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MEGA BRANDS COMMENTS ON TSX LISTING REVIEW

Montreal – January 25, 2010 – As announced on January 14, 2010, MEGA Brands Inc. (TSX: MB) (the “Corporation”) has initiated a recapitalization transaction. After giving effect to this transaction, it is expected that approximately 321.3 million common shares of the Corporation (the “Common Shares”) will be issued and outstanding and 556.0 million Common Shares will be outstanding on a fully diluted basis. As previously disclosed, in connection with the recapitalization transaction the Corporation made a determination as to financial hardship and, as a result, the TSX has today announced the initiation of its standard continued listing review process in such circumstances. The Corporation will be granted 120 days in which to regain compliance with TSX continuous listing requirements, subject to extension at the discretion of the TSX. The Corporation expects that upon completion by the TSX of this standard continued listing review, the Corporation will continue to meet the TSX listing requirements.

About MEGA Brands Inc.

MEGA Brands Inc. is a trusted family of leading global brands in construction toys, games & puzzles, arts & crafts and stationery. They offer engaging creative experiences for children and families through innovative, well-designed, affordable and high-quality products. Visit <http://www.megabrands.com> for more information.

The MEGA logo, Mega Bloks, Rose Art, MagNext and Board Dudes are trademarks of MEGA Brands Inc. or its affiliates.

Forward-Looking Statements

All statements in this press release that do not directly and exclusively relate to historical facts constitute “forward-looking information” within the meaning of applicable Canadian securities laws, including statements regarding the number of shares that will be outstanding upon completion of the recapitalization transaction and the Corporation’s expectations regarding whether it will continue to meet TSX listing requirements following the transaction. These statements represent the Corporation’s intentions, plans, expectations and beliefs. Readers are cautioned not to place undue reliance on these forward-looking statements. Forward-looking information and statements are based on a number of assumptions and involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by them, including, but not limited to the risks, assumptions and uncertainties described in the Corporation’s preliminary short form prospectus in respect of the offering of subscription receipts dated January 18, 2010 as well as in the documents incorporated by reference therein including the Corporation’s management’s discussion and analysis for the year ended December 31, 2008 and for the interim period ended September 30, 2009, and the Corporation’s annual information form, which are available at www.sedar.com. The Corporation disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law.

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