MATERIAL CHANGE REPORT

1. **Reporting Issuer**

   Dorel Industries Inc.
   1255 Greene Avenue, Suite 300
   Westmount, Quebec
   H3Z 2A4

2. **Date of Material Change**

   July 30, 2002.

3. **Press Release**

   Dorel Industries Inc. ("**Dorel**") issued a press release with respect to the material change described below on July 30, 2002.

4. **Summary of Material Change**

   Dorel completed the sale of US$50 million in ten year notes whereby the net proceeds will be used to repay existing bank indebtedness.

5. **Full Description of Material Change**

   On July 29, 2002, Dorel sold, through one of its subsidiaries, US$50 million in principal amount of 6.80% Series A Guaranteed Notes due July 26, 2012 (the "**Notes**"). The net proceeds from the sale of the Notes will be used to repay existing bank indebtedness.

   Under the terms of the Note issuance agreement, Dorel may issue up to US$50 million of additional Notes on or before July 26, 2005. The Notes were purchased by a group of institutional investors led by The Prudential Insurance Company of America.

6. **Confidentiality of Material Change Report**

   Not applicable.

7. **Omitted Information**

   Not applicable.

8. **Senior Officers**

   The senior officers who can answer questions regarding this report are Mr. Jeffrey Schwartz, Vice-President, Finance and Mr. Frank Rana, Treasurer. Messrs. Schwartz and Rana can be reached at (514) 934-3034.

9. **Statement of Senior Officer**

   The foregoing accurately discloses the material change referred to herein.

SIGNED the 5th day of August, 2002 at Montreal, Quebec.

(signed) Frank Rana
Frank Rana, Treasurer