

MEGA BRANDS COMPLETES RECAPITALIZATION TRANSACTION

Montreal – March 30, 2010 – MEGA Brands Inc. (TSX: MB) (“**MEGA Brands**” or the “**Corporation**”) is pleased to announce the completion of the recapitalization transaction initiated by the Corporation on January 14, 2010. The terms and conditions of the transaction are effective immediately.

The Corporation’s capital structure and financial flexibility are significantly improved.

- Long-term debt is reduced by approximately \$290 million to \$139 million, with no financial covenant restrictions.
- Annual interest is reduced by approximately \$30 million.
- There are no scheduled principal repayments until 2012.
- The Corporation can borrow up to \$45 million for working capital purposes under a new credit facility.

“We now have the liquidity and capital resources to pursue our business plan and we are focused on strengthening our brands, improving financial performance and building value,” said Marc Bertrand, President and CEO of MEGA Brands. “We thank our shareholders and former lenders for approving the transaction, as well as our customers, suppliers and employees for their continued support.”

Further information on the transaction is available under the Corporation’s profile on SEDAR at www.sedar.com.

Trading of Debentures, Common Shares and Warrants

Effective immediately, the Class A and Class B Subscription Receipts and Private Units issued as part of the transaction convert or separate into the respective number of common shares, warrants and/or debentures issuable in accordance with their terms. The common shares continue to trade on the TSX under the symbol “MB”. The warrants begin trading under “MB.WT” and the debentures begin trading under “MB.NT”.

As at March 30, 2010, the Corporation has issued and outstanding CDN\$141.7 million (US\$138.9 million) principal amount of 10% senior secured debentures, 327.3 million common shares and 243.8 million warrants. Each warrant entitles the holder to purchase one common share of the Corporation for CDN\$0.50 until 2015.

Q4 and 2009 Financial Results Conference Call

The Corporation will report its financial results for the fourth quarter and year ended December 31, 2009 before markets open on March 31, 2010. A conference call for analysts will be held at 9:00 a.m. to discuss the results. Management’s presentation and the question and answer period with financial analysts will be followed by a question and answer period with journalists. Participants may listen to the call by dialing (647) 427-7450 or 1(888) 231-8191. For those unable to participate, a replay will be available until April 7, 2010. The replay phone number is (416) 849-0833 or (514) 807-9274, access code 66225450#.

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, 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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