US\$265.8 million a year ago. Excluding impairment losses on goodwill and intangible assets, restructuring and other costs, adjusted operating profit was down US\$4.0 million with an adjusted operating loss for the quarter of US\$2.3 million, compared to an adjusted operating profit of US\$1.7 million last year. The performance in Europe overshadowed improvements in operating profit in Dorel Juvenile’s other markets including the Dorel Juvenile China factory. Dorel Juvenile U.S. improved, driven by increasing margins and by expense control. Despite social unrest in that country, Dorel Juvenile Chile’s operational results improved versus prior year.

For the full year, the operating loss was US\$13.5 million compared to US\$284.5 million in 2018. Excluding impairment losses on goodwill and intangible assets, restructuring and other costs, adjusted operating profit was US\$14.2 million, down

US\$3.4 million or 31.9% from a year ago. Inventory was reduced by US\$15.1 million in the quarter and since the second quarter has decreased by US\$38.4 million due to an aggressive inventory reduction program.

Dorel Juvenile's restructuring program has been centered in Europe with the centralization and removal of certain duplicative functions as well as the closure of a secondary R&D site. R&D activities going forward will focus on innovation and on core products manufactured in our car seat facilities. Restructuring expense was US\$1.8 million and US\$27.4 million for the quarter and year respectively. Savings of US\$5 million were realized last year. The changes, initiated in 2019, will continue this year with overall annualized cost savings of US\$12 million to US\$15 million anticipated once the program is fully implemented.

Dorel Home

All figures in thousands of US \$

Fourth Quarters Ended December 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	211,406		209,262		1.0%
Gross profit	26,456	12.5%	33,460	16.0%	(20.9%)
Operating profit	11,892	5.6%	17,495	8.4%	(32.0%)
Adjusted operating profit ¹	11,892	5.6%	17,747	8.5%	(33.0%)

All figures in thousands of US \$

Years Ended December 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	842,085		804,447		4.7%
Gross profit	118,025	14.0%	132,849	16.5%	(11.2%)
Operating profit	56,081	6.7%	70,172	8.7%	(20.1%)
Adjusted operating profit ¹	56,081	6.7%	70,424	8.8%	(20.4%)

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Fourth quarter revenue was US\$211.4 million, up US\$2.1 million, or 1.0%, from US\$209.3 million last year. For the full year, revenue was US\$842.1 million, up US\$37.6 million, or 4.7%, from 2018. E-commerce sales continued to grow representing 70% of the segment's total gross sales. Brick and mortar sales were down from last year. For the full year, e-commerce sales represented 62% of total segment gross sales, compared to 56% in 2018. Branded-product sales continued their increase during the quarter with both CosmoLiving and Novogratz up substantially year-over-year.

Fourth quarter gross profit was 12.5%, down 350 basis points, and for the full year decreased 250 basis points to 14.0%. Most of the margin decline resulted from higher operating and warehousing costs as well as promotional activity to reduce the year's excess inventory. Significant progress was made in the segment's inventory reduction program with levels down approximately US\$41 million to roughly US\$185 million from the mid-year high of over US\$226 million.

Fourth quarter operating and adjusted operating profit was US\$11.9 million, down US\$5.6 million, or 32.0%, from an operating profit of US\$17.5 million last year and down US\$5.9 million, or 33.0%, from an adjusted operating profit of US\$17.7 million. For the full year, operating and adjusted operating profit was US\$56.1 million, down US\$14.1 million, or 20.1%, compared to an operating profit of US\$70.2 million a year ago, and down US\$14.3 million, or 20.4%, compared to an adjusted operating profit of US\$70.4 million.

Other

For the fourth quarter and the year ended December 30, 2019, Dorel's effective tax rates were 137.7% and 548.0%, respectively compared to 10.1% and 10.8% for the same periods in the prior year. Excluding income taxes on impairment losses on goodwill, intangible assets and property, plant and equipment, as well as restructuring and other costs, Dorel's fourth quarter and year-to-date adjusted tax rates¹ were 68.6% and 49.8%, respectively in 2019 compared with 9.7% and 14.8% in 2018. The main causes of the variation in the reported and adjusted tax rates year-over-year are largely due to the non-recognition of tax benefits related to tax losses and temporary differences and changes in the jurisdictions in which Dorel generated its income.

Finance expenses increased by US\$5.9 million to US\$14.5 million during the fourth quarter and by US\$17.7 million to US\$50.4 million year-to-date from 2018 comparable periods. The increases are due mainly to interest expense on lease liabilities from the adoption of IFRS 16, for which the prior year figures were not restated, and by higher average borrowings and higher average market interest rates.

Outlook

"Sales at Dorel Sports remain strong and the segment is anticipating another good year. The China supply chain is improving and product is expected to be increasingly stable as production gradually returns to normal," stated Dorel President & CEO, Martin Schwartz.

"At Dorel Juvenile, the year is starting off well. New products introduced in Europe during the fourth quarter are performing well and we are beginning to see signs of a turnaround.

"Dorel Home forecasts increased sales as it is planning to enter new categories and channels and anticipates growth in its European operations. As well, with inventory under better control, warehousing and logistics costs will be reduced.

"The world economy is in uncharted waters due to the ongoing Coronavirus, the full impact of which is difficult to predict at this time. Historically, people have purchased juvenile products and personal recreation items such as bicycles during disruptions in the market and are likely to continue to do so. Supply chain interruptions in China will impact the delivery of orders in the first quarter and possibly into the second quarter. Despite overall business improvement, the Coronavirus and related foreign exchange impacts will likely affect the first quarter," concluded Mr. Schwartz.

Conference Call

Dorel Industries Inc. will hold a conference call to discuss these results tomorrow, March 12, 2020 at 9:00 A.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 7460536 on your phone. This recording will be available on Thursday, March 12, 2020 as of 12:00 P.M. until 11:59 P.M. on Thursday, March 19, 2020.

Complete consolidated financial statements as at December 30, 2019 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, Béb  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 8,900 people in facilities located in twenty-five countries worldwide.

Non-GAAP Financial Measures

Dorel is presenting in this press release certain non-GAAP financial measures, as described below. These non-GAAP financial measures do not have a standardized meaning prescribed by International Financial Reporting Standards (IFRS) and therefore are unlikely to be comparable to similar measures presented by other issuers. These non-GAAP financial measures should not be considered in isolation or as a substitute for a measure prepared in accordance with IFRS.

Contained within this press release are reconciliations of the non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with IFRS.

The terms and the definitions of the non-GAAP financial measures contained in this press release are as follows:

Organic revenue and adjusted organic revenue

Organic revenue:	Revenue growth compared to the previous period, excluding the impact of varying foreign exchange rates
Adjusted organic revenue:	Revenue growth compared to the previous period, excluding the impact of varying foreign exchange rates and the impact of the divestment of the performance apparel line of business (Sugoi)

Dorel believes that these measures provide investors with a better comparability of its revenue trends by providing revenue growth on a consistent basis between the periods presented.

Other financial information prepared under IFRS adjusted to exclude impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs

Adjusted cost of sales:	Cost of sales excluding restructuring and other costs
Adjusted gross profit:	Gross profit excluding restructuring and other costs
Adjusted operating profit:	Operating profit excluding impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs
Adjusted income before income taxes:	Income before income taxes excluding impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs
Adjusted income taxes expense:	Income taxes expense excluding the tax impact relating to impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs
Adjusted tax rate:	Tax rate excluding the tax impact relating to impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs
Adjusted net income:	Net income excluding impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs, net of taxes
Adjusted earnings per basic and diluted share:	Earnings per basic and diluted share calculated on the basis of adjusted net income

Dorel believes that the adjusted financial information provides investors with additional information to measure its financial performance by excluding certain items that the Company believes do not reflect its core business performance and provides better comparability between the periods presented. Accordingly, Dorel believes that the adjusted financial information will assist investors in analyzing its financial results and performance. The adjusted financial information is also used by management to assess the Company's financial performance and to make operating and strategic decisions.

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 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; outbreak of public health crises, such as the coronavirus; continued access to capital resources, including compliance with covenants, and the related costs of borrowing; failure related to information technology systems; changes in assumptions in the valuation of goodwill and other intangible assets and future decline in market capitalization; and there being no certainty that the Company will declare any dividend in the future. 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.

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

Reconciliation of non-GAAP financial measures

Organic revenue and adjusted organic revenue:

	Fourth Quarters Ended December 30,							
	Consolidated		Dorel Home		Dorel Juvenile		Dorel Sports	
	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	%	%	%	%	%	%
Revenue growth (decline)	(4.4)	1.0	1.0	4.1	(13.6)	1.0	0.2	(1.7)
Impact of varying foreign exchange rates	1.3	2.2	-	0.2	2.0	3.1	1.7	3.0
Organic revenue ¹ growth (decline)	(3.1)	3.2	1.0	4.3	(11.6)	4.1	1.9	1.3
Impact of the divestment of the performance apparel line of business (SUGOI)	-	0.4	-	-	-	-	-	1.3
Adjusted organic revenue ¹ growth (decline)	(3.1)	3.6	1.0	4.3	(11.6)	4.1	1.9	2.6

	Years Ended December 30,							
	Consolidated		Dorel Home		Dorel Juvenile		Dorel Sports	
	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	%	%	%	%	%	%
Revenue growth (decline)	0.6	1.6	4.7	1.7	(5.2)	1.1	2.9	2.0
Impact of varying foreign exchange rates	1.8	(0.1)	0.1	-	3.1	(0.7)	2.2	0.6
Organic revenue ¹ growth (decline)	2.4	1.5	4.8	1.7	(2.1)	0.4	5.1	2.6
Impact of the divestment of the performance apparel line of business (SUGOI)	0.4	0.3	-	-	-	-	1.0	0.8
Adjusted organic revenue ¹ growth (decline)	2.8	1.8	4.8	1.7	(2.1)	0.4	6.1	3.4

Other financial information prepared under IFRS adjusted to exclude impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs:

Dorel Consolidated

Fourth Quarters Ended December 30,										
	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	653,435	100.0	-	653,435	100.0	683,546	100.0	-	683,546	100.0
Cost of sales	520,829	79.7	(281)	520,548	79.7	540,499	79.1	(487)	540,012	79.0
GROSS PROFIT	132,606	20.3	281	132,887	20.3	143,047	20.9	487	143,534	21.0
Selling expenses	53,565	8.2	-	53,565	8.2	56,807	8.3	-	56,807	8.3
General and administrative expenses	44,752	6.8	-	44,752	6.8	53,200	7.9	-	53,200	7.9
Research and development expenses	10,874	1.7	-	10,874	1.7	10,482	1.5	-	10,482	1.5
Impairment loss on trade accounts receivable	1,858	0.3	-	1,858	0.3	3,018	0.4	-	3,018	0.4
Restructuring and other costs	5,346	0.8	(5,346)	-	-	3,016	0.4	(3,016)	-	-
Impairment losses on goodwill, intangible assets and property, plant and equipment	-	-	-	-	-	501,446	73.3	(501,446)	-	-
OPERATING PROFIT (LOSS)	16,211	2.5	5,627	21,838	3.3	(484,922)	(70.9)	504,949	20,027	2.9
Finance expenses	14,515	2.2	-	14,515	2.2	8,626	1.3	-	8,626	1.3
INCOME (LOSS) BEFORE INCOME TAXES	1,696	0.3	5,627	7,323	1.1	(493,548)	(72.2)	504,949	11,401	1.6
Income taxes expense (recovery)	2,335	0.4	2,691	5,026	0.7	(49,650)	(7.3)	50,753	1,103	0.1
Tax rate	137.7%			68.6%		10.1%			9.7%	
NET (LOSS) INCOME	(639)	(0.1)	2,936	2,297	0.4	(443,898)	(64.9)	454,196	10,298	1.5
(LOSS) EARNINGS PER SHARE										
Basic	(0.02)		0.09	0.07		(13.68)		14.00	0.32	
Diluted	(0.02)		0.09	0.07		(13.68)		13.99	0.31	
SHARES OUTSTANDING										
Basic - weighted average	32,466,082			32,466,082		32,439,189			32,439,189	
Diluted - weighted average	32,466,082			32,866,967		32,439,189			32,747,791	

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Years Ended December 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	2,634,646	100.0	-	2,634,646	100.0	2,619,513	100.0	-	2,619,513	100.0
Cost of sales	2,099,108	79.7	(1,543)	2,097,565	79.6	2,054,721	78.4	(2,258)	2,052,463	78.4
GROSS PROFIT	535,538	20.3	1,543	537,081	20.4	564,792	21.6	2,258	567,050	21.6
Selling expenses	219,679	8.3	-	219,679	8.3	233,772	8.9	-	233,772	8.9
General and administrative expenses	188,166	7.2	-	188,166	7.2	200,041	7.7	-	200,041	7.7
Research and development expenses	39,695	1.5	-	39,695	1.5	37,819	1.4	-	37,819	1.4
Impairment loss on trade accounts receivable	5,759	0.2	-	5,759	0.2	16,425	0.6	-	16,425	0.6
Restructuring and other costs	29,526	1.1	(29,526)	-	-	16,609	0.6	(16,609)	-	-
Impairment losses on goodwill, intangible assets and property, plant and equipment	-	-	-	-	-	525,639	20.2	(525,639)	-	-
OPERATING PROFIT (LOSS)	52,713	2.0	31,069	83,782	3.2	(465,513)	(17.8)	544,506	78,993	3.0
Finance expenses	50,380	1.9	-	50,380	1.9	32,650	1.2	-	32,650	1.2
INCOME (LOSS) BEFORE INCOME TAXES	2,333	0.1	31,069	33,402	1.3	(498,163)	(19.0)	544,506	46,343	1.8
Income taxes expense (recovery)	12,786	0.5	3,856	16,642	0.7	(53,820)	(2.0)	60,679	6,859	0.3
Tax rate	548.0%			49.8%		10.8%			14.8%	
NET (LOSS) INCOME	(10,453)	(0.4)	27,213	16,760	0.6	(444,343)	(17.0)	483,827	39,484	1.5
(LOSS) EARNINGS PER SHARE										
Basic	(0.32)		0.84	0.52		(13.70)		14.92	1.22	
Diluted	(0.32)		0.83	0.51		(13.70)		14.91	1.21	
SHARES OUTSTANDING										
Basic - weighted average	32,448,448			32,448,448		32,438,645			32,438,645	
Diluted - weighted average	32,448,448			32,807,991		32,438,645			32,727,662	

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Dorel Sports

Fourth Quarters Ended December 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	233,179	100.0	-	233,179	100.0	232,686	100.0	-	232,686	100.0
Cost of sales	177,305	76.0	(281)	177,024	75.9	184,525	79.3	65	184,590	79.3
GROSS PROFIT	55,874	24.0	281	56,155	24.1	48,161	20.7	(65)	48,096	20.7
Selling expenses	21,976	9.4	-	21,976	9.4	20,956	9.0	-	20,956	9.0
General and administrative expenses	17,545	7.5	-	17,545	7.5	18,652	8.0	-	18,652	8.0
Research and development expenses	1,298	0.6	-	1,298	0.6	1,314	0.6	-	1,314	0.6
Impairment loss on trade accounts receivable	1,765	0.8	-	1,765	0.8	2,044	0.9	-	2,044	0.9
Restructuring and other costs	3,510	1.5	(3,510)	-	-	56	-	(56)	-	-
Impairment losses on goodwill, intangible assets and property, plant and equipment	-	-	-	-	-	237,223	101.9	(237,223)	-	-
OPERATING PROFIT (LOSS)	9,780	4.2	3,791	13,571	5.8	(232,084)	(99.7)	237,214	5,130	2.2

Years Ended December 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Impairment losses on goodwill, intangible assets and property, plant and equipment, restructuring and other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	909,029	100.0	-	909,029	100.0	883,006	100.0	-	883,006	100.0
Cost of sales	717,230	78.9	(155)	717,075	78.9	695,224	78.7	(1,619)	693,605	78.6
GROSS PROFIT	191,799	21.1	155	191,954	21.1	187,782	21.3	1,619	189,401	21.4
Selling expenses	86,734	9.5	-	86,734	9.5	88,876	10.1	-	88,876	10.1
General and administrative expenses	63,906	7.1	-	63,906	7.1	66,159	7.5	-	66,159	7.5
Research and development expenses	5,348	0.6	-	5,348	0.6	5,295	0.6	-	5,295	0.6
Impairment loss on trade accounts receivable	2,198	0.2	-	2,198	0.2	9,211	1.0	-	9,211	1.0
Restructuring and other costs	3,280	0.4	(3,280)	-	-	10,165	1.2	(10,165)	-	-
Impairment losses on goodwill, intangible assets and property, plant and equipment	-	-	-	-	-	237,223	26.9	(237,223)	-	-
OPERATING PROFIT (LOSS)	30,333	3.3	3,435	33,768	3.7	(229,147)	(26.0)	249,007	19,860	2.2

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Dorel Juvenile

Fourth Quarters Ended December 30,										
2019						2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Impairment losses on goodwill and intangible assets, restructuring and other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	208,850	100.0	-	208,850	100.0	241,598	100.0	-	241,598	100.0
Cost of sales	158,574	75.9	-	158,574	75.9	180,172	74.6	(552)	179,620	74.3
GROSS PROFIT	50,276	24.1	-	50,276	24.1	61,426	25.4	552	61,978	25.7
Selling expenses	25,847	12.4	-	25,847	12.4	28,809	11.9	-	28,809	11.9
General and administrative expenses	18,179	8.7	-	18,179	8.7	22,347	9.3	-	22,347	9.3
Research and development expenses	8,232	3.9	-	8,232	3.9	8,175	3.4	-	8,175	3.4
Impairment loss on trade accounts receivable	327	0.2	-	327	0.2	916	0.4	-	916	0.4
Restructuring and other costs	1,836	0.9	(1,836)	-	-	2,708	1.0	(2,708)	-	-
Impairment losses on goodwill and intangible assets	-	-	-	-	-	264,223	109.4	(264,223)	-	-
OPERATING (LOSS) PROFIT	(4,145)	(2.0)	1,836	(2,309)	(1.1)	(265,752)	(110.0)	267,483	1,731	0.7

Years Ended December 30,										
2019						2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Impairment losses on goodwill and intangible assets, restructuring and other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	883,532	100.0	-	883,532	100.0	932,060	100.0	-	932,060	100.0
Cost of sales	657,818	74.5	(1,388)	656,430	74.3	687,899	73.8	(639)	687,260	73.7
GROSS PROFIT	225,714	25.5	1,388	227,102	25.7	244,161	26.2	639	244,800	26.3
Selling expenses	106,923	12.1	-	106,923	12.1	117,915	12.7	-	117,915	12.7
General and administrative expenses	74,262	8.4	-	74,262	8.4	82,759	8.9	-	82,759	8.9
Research and development expenses	29,377	3.3	-	29,377	3.3	28,283	3.0	-	28,283	3.0
Impairment loss on trade accounts receivable	2,372	0.3	-	2,372	0.3	5,102	0.5	-	5,102	0.5
Restructuring and other costs	26,246	2.9	(26,246)	-	-	6,192	0.7	(6,192)	-	-
Impairment losses on goodwill and intangible assets	-	-	-	-	-	288,416	30.9	(288,416)	-	-
OPERATING (LOSS) PROFIT	(13,466)	(1.5)	27,634	14,168	1.6	(284,506)	(30.5)	295,247	10,741	1.2

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.

Dorel Home

Fourth Quarters Ended December 30,

	2019					2018 *				
	Reported	% of revenue	Other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	211,406	100.0	-	211,406	100.0	209,262	100.0	-	209,262	100.0
Cost of sales	184,950	87.5	-	184,950	87.5	175,802	84.0	-	175,802	84.0
GROSS PROFIT	26,456	12.5	-	26,456	12.5	33,460	16.0	-	33,460	16.0
Selling expenses	5,651	2.7	-	5,651	2.7	6,923	3.3	-	6,923	3.3
General and administrative expenses	7,803	3.7	-	7,803	3.7	7,739	3.7	-	7,739	3.7
Research and development expenses	1,344	0.6	-	1,344	0.6	993	0.5	-	993	0.5
Impairment (reversal) loss on trade accounts receivable	(234)	(0.1)	-	(234)	(0.1)	58	-	-	58	-
Other costs	-	-	-	-	-	252	0.1	(252)	-	-
OPERATING PROFIT	11,892	5.6	-	11,892	5.6	17,495	8.4	252	17,747	8.5

Years Ended December 30,

	2019					2018 *				
	Reported	% of revenue	Other costs	Adjusted ¹	% of revenue	Reported	% of revenue	Other costs	Adjusted ¹	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
REVENUE	842,085	100.0	-	842,085	100.0	804,447	100.0	-	804,447	100.0
Cost of sales	724,060	86.0	-	724,060	86.0	671,598	83.5	-	671,598	83.5
GROSS PROFIT	118,025	14.0	-	118,025	14.0	132,849	16.5	-	132,849	16.5
Selling expenses	25,731	3.1	-	25,731	3.1	26,186	3.3	-	26,186	3.3
General and administrative expenses	30,054	3.5	-	30,054	3.5	29,886	3.6	-	29,886	3.6
Research and development expenses	4,970	0.6	-	4,970	0.6	4,241	0.5	-	4,241	0.5
Impairment loss on trade accounts receivable	1,189	0.1	-	1,189	0.1	2,112	0.3	-	2,112	0.3
Other costs	-	-	-	-	-	252	0.1	(252)	-	-
OPERATING PROFIT	56,081	6.7	-	56,081	6.7	70,172	8.7	252	70,424	8.8

* The Company has initially applied IFRS 16 as at December 31, 2018. Under the transition method chosen, comparative information is not restated.