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NEWS RELEASE

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Toys “R” Us Parent Company Settles Consumer Protection Lawsuit

The Los Angeles County District Attorney’s office announced today that the parent company of toy and children’s apparel retailer Toys “R” Us has agreed to pay nearly \$180,000 to settle a consumer protection lawsuit alleging that the company overcharged customers in Los Angeles and San Diego counties.

Deputy District Attorney Jeffrey McGrath of the Consumer Protection Division said Toys “R” Us - Delaware Inc. agreed to the settlement without admitting liability. The Los Angeles County District Attorney’s Office working jointly with the San Diego County District Attorney’s Office filed the suit in Los Angeles County Superior Court.

The case was assigned to Judge Ernest Hiroshige of the Los Angeles County Superior Court, who has signed the stipulated judgment. Under the terms of the settlement, Toys “R” Us - Delaware Inc. will be subjected to a permanent injunction requiring full compliance with California’s pricing accuracy and false advertising laws.

Additionally, the company must implement an enhanced internal compliance program with annual reporting to the Los Angeles and San Diego county district attorney’s offices.

The company will pay \$150,000 in civil penalties to be divided equally between the two prosecuting counties. Additionally, the company agreed to pay investigative costs of \$28,730 to the Los Angeles, San Diego and Ventura counties Departments of Weights and Measures and the State of California Division of Measurement Standards. Toys “R” Us - Delaware Inc. owns and operates Toys “R” Us and Babies “R” Us retail stores.

A two-and-a-half year investigation by weights and measures officials in Los Angeles, San Diego and Ventura counties revealed a significant pattern of check stand pricing errors at many Toys “R” Us and Babies “R” Us stores in California. The company operates 30 stores in Los Angeles County and 10 stores in San Diego County.

During the investigation, which began in late 2009, a total of 4,167 items were purchased with overcharges occurring in five percent of all purchases. Higher percentages of over charges also were identified in selected areas and stores, despite the company having a pricing compliance program, investigators said.

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About the Los Angeles County District Attorney’s Office

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to seeking justice for victims of crime and enhancing public safety. Annually, the [Los Angeles County District Attorney’s Office](http://da.lacounty.gov) prosecutes more than 60,000 felonies and 140,000 misdemeanor crimes.