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IMPERIAL TOY CORPORATION ACQUIRED IN MANAGEMENT BUYOUT

Co-Presidents Peter Tiger and Art Hirsch Usher In a New Era of Growth and Increased Success Under New Ownership For Leading Toy Manufacturer

LOS ANGELES (February 6, 2006) – Imperial Toy Corporation (Imperial), creator and manufacturer of leading toy brands such as Miracle® Bubbles and Buddy L®, today announced the sale of the company to its Co-Presidents Peter Tiger and Art Hirsch. Tiger and Hirsch have acquired the company from the Kort family, who is leaving to pursue other interests.

“Art and I have always treated Imperial as though it were our own, so this transaction is a culmination and a realization of our desire to become owners of this respected toy company,” said Tiger. “It is an exciting occasion for us and our employees, and we look forward to continuing the rich heritage and building upon the legacy that Imperial has established in the marketplace.”

“Building off our success in 2005 – including the signing of the Little Tikes® licensing agreement and our #1 bubble brand, Miracle® Bubbles’, inclusion in Parenting magazine’s Toy Hall of Fame list – we anticipate a solid future. With our sales momentum and a strong financial foundation, we plan to take Imperial to the next level,” said Hirsch.

Hirsch and Tiger will continue to build on Imperial’s strong legacy, award-winning brand portfolio, long-standing customer relationships and talented employee base. They have been instrumental in driving the company’s growth, managing the day-to-day operations and providing strategic direction for the company.

“Imperial is an iconic and venerable company with a rich history in the toy business,” commented Paul Altman, vice president at The Sage Group, the investment bank that handled the acquisition. “It has remained steadfast to its founding principles of designing, developing and marketing toys that provide fun and lasting entertainment for children. Imperial’s brands appeal to a broad base of consumers and as a result, the company enjoys a strong competitive position in the \$20 billion U.S. toy industry. With Imperial’s branded products and stellar reputation in the industry, Peter and Art are well poised for generations of future growth.”

The company will continue its focus to increase growth and market share through branding, licensing, product innovation and enhancing its distribution network.





The Sage Group, LLC served as the company's exclusive financial advisor during the transaction. Financial terms of the deal were not disclosed.

About Imperial Toy Corporation

Founded in 1969 and headquartered in Los Angeles, Imperial Toy Corporation is a privately held toy manufacturer that leads the industry in domestic toy units shipped and is the worldwide number one producer of bubble toys and related products. Imperial Toy is the creator and marketer of such brands as Miracle® Bubbles, Super Miracle® Bubbles, Buddy L® and Petite Miss®. Imperial also holds the exclusive licensing rights to produce bubble toys for Little Tikes® as well as outdoor seasonal Little Tikes® toys. The company has manufacturing and distribution facilities in Memphis, Los Angeles, Tijuana and a showroom in New York City at the International Toy Center. It also maintains sourcing and design offices in Hong Kong. Imperial has wide distribution into mass-market retailers such as Wal-Mart, Kmart, Walgreens, Target, Kohl's, Toys 'R Us, KB Toys, Kroger and Meijer.

About Art Hirsch (47)

Art Hirsch has been a part of Imperial Toy Corporation for 20 years and has helped drive Imperial's growth across a broad spectrum while operating in various senior management positions. Hirsch serves as the company's Co-President and COO and has carefully guided the company's sales, product development and operations through the evolution of the toy industry.

About Peter Tiger (43)

Peter Tiger serves as Imperial's Co-President and CFO. For the last 4½ years, he has guided Imperial through a period of steady sales growth and increased market share in its core product categories. Prior to joining Imperial, Tiger spent 10 years as the CFO of Superba, Inc., a leading Los Angeles based neckwear manufacturer. Prior to that he obtained his CPA designation at Laventhol & Horwath, in Los Angeles.

About The Sage Group

The Sage Group, LLC is a Los Angeles-based investment bank with a national focus on brand-driven enterprises and middle market companies with valuations of \$50 million to \$500 million. Sage's partners have negotiated and structured billions of dollars in transactions of varying size and complexity, closing over 100 transactions since 1996 with an aggregate value of approximately \$15 billion. Sage's founding investors and directors include some of the most prominent figures in the United States' financial services industry. For more information, visit www.sagellc.com.

