

MEGA BRANDS INITIATES ANCILLARY PROCEEDINGS RELATED TO ITS RECAPITALIZATION TRANSACTION

Montreal – February 19, 2010 – MEGA Brands Inc. (TSX: MB) (“**MEGA Brands**” or the “**Corporation**”) today initiated ancillary proceedings to obtain recognition for its recapitalization transaction in the United States.

Under the recapitalization transaction initiated by the Corporation on January 14, 2010, the Corporation will reduce its debt by approximately US\$286.6 million and its annual interest expenses by approximately US\$30.0 million. The transaction requires the approval of holders of 66 2/3% of the dollar amount of senior secured debt and 66 2/3% of the holders of common shares, in each case, who vote in person or by proxy, as well as by a majority of the votes (50% plus 1) of holders of common shares who vote in person or by proxy, excluding “interested parties” (as defined in the information circular in respect of the meetings of holders of secured debt and common shares (the “Circular”)) participating in the transaction.

To date, holders representing 72% of the senior secured debt have already agreed to support the transaction. The Board of Directors of the Corporation unanimously recommends that shareholders and holders of its senior secured debt vote in favour of the transaction.

The record date for both senior secured debt holders and common shareholders was the close of business on February 17, 2010. The Special Meeting of Shareholders and the Meeting of Secured Debt Holders will be held separately in Montreal on March 16, 2010.

Customers, suppliers and employees are unaffected by the recapitalization transaction and the Corporation will continue to satisfy its obligations in the normal course.

The Circular is available at www.sedar.com and contains further information in respect of the transaction.

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. 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 risks, assumptions and uncertainties described in the Corporation's preliminary short form prospectus in respect of the offering of Subscription Receipts 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, as well as the Circular, all of 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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