

MEGA BRANDS' COMMON SHAREHOLDERS AND DEBT HOLDERS APPROVE RECAPITALIZATION TRANSACTION

Montreal – March 16, 2010 – MEGA Brands Inc. (TSX: MB) (“**MEGA Brands**” or the “**Corporation**”) announces that both common shareholders and holders of its senior secured debt have approved the Corporation’s recapitalization transaction by the required majorities at separate meetings held today.

“Today’s meetings were important steps towards the completion of the transaction and we thank shareholders and debtholders for voting in favour,” said Marc Bertrand, President and CEO of MEGA Brands.

The Special Meeting of Shareholders and Meeting of Secured Debt Holders were held in accordance with an interim order of the Superior Court of Quebec granted on February 12, 2010. The transaction was approved by holders of 99.4% of common shares, who voted in person or by proxy, as well as by 98.8% of holders of common shares who voted 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) participating in the transaction. Holders of 91.4% of the dollar amount of senior secured debt, who voted in person or by proxy, also approved the transaction.

These votes allow the Corporation to proceed with the remaining steps, which include final court approval in Canada, recognition of the transaction in the U.S., as well as the satisfaction of customary closing conditions. Subject to the satisfaction or waiver of these remaining steps, the Corporation expects to complete the transaction on or about March 31, 2010.

Initiated by the Corporation on January 14, 2010, this transaction will reduce its debt by approximately US\$286.6 million and annual interest expenses by approximately US\$30.0 million.

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 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 Corporation's information circular dated February 15, 2010, 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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