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RC2 Voluntarily Recalls of Two Styles of 3-in-1 Flush & Sounds Potty Training Seats

*Free transparent protective cover available to consumers
for in-home application to plaque on the chair back*

OAK BROOK, ILLINOIS, December 6, 2007 – RC2 Corporation (NASDAQ: RCRC) today announced that it is voluntarily recalling two styles of The First Years 3-in-1 Flush & Sounds Potty training seats due to the discovery of excess levels of lead in surface paint on 5-inch rectangular plaques inserted into the backs of the training seats. Approximately 123,000 plaques were used in potty training seats sold to U.S. and Canadian mass and specialty retailers between April 2006 and August 2007. There have been no reports of illness or injury related to the plaques.

Working closely with the CPSC, RC2 determined that the potential safety issue can be readily corrected in the home with a clear protective cover available free-of-charge from the company. The easily-applied protective cover is a permanent solution that eliminates a child's access to the plaque. There is no need to return the recalled potty training seat to the company. Until the protective cover arrives, consumers should keep these items away from young children when not in use. Instructions for ordering a protective cover are available on the company's website, www.recalls.rc2.com, or assistance is available by calling the RC2 Consumer Care Center at (866) 725-4407 toll free.

"We sincerely apologize for the worry this recall may cause parents and caregivers, but know that child safety must always be our single most important priority," said Curtis W. Stoelting, chief executive officer of RC2 Corp. "Throughout the summer RC2 has worked very hard to establish new safeguards as part of our new Multi-Check Safety System. Today, all of RC2's contract manufacturers are fully engaged and implementing the Multi-Check's expanded testing program and paint control procedures along with several other preventative measures. Unfortunately, the plaques that prompted this recall were produced several months before the Multi-Check System was implemented."

Each potty training seat assembly has either a yellow chair with a green removable seat and a purple lift-out pot or a blue chair with a white removable seat and green lift-out pot. The potty makes flushing sounds and says words of encouragement when the handle on the side of the seat is pushed down. The plaque, picturing the "100 Acre Wood" from the Winnie the Pooh story, is molded on the chair back. The affected plaques were produced between December 2005 and March 2006 by a contract manufacturer in China and contain the Tigger character, which is painted with an orange color that may contain excess levels of lead. The contract manufacturer that produced these plaques is no longer making products for RC2.

Discovered during on-going product testing, results from an independent third-party testing laboratory indicated excess levels of lead in surface paint on a sample plaque. While many of the plaques conform to safety standards, testing as part of a subsequent internal investigation verified excess lead levels on plaques from three tracking codes. Approximately 37,500 of the plaques were not used in training seats and been quarantined by the company.

Complete recall information, including full color photos of the affected products, is available on RC2's recall website, www.recalls.rc2.com, or from RC2's Consumer Care Center, which can be reached toll-free at (866)725-4407. As part of its public outreach efforts, RC2 is notifying retailers to remove the

recalled items from their store shelves and inventories and post color posters that will assist customers in identifying the affected products.

About RC2 Corporation

RC2 Corporation (www.rc2.com) is a leading designer, producer and marketer of innovative, high-quality toys, collectibles, and infant products that are targeted to consumers of all ages. RC2's infant, toddler and preschool products are marketed under its Learning Curve® (www.learningcurve.com) family of brands which includes The First Years® by Learning Curve and Lamaze brands as well as popular and classic licensed properties such as *Thomas & Friends*™, *Bob the Builder*™, *Winnie the Pooh*, John Deere, Nickelodeon and *Sesame Street*. RC2 markets its youth and adult products under the Johnny Lightning® (www.johnnylightning.com) and Ertl® (www.ertl.com) brands. RC2 reaches its target consumers through multiple channels of distribution supporting more than 25,000 retail outlets throughout North America, Europe, Australia, and Asia Pacific.

Forward Looking Statements

Certain statements contained in this release are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "could," "expect," "intend," "may," "planned," "potential," "should," "will," "would" or the negative of those terms or other words of similar meaning. Such forward-looking statements are inherently subject to known and unknown risks and uncertainties. The Company's actual results and future developments could differ materially from the results or developments expressed in, or implied by, these forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, but are not limited to, the following: the risk that the charges and expenses the Company expects relating to the recall may increase based on the amount of inventory of affected products at retailers, the amount of affected products that may be returned by consumers and the cost of providing replacement products to consumers and retailers; the outcome of the class action lawsuits that have been filed against the Company related to the recall and the possibility of potential new claims or litigation; the Company may not be able to manufacture, source and ship new and continuing products on a timely basis; the Company is dependent upon timely shipping of product and unloading of product through West Coast ports as well as timely rail/truck delivery to the Company's warehouse and/or customers' warehouses; increases in the cost of raw materials used to manufacture the Company's products and increases in freight costs could increase the Company's cost of sales and reduce the Company's gross margins; currency exchange rate fluctuations, particularly in the Chinese Renminbi or the Hong Kong dollar, could increase the Company's expenses; customers and consumers may not accept the Company's products at prices sufficient for the Company to profitably recover development, manufacturing, marketing, royalty and other costs; the inventory policies of retailers, together with increased reliance by retailers on quick response inventory management techniques, may increase the risk of underproduction of popular items, overproduction of less popular items and failure to achieve tight shipping schedules; competition in the markets for the Company's products may increase significantly; the Company is dependent upon continuing licensing arrangements with owners of popular and classic licensed properties such as Thomas & Friends, Bob the Builder, Winnie the Pooh, John Deere, Nickelodeon and Sesame Street, vehicle manufacturers, agricultural equipment manufacturers and other licensors; the Company may experience unanticipated negative results of litigation; the Company relies upon a limited number of independently owned factories located in China to manufacture a significant portion of its products; the Company is dependent upon the continuing willingness of leading retailers to purchase and provide shelf space for the Company's products; and general economic conditions in the Company's markets. Such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission. The Company undertakes no obligation to make any revisions to the forward-looking statements contained in this release or to update them to reflect events or circumstances occurring after the date of this release.