

CINEPLEX GALAXY INCOME FUND
Reports Results for Year Ended December 31, 2003

TORONTO, CANADA – February 12, 2004 – Cineplex Galaxy Income Fund (the “Fund”) (TSX:CGX.UN) today released the financial results of the Cineplex Galaxy Limited Partnership (the “Partnership”), for the year ended December 31, 2003. The results represent the combination of the performance of Cineplex Odeon Corporation (“Cineplex”) and Galaxy Entertainment Inc. (“Galaxy”), the predecessor businesses of the Partnership for the period from January 1, 2003 until November 25, 2003 and the performance of the Partnership from November 26, 2003 until December 31, 2003. The Partnership acquired substantially all of the assets of Cineplex, the Canadian film exhibition business of Loews Cineplex Entertainment Corporation, and all the shares of Galaxy on November 26, 2003 in connection with the Fund’s IPO. The Fund has an approximate 40.8% interest in the Partnership. The comparative results for the year ended December 31, 2002 (the “2002 Comparative Period”) represent the combined results of Cineplex for the nine months ended December 31, 2002 and the results of Galaxy for the twelve months ended December 31, 2002.

Total revenue for the year ended December 31, 2003 was \$333,823,000 (\$255,776,000 for the 2002 Comparative Period). Net income for the year ended December 31, 2003 was \$39,346,000 as compared to \$24,978,000 for the 2002 Comparative Period. Earnings before interest, taxes, depreciation and amortization (EBITDA) for the year ended December 31, 2003 was \$64,293,000 as compared to \$41,438,000 for the 2002 Comparative Period. Normalized EBITDA, which is EBITDA adjusted for certain items that management believes facilitate the comparison of prior periods, in the year ended December 31, 2003 was \$67,887,000 as compared to \$48,743,000 for the Comparative Period. Adding the results of Cineplex for the three months ended March 31, 2002 to the Normalized EBITDA for the 2002 Comparative Period would result in a Normalized EBITDA of \$62,974,000 for the applicable twelve month period ending December 31, 2002.

EBITDA and Normalized EBITDA are not earnings measures recognized by generally accepted accounting principles and do not have a standardized meaning in accordance with such principles. Therefore, EBITDA and Normalized EBITDA may not be comparable to similar measures presented by other corporations. EBITDA is calculated by adding back to net income income tax expense, amortization, interest expense and eliminating from net income interest income. Normalized EBITDA is calculated by eliminating from EBITDA (1) the effects of certain theatres that were closed by Cineplex or which were retained by Cineplex and do not constitute part of the Partnership; (2) the effect of a management fee terminated on closing; (3) the effects of foreign currency exchange which the Partnership does not expect to incur; (4) the effects of certain contractual lease arrangements; and (5) the gain or loss on disposal of certain theatre assets.

For the period from November 26 to December 31, 2003 distributable cash flow per unit was \$0.1983. The declared distribution per unit for this period was \$0.1118. The period from November 26 to December 31 is a traditionally strong period from a theatrical

release standpoint and the results of this period are not necessarily representative of future periods.

The full financial statements for the year ended December 31, 2003 will be mailed to unitholders at a later date.

The Partnership owns, operates or has an interest in 83 theatres with 750 screens in Canada, and is the second largest film exhibition company in the country. The Partnership operates the theatres under the Cineplex Odeon and Galaxy brands. Cineplex Odeon has enjoyed an important urban market presence in Canada for over 20 years and Galaxy has become a leading entertainment destination in mid-sized communities.

For further information:

Stephen Brown

Chief Financial Officer

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Cineplex Galaxy Limited Partnership

Consolidated Statement of Operations

(in thousands of Canadian dollars)

(Unaudited)

	For the period from November 26 to December 31, 2003 \$	Cineplex Odeon Corporation and Galaxy Entertainment Inc. from January 1 to November 25, 2003 \$	January 1 to December 31, 2003 \$	Cineplex Odeon Corporation and Galaxy Entertainment Inc. from January 1 to December 31, 2002 (i) \$
Revenue				
Box office	28,295	197,009	225,304	173,875
Concessions	11,908	77,651	89,559	68,881
Other	2,918	16,042	18,960	13,020
	43,121	290,702	333,823	255,776
Expenses				
Theatre operations and other expenses	26,940	207,028	233,968	182,345
Cost of concessions	2,145	14,064	16,209	13,015
General and administrative	1,121	14,052	15,173	10,956
Management fee	62	7,602	7,664	7,867
	30,268	242,746	273,014	214,183
Income before undernoted	12,853	47,956	60,809	41,593
Amortization	2,150	18,173	20,323	14,170
Gain on disposal of theatre assets	-	(92)	(92)	(304)
Interest on long-term debt	617	3,182	3,799	2,127
Interest on loan from Cineplex Galaxy Trust	1,381	-	1,381	-
Interest income	(14)	(908)	(922)	(136)
Exchange gain	-	(3,696)	(3,696)	(468)
	8,719	31,297	40,016	26,204
Income tax expense	12	354	366	299
	8,707	30,943	39,650	25,905
Non-controlling interest	-	304	304	927
Net income	8,707	30,639	39,346	24,978

(i) Cineplex Odeon Corporation for the nine months ended December 31, 2002 and Galaxy Entertainment Inc. for the twelve months ended December 31, 2002

RECONCILIATION TO NORMALIZED EBITDA
(expressed in thousands of Canadian dollars)

	2003	2002		
	January 1 to December 31, 2003	Combined Cineplex Odeon Corporation and Galaxy Entertainment Inc. (i)	Cineplex Odeon Corporation for the three months ended March 31, 2002	Pro forma combined twelve months ended December 31, 2002
Revenue				
Box office	225,304	173,875	46,410	220,285
Concessions	89,559	68,881	18,732	87,613
Other	18,960	13,020	3,383	16,403
	<u>333,823</u>	<u>255,776</u>	<u>68,525</u>	<u>324,301</u>
Expenses				
Theatre operations and other expenses	233,968	182,345	47,919	230,264
Cost of concessions	16,209	13,015	3,390	16,405
General and administrative	15,173	10,956	2,705	13,661
Management fee	7,664	7,867	2,618	10,485
	<u>273,014</u>	<u>214,183</u>	<u>56,632</u>	<u>270,815</u>
	60,809	41,593	11,893	53,486
Add back				
Management fee terminated	7,602	7,867	2,618	10,485
Income from closed and excluded theatres	(524)	(867)	(423)	(1,290)
Contractual lease adjustments	-	150	143	293
Normalized EBITDA	<u>67,887</u>	<u>48,743</u>	<u>14,231</u>	<u>62,974</u>

(i) Cineplex Odeon Corporation for the nine months ended December 31, 2002 and Galaxy Entertainment Inc for the twelve months ended December 31, 2002



Notice of Conference Call

for

Cineplex Galaxy LP

(TSX: CGX.UN)

You are cordially invited to participate in a teleconference call with the management of Cineplex Galaxy LP (TSX: CGX.UN) to review the Company's results for the year ended December 31, 2003. **Ellis Jacob, Chief Executive Officer and Stephen Brown, Chief Financial Officer**, will host the call. The teleconference call is scheduled for:

Today, Thursday, February 12, 2004
11:30 a.m. Eastern Time

In order to participate in the conference call, **please dial (416) 640-4127 or outside of Toronto dial 1-800-814-4860** at least ten minutes prior to 11:00 a.m. Eastern Time on Thursday, February 12, 2004.

- Please RSVP to Pat Marshall at patm@galaxycinemas.com if you wish to participate.
- If you cannot participate in a live mode, a replay will be available. Please dial 416-640-1917 or 1-877-289-8525 and enter code 21038108#. The replay will begin at 1:00 p.m. on February 12, 2004 and end at 11:59 p.m. ET on February 19, 2004.
- Note that media will be participating in the call in listen – only mode.
- Thank you in advance for your interest and participation.