



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

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C O M M U N I Q U É

DOREL REPORTS THIRD QUARTER RESULTS

- **Dorel Sports total revenue up 14.2%, adjusted organic revenue¹ up 15.7%**
- **Dorel Juvenile wins innovation award at world's largest juvenile product exhibition**

Montréal, November 8, 2019 — Dorel Industries Inc. (TSX: DII.B, DII.A) today announced results for the third quarter and nine months ended September 30, 2019. Third quarter revenue was US\$685.7 million, up 2.3% from US\$670.4 million. Reported net loss was US\$4.3 million or US\$0.13 per diluted share, compared to net income of US\$9.6 million or US\$0.29 per diluted share last year. Adjusted net income¹ was US\$2.4 million or US\$0.07 per diluted share, compared to US\$11.0 million or US\$0.34 per diluted share a year ago.

Nine-month revenue was US\$1.98 billion, an increase of 2.3% compared to US\$1.94 billion last year. Reported net loss year-to-date was US\$9.8 million or US\$0.30 per diluted share, compared to US\$0.4 million or US\$0.01 per diluted share in 2018. Year-to-date adjusted net income was US\$14.5 million or US\$0.44 per diluted share, compared to US\$29.2 million or US\$0.89 per diluted share a year ago.

“As expected and previously communicated, the third quarter was a difficult one primarily due to various issues related to U.S. imposed tariffs. We raised prices in the quarter and this has had several negative consequences. Retailers altered their purchasing decisions, which resulted in a considerable product mix imbalance. In addition, some of our large U.S. customers delayed holiday orders from September to October.

All Dorel segments have done an excellent job of holding the line on most expenses and creative product development has resulted in many new exciting introductions. Cannondale's new line-up is driving Cycling Sports Group success. The new product development process at Dorel Juvenile is delivering significantly improved time-to-market, though increased earnings are yet to materialize. Inventory reduction across all segments is a strong focus and is on track, and new sourcing strategies are being implemented where appropriate,” stated Dorel President & CEO, Martin Schwartz.

“Dorel Sports' sales were very strong despite some orders being pushed back to the fourth quarter. Margins in mass were affected by tariffs, but revenue grew double digits for the first time in five years. Our bikes are selling well across all channels. Adjusted operating profit¹ at Dorel Juvenile was up overall, but challenges remain in Europe. Issues related to tariffs have delayed Dorel Home's improvement. Margin and profitability are not yet where we want them to be, but the signs are positive and progress is being made,” concluded Mr. 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)			
Third Quarters Ended September 30,			
All figures in thousands of US \$, except per share amounts			
	2019	2018 *	Change
	\$	\$	%
Total revenue	685,669	670,437	2.3%
Net income (loss)	(4,337)	9,594	(145.2%)
Per share - Basic	(0.13)	0.30	(143.3%)
Per share - Diluted	(0.13)	0.29	(144.8%)
Adjusted net income	2,355	10,988	(78.6%)
Per share - Basic	0.07	0.34	(79.4%)
Per share - Diluted	0.07	0.34	(79.4%)
Number of shares outstanding –			
Basic weighted average	32,444,656	32,438,503	
Diluted weighted average	32,444,656	32,738,830	

Summary of Financial Information (unaudited)			
Nine Months Ended September 30,			
All figures in thousands of US \$, except per share amounts			
	2019	2018 *	Change
	\$	\$	%
Total revenue	1,981,211	1,935,967	2.3%
Net loss	(9,814)	(445)	(2,105.4%)
Per share - Basic	(0.30)	(0.01)	(2,900.0%)
Per share - Diluted	(0.30)	(0.01)	(2,900.0%)
Adjusted net income	14,463	29,186	(50.4%)
Per share - Basic	0.45	0.90	(50.0%)
Per share - Diluted	0.44	0.89	(50.6%)
Number of shares outstanding –			
Basic weighted average	32,442,592	32,438,465	
Diluted weighted average	32,442,592	32,438,465	

* 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 \$

Third Quarters Ended September 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Total revenue	250,277		219,120		14.2%
Gross profit	46,895	18.7%	46,144	21.1%	1.6%
Operating profit	5,957	2.4%	6,993	3.2%	(14.8%)
Adjusted gross profit	46,769	18.7%	46,244	21.1%	1.1%
Adjusted operating profit	5,601	2.2%	7,549	3.4%	(25.8%)

All figures in thousands of US \$

Nine Months Ended September 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Total revenue	675,850		650,320		3.9%
Gross profit	135,925	20.1%	139,621	21.5%	(2.6%)
Operating profit	20,553	3.0%	2,937	0.5%	599.8%
Adjusted gross profit	135,799	20.1%	141,305	21.7%	(3.9%)
Adjusted operating profit	20,197	3.0%	14,730	2.3%	37.1%

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

Third quarter revenue increased US\$31.2 million, or 14.2%, to US\$250.3 million, with revenue growth across all three divisions, driven by strong performances at the Cycling Sports Group (CSG). Excluding foreign exchange rate fluctuations year-over-year and the impact of the divestment of the performance apparel line of business (SUGOI), adjusted organic revenue increased 15.7%. Nine-month revenue increased US\$25.5 million, or 3.9%, to US\$675.9 million.

CSG's third quarter growth was driven by continued excitement and increased sales of the model year '20 lineup. CSG margins remained strong as a result of increased in-line, full margin sales and solid retail POS levels continue to trend upwards. Year-to-date CSG's independent bike dealer (IBD) business continued to outpace the rest of the industry. Growth in Europe was primarily driven by the e-bike category which doubled sales with e-mountain bike launches such as the Moterra and Habit Neo. Caloi delivered strong double-digit revenue growth with increased volume due to success with Brazil's Yellow Bike Sharing program and a better mix. Caloi is also experiencing improved results from increased Cannondale brand marketing efforts. POS levels were solid at Pacific Cycle, however the division was negatively impacted by margin compression. In addition, key retailers delayed holiday pipeline shipments to the current fourth quarter.

Operating profit for the quarter was US\$6.0 million compared to US\$7.0 million a year ago. Adjusted operating profit was US\$5.6 million compared US\$7.5 million last year. The Pacific Cycle issues described above plus related additional warehouse storage were solely responsible for the decreased operating profit. Nine-month operating profit was US\$20.6 million compared to US\$2.9 million in 2018. Adjusted operating profit was US\$20.2 million versus US\$14.7 million.

Dorel Juvenile

All figures in thousands of US \$

Third Quarters Ended September 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Total revenue	222,925		229,690		(2.9%)
Gross profit	56,219	25.2%	57,846	25.2%	(2.8%)
Operating profit (loss)	(4,563)	(2.0%)	1,038	0.5%	(539.6%)
Adjusted operating profit	2,592	1.2%	1,675	0.7%	54.7%

All figures in thousands of US \$

Nine Months Ended September 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Total revenue	674,682		690,462		(2.3%)
Gross profit	175,438	26.0%	182,735	26.5%	(4.0%)
Operating loss	(9,321)	(1.4%)	(18,754)	(2.7%)	50.3%
Adjusted gross profit	176,826	26.2%	182,822	26.5%	(3.3%)
Adjusted operating profit	16,477	2.4%	9,010	1.3%	82.9%

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

Third quarter revenue declined by US\$6.8 million, or 2.9%, to US\$222.9 million, with organic revenue¹ decreasing by 0.5%. Dorel Juvenile USA sales at retail increased over prior year at most customers, capturing market share from competitors. Sales at Dorel Juvenile Brazil continued to grow double digits with Chile retail same store sales also increasing substantially over prior year. Nine-month organic revenue increased by 1.3%, but reported revenue decreased US\$15.8 million, or 2.3%, to US\$674.7 million.

New product introductions in Europe are gaining traction with additional new products being introduced in the fourth quarter and early 2020 which is expected to accelerate revenue improvement. At the world's largest juvenile products exhibition in Cologne this September, Dorel Juvenile won the coveted innovation award for the introduction of the Maxi-Cosi CORAL. This revolutionary infant carrier baby car seat solves the inconvenience of managing bulky seats, with its detachable soft carrier weighing only 1.7kg, setting a new standard for lightness and convenience.

Operating loss was US\$4.6 million compared to an operating profit of US\$1.0 million last year. Included in 2019 results is an impairment loss on trade receivables of US\$1.6 million due to a significant retail chain in the U.K. entering administration. Excluding restructuring and other costs, adjusted operating profit increased US\$0.9 million to US\$2.6 million compared to US\$1.7 million in 2018. Nine-month operating loss was US\$9.3 million versus US\$18.8 million a year ago. Excluding impairment loss on intangible assets, restructuring and other costs, adjusted operating profit rose 82.9% to US\$16.5 million from US\$9.0 million in 2018.

The restructuring program in Europe is being implemented and the program is running as planned. Savings of US\$5.0 million are being realized as budgeted for this year. Overall annualized cost savings of US\$12.0 million to US\$15.0 million are anticipated once the program is fully implemented.

Dorel Home

All figures in thousands of US \$

Third Quarters Ended September 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Total revenue	212,467		221,627		(4.1%)
Gross profit	32,376	15.2%	34,844	15.7%	(7.1%)
Operating profit	15,665	7.4%	19,504	8.8%	(19.7%)

All figures in thousands of US \$

Nine Months Ended September 30 (unaudited)					
	2019		2018 *		Change
	\$	% of rev.	\$	% of rev.	%
Total revenue	630,679		595,185		6.0%
Gross profit	91,569	14.5%	99,389	16.7%	(7.9%)
Operating profit	44,189	7.0%	52,677	8.9%	(16.1%)

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

Dorel Home's third quarter revenue decreased US\$9.2 million, or 4.1%, to US\$212.5 million. Prices were raised midway through the quarter to reflect the increased tariffs, which had a negative impact on retailers' purchasing decisions. Despite the challenges in the market conditions, e-commerce sales increased to 61% of total segment gross sales, compared to 58% last year. CosmoLiving and Novogratz branded sales beat prior quarter numbers substantially. Nine-month revenue was up by US\$35.5 million, or 6.0%, to US\$630.7 million.

Gross profit for the third quarter was 15.2%, down 50 basis points from prior year, but an improvement of 100 basis points from second quarter gross profit. Tariff-related issues affecting the segment during the first half, including elevated inventory levels and warehousing costs and a less profitable product mix, continued into the third quarter but are being mitigated through stringent operational improvements. Sales and operating profit both increased over the second quarter. Year-over-year, operating profit declined US\$3.8 million, or 19.7%, to US\$15.7 million. Nine-month operating profit decreased US\$8.5 million, or 16.1%, to US\$44.2 million.

Other

During the third quarter and nine months ended September 30, 2019, the Company's reported effective tax rates were (130.4)% and 1,640.7% respectively compared to 28.2% and 90.4% for the same periods in the prior year. Excluding income taxes on restructuring and other costs, the Company's third quarter adjusted tax rate¹ was 52.1% in 2019 compared with 24.5% in 2018. Excluding income taxes on impairment loss on intangible assets, restructuring and other costs, the Company's adjusted tax rate for the nine months was 44.5% in 2019 compared with 16.5% in 2018. Considering the significant impairment losses recorded during the fourth quarter of 2018, the Company was unable to recognize certain tax benefits related to tax losses and temporary differences. This resulted in an increase in the reported effective tax rates for both periods compared to prior year. The balance of the increase in the reported effective tax rate and in the adjusted effective tax rate is due to changes in the jurisdictions in which the Company generated its income. The Company expects that for the full year its annual adjusted tax rate to be between 35% and 40%.

Finance expenses increased by US\$4.5 million to US\$12.8 million during the third quarter and by US\$11.8 million to US\$35.9 million year-to-date. 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. In addition, the 2019 increase includes higher average borrowings and higher average market interest rates.

Outlook

“At Dorel Sports, the positive momentum in Cycling Sports Group’s IBD business is expected to continue. This, coupled with the shift of orders at Pacific Cycle from the third to the fourth quarter, provides the confidence that the segment will deliver a solid fourth quarter in both sales and adjusted operating profit,” commented Dorel President & CEO, Martin Schwartz.

“At Dorel Home, we are expecting similar earnings for the fourth quarter as throughout 2019. We are now seeing an easing of the pressure created by tariffs imposed in the U.S. Demand is growing again, our warehouse service levels are improving, and our inventory is being re-balanced to the right levels. We expect adjusted operating profit to improve early in 2020.

“At Dorel Juvenile, new product introductions are beginning to have a positive impact and there are several key launches scheduled for the fourth quarter and early next year. From an earnings perspective, Europe is still transforming itself. The restructuring program in Europe is proceeding with most of the savings to come in 2020. Fourth quarter adjusted operating profit is at risk due to continuing civil unrest in Chile, which began in October and which is having a negative effect on all retail, including Dorel Juvenile’s numerous stores. This could lower earnings in the quarter and impact the critical Christmas season in that country,” concluded Mr. Schwartz.

Conference Call

Dorel Industries Inc. will hold a conference call to discuss these results today, November 8, 2019 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 1156908 on your phone. This recording will be available on Friday, November 8, 2019 as of 4:00 P.M. until 11:59 P.M. on Friday, November 15, 2019.

Complete condensed consolidated interim financial statements as at September 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, 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.

Non-GAAP Financial Measures

The Company 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:	Total revenue growth compared to the previous period, excluding the impact of varying foreign exchange rates
Adjusted organic revenue:	Total 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)

The Company believes that these measures provide investors with a better comparability of the Company's total revenue trends by providing total revenue growth on a consistent basis between the periods presented.

Other financial information prepared under IFRS adjusted to exclude impairment loss on intangible assets, 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 loss on intangible assets, restructuring and other costs
Adjusted income before income taxes:	Income before income taxes excluding impairment loss on intangible assets, restructuring and other costs
Adjusted income taxes expense:	Income taxes expense excluding the tax impact relating to impairment loss on intangible assets, restructuring and other costs
Adjusted tax rate:	Tax rate excluding the tax impact relating to impairment loss on intangible assets, restructuring and other costs
Adjusted net income:	Net income excluding impairment loss on intangible assets, 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

The Company believes that the adjusted financial information provides investors with additional information to measure the Company's 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, the Company believes that the adjusted financial information will assist investors in analyzing the Company's 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; 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 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.

Forward-looking statements made in this press release related to the expected financial information for 2019 do not take into consideration the impact of adopting IFRS 16, *Leases*, on December 31, 2018.

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:

	Third Quarters Ended September 30,							
	Total		Dorel Home		Dorel Juvenile		Dorel Sports	
	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	%	%	%	%	%	%
Total revenue growth (decline)	2.3	4.3	(4.1)	10.0	(2.9)	(2.5)	14.2	6.6
Impact of varying foreign exchange rates	1.3	1.8	-	0.2	2.4	2.1	1.4	3.0
Organic revenue growth (decline)	3.6	6.1	(4.1)	10.2	(0.5)	(0.4)	15.6	9.6
Impact of the divestment of the performance apparel line of business (SUGOI)	-	0.7	-	-	-	-	0.1	2.2
Adjusted organic revenue growth (decline)	3.6	6.8	(4.1)	10.2	(0.5)	(0.4)	15.7	11.8

	Nine Months Ended September 30,							
	Total		Dorel Home		Dorel Juvenile		Dorel Sports	
	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	%	%	%	%	%	%
Total revenue growth (decline)	2.3	1.9	6.0	0.9	(2.3)	1.2	3.9	3.5
Impact of varying foreign exchange rates	2.1	(0.9)	0.1	-	3.6	(2.2)	2.3	(0.3)
Organic revenue growth (decline)	4.4	1.0	6.1	0.9	1.3	(1.0)	6.2	3.2
Impact of the divestment of the performance apparel line of business (SUGOI)	0.5	0.2	-	-	-	-	1.5	0.7
Adjusted organic revenue growth (decline)	4.9	1.2	6.1	0.9	1.3	(1.0)	7.7	3.9

Other financial information prepared under IFRS adjusted to exclude impairment loss on intangible assets, restructuring and other costs:

Dorel Consolidated

Third Quarters ended September 30,										
	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
TOTAL REVENUE	685,669	100.0	-	685,669	100.0	670,437	100.0	-	670,437	100.0
Cost of sales	550,179	80.2	126	550,305	80.3	531,603	79.3	(100)	531,503	79.3
GROSS PROFIT	135,490	19.8	(126)	135,364	19.7	138,834	20.7	100	138,934	20.7
Selling expenses	57,203	8.3	-	57,203	8.3	59,177	8.8	-	59,177	8.8
General and administrative expenses	47,326	6.9	-	47,326	6.9	47,431	7.1	-	47,431	7.1
Research and development expenses	9,672	1.4	-	9,672	1.4	9,276	1.4	-	9,276	1.4
Impairment loss on trade and other receivables	3,449	0.5	-	3,449	0.5	246	-	-	246	-
Restructuring and other costs	6,925	1.1	(6,925)	-	-	1,093	0.2	(1,093)	-	-
OPERATING PROFIT	10,915	1.6	6,799	17,714	2.6	21,611	3.2	1,193	22,804	3.4
Finance expenses	12,797	1.8	-	12,797	1.8	8,254	1.2	-	8,254	1.2
INCOME (LOSS) BEFORE INCOME TAXES	(1,882)	(0.2)	6,799	4,917	0.8	13,357	2.0	1,193	14,550	2.2
Income taxes expense	2,455	0.4	107	2,562	0.5	3,763	0.6	(201)	3,562	0.6
Tax rate	(130.4)%			52.1%		28.2%			24.5%	
NET INCOME (LOSS)	(4,337)	(0.6)	6,692	2,355	0.3	9,594	1.4	1,394	10,988	1.6
EARNINGS (LOSS) PER SHARE										
Basic	(0.13)		0.20	0.07		0.30		0.04	0.34	
Diluted	(0.13)		0.20	0.07		0.29		0.05	0.34	
SHARES OUTSTANDING										
Basic - weighted average	32,444,656			32,444,656		32,438,503			32,438,503	
Diluted - weighted average	32,444,656			32,838,148		32,738,830			32,738,830	

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

Nine Months Ended September 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Impairment loss on intangible assets, restructuring and other costs	Adjusted	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
TOTAL REVENUE	1,981,211	100.0	-	1,981,211	100.0	1,935,967	100.0	-	1,935,967	100.0
Cost of sales	1,578,279	79.7	(1,262)	1,577,017	79.6	1,514,222	78.2	(1,771)	1,512,451	78.1
GROSS PROFIT	402,932	20.3	1,262	404,194	20.4	421,745	21.8	1,771	423,516	21.9
Selling expenses	166,114	8.4	-	166,114	8.4	176,965	9.1	-	176,965	9.1
General and administrative expenses	143,414	7.2	-	143,414	7.2	146,841	7.7	-	146,841	7.7
Research and development expenses	28,821	1.5	-	28,821	1.5	27,337	1.4	-	27,337	1.4
Impairment loss on trade and other receivables	3,901	0.2	-	3,901	0.2	13,407	0.7	-	13,407	0.7
Restructuring and other costs	24,180	1.2	(24,180)	-	-	13,593	0.7	(13,593)	-	-
Impairment loss on intangible assets	-	-	-	-	-	24,193	1.2	(24,193)	-	-
OPERATING PROFIT	36,502	1.8	25,442	61,944	3.1	19,409	1.0	39,557	58,966	3.0
Finance expenses	35,865	1.8	-	35,865	1.8	24,024	1.2	-	24,024	1.2
INCOME (LOSS) BEFORE INCOME TAXES	637	-	25,442	26,079	1.3	(4,615)	(0.2)	39,557	34,942	1.8
Income taxes expense (recovery)	10,451	0.5	1,165	11,616	0.6	(4,170)	(0.2)	9,926	5,756	0.3
Tax rate	1,640.7%			44.5%		90.4%			16.5%	
NET INCOME (LOSS)	(9,814)	(0.5)	24,277	14,463	0.7	(445)	-	29,631	29,186	1.5
EARNINGS (LOSS) PER SHARE										
Basic	(0.30)		0.75	0.45		(0.01)		0.91	0.90	
Diluted	(0.30)		0.74	0.44		(0.01)		0.90	0.89	
SHARES OUTSTANDING										
Basic - weighted average	32,442,592			32,442,592		32,438,465			32,438,465	
Diluted - weighted average	32,442,592			32,797,585		32,438,465			32,722,433	

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

Dorel Juvenile
Third Quarters Ended September 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
TOTAL REVENUE	222,925	100.0	-	222,925	100.0	229,690	100.0	-	229,690	100.0
Cost of sales	166,706	74.8	-	166,706	74.8	171,844	74.8	-	171,844	74.8
GROSS PROFIT	56,219	25.2	-	56,219	25.2	57,846	25.2	-	57,846	25.2
Selling expenses	26,789	12.0	-	26,789	12.0	29,726	12.9	-	29,726	12.9
General and administrative expenses	18,079	8.1	-	18,079	8.1	19,055	8.4	-	19,055	8.4
Research and development expenses	7,137	3.2	-	7,137	3.2	6,987	3.0	-	6,987	3.0
Impairment loss on trade and other receivables	1,622	0.7	-	1,622	0.7	403	0.2	-	403	0.2
Restructuring and other costs	7,155	3.2	(7,155)	-	-	637	0.2	(637)	-	-
OPERATING PROFIT (LOSS)	(4,563)	(2.0)	7,155	2,592	1.2	1,038	0.5	637	1,675	0.7

Nine Months Ended September 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Impairment loss on intangible assets, restructuring and other costs	Adjusted	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
TOTAL REVENUE	674,682	100.0	-	674,682	100.0	690,462	100.0	-	690,462	100.0
Cost of sales	499,244	74.0	(1,388)	497,856	73.8	507,727	73.5	(87)	507,640	73.5
GROSS PROFIT	175,438	26.0	1,388	176,826	26.2	182,735	26.5	87	182,822	26.5
Selling expenses	81,076	12.0	-	81,076	12.0	89,106	12.9	-	89,106	12.9
General and administrative expenses	56,083	8.4	-	56,083	8.4	60,412	8.8	-	60,412	8.8
Research and development expenses	21,145	3.1	-	21,145	3.1	20,108	2.9	-	20,108	2.9
Impairment loss on trade and other receivables	2,045	0.3	-	2,045	0.3	4,186	0.6	-	4,186	0.6
Restructuring and other costs	24,410	3.6	(24,410)	-	-	3,484	0.5	(3,484)	-	-
Impairment loss on intangible assets	-	-	-	-	-	24,193	3.5	(24,193)	-	-
OPERATING PROFIT (LOSS)	(9,321)	(1.4)	25,798	16,477	2.4	(18,754)	(2.7)	27,764	9,010	1.3

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

Third Quarters Ended September 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
TOTAL REVENUE	250,277	100.0	-	250,277	100.0	219,120	100.0	-	219,120	100.0
Cost of sales	203,382	81.3	126	203,508	81.3	172,976	78.9	(100)	172,876	78.9
GROSS PROFIT	46,895	18.7	(126)	46,769	18.7	46,144	21.1	100	46,244	21.1
Selling expenses	23,571	9.4	-	23,571	9.4	22,834	10.4	-	22,834	10.4
General and administrative expenses	15,691	6.4	-	15,691	6.4	14,846	6.9	-	14,846	6.9
Research and development expenses	1,351	0.5	-	1,351	0.5	1,174	0.5	-	1,174	0.5
Impairment loss (reversal) on trade and other receivables	555	0.2	-	555	0.2	(159)	(0.1)	-	(159)	(0.1)
Restructuring and other costs	(230)	(0.2)	230	-	-	456	0.2	(456)	-	-
OPERATING PROFIT	5,957	2.4	(356)	5,601	2.2	6,993	3.2	556	7,549	3.4

Nine Months Ended September 30,

	2019					2018 *				
	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue	Reported	% of revenue	Restructuring and other costs	Adjusted	% of revenue
	\$	%	\$	\$	%	\$	%	\$	\$	%
TOTAL REVENUE	675,850	100.0	-	675,850	100.0	650,320	100.0	-	650,320	100.0
Cost of sales	539,925	79.9	126	540,051	79.9	510,699	78.5	(1,684)	509,015	78.3
GROSS PROFIT	135,925	20.1	(126)	135,799	20.1	139,621	21.5	1,684	141,305	21.7
Selling expenses	64,758	9.6	-	64,758	9.6	67,920	10.4	-	67,920	10.4
General and administrative expenses	46,361	6.8	-	46,361	6.8	47,507	7.3	-	47,507	7.3
Research and development expenses	4,050	0.6	-	4,050	0.6	3,981	0.6	-	3,981	0.6
Impairment loss on trade and other receivables	433	0.1	-	433	0.1	7,167	1.1	-	7,167	1.1
Restructuring and other costs	(230)	-	230	-	-	10,109	1.6	(10,109)	-	-
OPERATING PROFIT	20,553	3.0	(356)	20,197	3.0	2,937	0.5	11,793	14,730	2.3

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