NEWS RELEASE

FOR IMMEDIATE RELEASE

CINEPLEX GALAXY INCOME FUND REPORTS FOURTH QUARTER AND FULL YEAR 2004 RESULTS

TORONTO, **CANADA** – February 10, 2005 – Cineplex Galaxy Income Fund (the "Fund") (TSX: CGX.UN) today released the financial results of Cineplex Galaxy Limited Partnership (the "Partnership"), for the fourth quarter and full year ended December 31, 2004.

Full Year Results

- **Total revenues for 2004 were $353.7 million compared to $335.8 million for 2003 – up 5.4%.**
- **EBITDA for 2004 was $74.6 million compared to $64.6 million for 2003 – up 15.6%**
- **Adjusted EBITDA for 2004 was $74.5 million compared to $68.5 million for 2003 – up 8.9%.**
- **Adjusted EBITDA margin for 2004 was 21.1% versus 20.4% for 2003.**
- **Distributable cash flow per unit for 2004 was $1.2283 compared to a declared distribution of $1.1496.**

Fourth Quarter Results

- **Total revenues for the quarter were $85.6 million compared to $91.9 million for the fourth quarter of 2003 – down 6.8%.**
- **EBITDA for the quarter was $17.7 million compared to $19.0 million for the fourth quarter of 2003 – down 6.8%**
- **Adjusted EBITDA for the quarter was $17.7 million compared to $18.7 million for the fourth quarter of 2003 – down 5.3%.**
- **Adjusted EBITDA margin for the quarter increased to 20.7% versus 20.4% for the fourth quarter of 2003 in spite of the reduced business volume.**
- **Distributable cash flow per unit for the quarter was $0.2688 compared to a declared distribution of $0.2874.**

EBITDA and Adjusted 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 Adjusted 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, non-controlling interest and eliminating from net income interest income. Adjusted EBITDA is calculated by eliminating from EBITDA (1) the effects of foreign currency exchange which the Partnership does not expect to incur; (2) the gain or loss on disposal of certain theatre assets; and (3) the impact of management fees that are no longer applicable.

Continued on next page…

For more information contact:
Pat Marshall, Vice President Communications & Investor Relations
Telephone: 416-323-6648 Telefax: 416-323-6633
Email: pmarshall@cineplexgalaxy.com

NEWS RELEASE

"We are very pleased with our overall year end results with revenues up 5.4%, Adjusted EBITDA up 8.9% and gains in our operating margins up from 20.4% to 21.1%," said Ellis Jacob, President and CEO. "Although our fourth quarter results were somewhat disappointing as compared to Q4 2003 because there was no *Lord of the Rings* franchise film to buoy December revenues, we were able to increase our operating margins as a result of our ongoing focus on concession revenue and other income," said Jacob.

"This was our first full year of operation with the newly merged company and we have accomplished a great deal in a very short period of time. These results reflect the great work we, as a newly combined company, have achieved this past year and showcase the strengths of our management team and our commitment to excel," Jacob said.

Full Year Results

Total revenues for the year increased 5.4% to $353.7 million. Box office revenue was up 4.5% as a result of a 2.3% attendance increase and a 2.2% average ticket price increase. Our focus is to drive incidence and grow concessions and ancillary revenue and our growth rates in these areas exceeded our box office revenue growth. Concession revenue for the year increased 6.6% as a result of a 2.3% attendance increase and a 4.2% increase in average concession revenue per patron. The average concession revenue per patron increased to $3.00 for 2004. Other revenue increased 9.2% to $22.8 million primarily as a result of increased advertising revenue in the last 6 months of the year.

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the year increased 15.6% to $74.6 million. Adjusted EBITDA for the year, which is EBITDA adjusted for certain items that management believes facilitate the comparison of prior periods, increased 8.9% to $74.5 million reflecting the growth in our higher margin activities.

Fourth Quarter Results

The fourth quarter of 2004 was up against strong comparatives for 2003 which included such strong releases as *The Lord of the Rings: The Return of the King*, *The Matrix Revolutions* and *Elf*. Total revenue for the three months ended December 31, 2004 was down 6.8% to $85.6 million. Box office revenue was down 9.6% as a result of a 10.0% attendance decline offset by a 0.5% average ticket price increase. Our focus is to drive incidence and grow concessions and ancillary revenue. Concession revenue for the fourth quarter decreased 7.5% as a result of a 10.0% attendance decline offset by a 2.8% increase in average concession revenue per patron. The average concession revenue per patron increased to $3.06 for 2004. Other revenue increased 27.3% to $7.1 million primarily as a result of increased advertising revenue.

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the fourth quarter decreased 6.8% to $17.7 million. Adjusted EBITDA for the fourth quarter, which is EBITDA adjusted for certain items that management believes facilitate the comparison of prior periods, decreased 5.3% to $17.7 million reflecting the reduced business volume in the fourth quarter.

Distributable Cash

For the three months ended December 31, 2004 distributable cash flow per unit was $0.2688 and the declared distribution per unit for this period was $0.2874. For the twelve months ended December 31, 2004 distributable cash flow per unit was $1.2283 and the declared distribution was $1.1496.

Continued on next page…

For more information contact:
Pat Marshall, Vice President Communications & Investor Relations
Telephone: 416-323-6648 Telefax: 416-323-6633
Email: pmarshall@cineplexgalaxy.com

NEWS RELEASE

Support Theatres

For the year ended December 31, 2004, the performance targets established with the Fund's initial public offering were met for the seven new theatres and, as a result, the Partnership will release the full amount of the escrowed distributions of $8,297,000 to the holders of the Class B Series 2 LP Units of the Partnership. Additionally, the Support Arrangements were terminated effective December 31, 2004, and the holders of Class B Series 2 LP Units are thereafter fully entitled to receive cash distributions in a manner consistent with the Class B Series 1 LP Units.

Management Information Systems Services Agreement

Under a Services Agreement, management information systems support is currently being provided by Loews Cineplex Theatres, Inc. at a cost of US $500,000 per annum. The Partnership has given notice to terminate this services agreement effective in the second quarter of 2005. The Partnership announced the appointment of Jeffrey Kent as Chief Technology Officer in October 2004 and Mr. Kent will lead the transitioning of the information systems to the Partnership.

About Cineplex Galaxy

The Partnership acquired substantially all of the assets of Cineplex Odeon Corporation ("Cineplex"), the Canadian film exhibition business of Loews Cineplex Entertainment Corporation, and all the shares of Galaxy Entertainment Inc. ("Galaxy") on November 26, 2003 in connection with the Fund's IPO. The Fund has an approximate 42.1% interest in the Partnership. The comparative results for the three and twelve months ended December 31, 2003 represent the consolidated results of Cineplex and Galaxy.

The Partnership owns, operates or has an interest in 86 theatres with 775 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.

Further information can be found in the disclosure documents filed by the Fund with the securities regulatory authorities, available at www.sedar.com.

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 fourth quarter and full year results for the period ended December 31, 2004. **Ellis Jacob, Chief Executive Officer and Gord Nelson, Chief Financial Officer**, will host the call. The teleconference call is scheduled for:

Friday, February 11, 2004
11:00 a.m. Eastern Time

In order to participate in the conference call, **please dial (416) 640-4127 or outside of Toronto dial 1-800-796-7558** at least ten minutes prior to 11:00 a.m. Eastern Time on Friday, February 11, 2004.

Continued on next page…

For more information contact:
Pat Marshall, Vice President Communications & Investor Relations
Telephone: 416-323-6648 Telefax: 416-323-6633
Email: pmarshall@cineplexgalaxy.com

NEWS RELEASE

- Please RSVP to Pat Marshall at pmarshall@cineplexgalaxy.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 21111520#. The replay will begin at 1:00 p.m. on Friday, February 11, 2005 and end at 11:59 p.m. ET on Friday, February 18th, 2005.

- Note that media will be participating in the call in listen – only mode.

- Thank you in advance for your interest and participation.

For further information:

Gord Nelson	Pat Marshall
Chief Financial Officer	Vice President, Communications & Investor Relations
(416) 323-6602	(416-323-6648)

Cineplex Galaxy Limited Partnership

Consolidated Balance Sheets

As at December 31, 2004 and 2003

(expressed in thousands of Canadian dollars)

	2004	2003
Assets		
Current assets		
Cash and cash equivalents	$ 38,663	$ 43,527
Restricted cash	7,637	-
Accounts receivable	10,937	7,801
Inventories	2,123	1,987
Prepaid expenses and other current assets	2,680	3,901
Due from related parties	4	1,860
	62,044	59,076
Property, equipment and leaseholds	234,854	232,263
Goodwill	22,942	22,942
Future income taxes	1,615	62
Deferred charges and other intangibles	3,975	4,919
	$ 325,430	$ 319,262
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	$ 27,654	$ 34,110
Distributions payable	10,996	3,937
Due to related parties	373	5,108
Income taxes payable	153	234
Deferred revenue	13,580	11,215
Current portion of long-term debt	52	46
	52,808	54,650
Long-term debt	125,512	110,067
Due to Cineplex Galaxy Trust	100,000	100,000
Accrued pension liability	589	465
Other liabilities	89,784	86,710
	368,693	351,892
Partners' Deficiency		
Partners' deficit	(43,263)	(32,630)
	$ 325,430	$ 319,262

Cineplex Galaxy Limited Partnership

Consolidated Statements of Income

For the years ended December 31, 2004 and 2003

(expressed in thousands of Canadian dollars)

	Year ended December 31, 2004	Period from January 1, 2003 to November 25, 2003	Period from November 26, 2003 to December 31, 2003	Period from January 1, 2003 to December 31, 2003
Revenue				
Box office	$ **235,446**	$ 197,009	$ 28,295	$ 225,304
Concessions	**95,478**	77,651	11,908	89,559
Other (1)	**22,814**	17,781	3,108	20,889
	353,738	292,441	43,311	335,752
Expenses				
Film cost	**121,276**	102,425	14,884	117,309
Cost of concessions (1)	**18,983**	15,803	2,335	18,138
Occupancy	**53,238**	46,251	5,284	51,535
Other theatre operating expenses	**71,077**	58,361	6,775	65,136
General and administrative	**13,983**	14,052	1,121	15,173
Management fee	**650**	7,602	62	7,664
	279,207	244,494	30,461	274,955
Income before undernoted	**74,531**	47,947	12,850	60,797
Amortization	**23,736**	18,028	2,085	20,113
Gain on disposal of theatre assets	**(111)**	(92)	-	(92)
Interest on long-term debt	**8,280**	3,335	685	4,020
Interest on loan from Cineplex Galaxy Trust	**14,000**	-	1,381	1,381
Interest income	**(473)**	(908)	(14)	(922)
Foreign exchange gain	**-**	(3,696)	-	(3,696)
Income before income taxes and non-controlling interests	**29,099**	31,280	8,713	39,993
Provision for (recovery of) income taxes				
Current	**404**	466	12	478
Future	**(1,553)**	(112)	-	(112)
	(1,149)	354	12	366
Income before non-controlling interests	**30,248**	30,926	8,701	39,627
Non-controlling interests	**-**	304	-	304
Net income	$ **30,248**	$ 30,622	$ 8,701	$ 39,323

(1) Cineplex Galaxy Limited Partnership has implemented Emerging Issues Abstract 144, Accounting By A Customer (Including A Reseller) For Certain Consideration Received From A Vendor. As required, the Cineplex Galaxy Limited Partnership has applied this change retroactively, resulting in an increase in other revenue and concession costs for the year ended December 31, 2004 of $1,950 and $1,929 for the year ended December 31, 2003.

Cineplex Galaxy Limited Partnership

Consolidated Statements of Partners' Deficiency

For the years ended December 31, 2004 and 2003

(expressed in thousands of Canadian dollars)

	Partners' capital	Deficit	Accumulated earnings	Accumulated distributions	Total
Balance - January 1, 2004 as restated	$ 110,425	$ (147,819)	$ 8,701	$ (3,937)	$ (32,630)
Distributions declared	-	-	-	(40,683)	(40,683)
Formation of Partnership issuance costs	(222)	-	-	-	(222)
Contribution of capital on acquisition of theatres	-	24	-	-	24
Net income	-	-	30,248	-	30,248
Balance - December 31, 2004	$ 110,203	$ (147,795)	$ 38,949	$ (44,620)	$ (43,263)

	Partners' capital	Capital stock	Contributed surplus	Deficit	Accumulated earnings	Accumulated distributions	Total
Balance - December 31, 2002, as previously reported	$ -	$ 480,300	$ 120,590	$ (509,362)	$ -	$ -	$ 91,528
Adoption of new accounting standard	-	-	-	(104)	-	-	(104)
Balance - December 31, 2002 as restated	-	480,300	120,590	(509,466)	-	-	91,424
Net income for the period from January 1, 2003 to November 25, 2003	-	-	-	30,622	-	-	30,622
Balance - November 25, 2003 as restated	-	480,300	120,590	(478,844)	-	-	122,046
Formation of Partnership	-	-	-	(147,819)	-	-	(147,819)
Issuance of units - net of issuance costs	110,425	-	-	-	-	-	110,425
Distributions	-	-	-	-	-	(3,937)	(3,937)
Net income for the period from November 26, 2003 to December 31, 2003	-	-	-	-	8,701	-	8,701
Balance - December 31, 2003 as restated	$ 110,425	$ -	$ -	$ (147,819)	$ 8,701	$ (3,937)	$ (32,630)

Cineplex Galaxy Limited Partnership
Consolidated Statements of Cash Flows
For the years ended December 31, 2004 and 2003

(expressed in thousands of Canadian dollars)

	Year ended December 31, 2004	Period from January 1, 2003 to November 25, 2003	Period from November 26, 2003 to December 31, 2003	Period from January 1, 2003 to December 31, 2003
Cash provided by (used in)				
Operating activities				
Net income	$ 30,248	$ 30,622	$ 8,701	$ 39,323
Adjustments to reconcile net income to net cash provided by operating activities				
Amortization of property, equipment and leaseholds, deferred charges and other intangibles	23,736	18,028	2,085	20,113
Amortization of tenant inducements and rent averaging liabilities	(5,352)	(3,973)	(415)	(4,388)
Amortization of debt issuance costs	950	153	68	221
Future income taxes	(1,553)	(112)	-	(112)
Gain on disposal of theatre assets	(111)	(92)	-	(92)
Non-controlling interests	-	304	-	304
Restructuring charges paid during the period	-	(4,924)	-	(4,924)
Reorganization costs paid during the period	-	(16)	-	(16)
Changes in operating assets and liabilities	(7,808)	418	19,184	19,602
	40,110	40,408	29,623	70,031
Investing activities				
Proceeds from sale of theatre assets	122	187	-	187
Acquisition of minority interest in GEI	-	-	(17,260)	(17,260)
Advance to Loews Cineplex Theatres, Inc.	-	(29,356)	-	(29,356)
Capital expenditures	(22,803)	(46,019)	(962)	(46,981)
Cash transferred to segregated account for future distributions	(7,606)	-	-	-
	(30,287)	(75,188)	(18,222)	(93,410)
Financing activities				
Borrowings under credit facility	15,500	12,000	107,533	119,533
Borrowings from Cineplex Galaxy Trust	-	-	100,000	100,000
Issuance of Partnership units - net of issuance costs	(222)	-	110,425	110,425
Return of capital to COC shareholders	-	-	(217,186)	(217,186)
COC cash not transferred into Partnership	-	-	(33,751)	(33,751)
Repayment of Priority Secured Credit Agreement	-	(216)	-	(216)
Repurchase of GEI common shares	-	-	(46,666)	(46,666)
Tenant inducements	3,708	5,942	-	5,942
Repayment of long-term debt	(49)	(654)	(31,500)	(32,154)
Distributions paid	(33,624)	-	-	-
	(14,687)	17,072	(11,145)	5,927
Increase (decrease) in cash and cash equivalents during the period	(4,864)	(17,708)	256	(17,452)
Cash and cash equivalents - Beginning of period	43,527	60,979	43,271	60,979
Cash and cash equivalents - End of period	$ 38,663	$ 43,271	$ 43,527	$ 43,527
Supplemental information				
Cash paid for interest	$ 21,140	$ 3,037	$ 1,975	$ 5,012
Cash paid for income taxes - net	$ 218	$ 656	$ 10	$ 666

Cineplex Galaxy Limited Partnership
Supplemental Information
For the years ended December 31, 2004 and 2003

(expressed in thousands of Canadian dollars except number of units and per unit data)

Reconciliation to EBITDA and Adjusted EBITDA

	Three Months Ended December 31, 2004	Three Months Ended December 31, 2003	Year Ended December 31, 2004	Year Ended December 31, 2003
Net income	$ 6,828	$ 11,516	$ 30,248	$ 39,323
Add back:				
Non-controlling interests	-	(418)	-	304
Amortization	6,535	6,496	23,736	20,113
Interest on long-term debt	2,307	1,177	8,280	4,020
Interest on loan from Cineplex Galaxy Trust	3,500	1,381	14,000	1,381
Interest income	(118)	(17)	(473)	(922)
Provision for income taxes	(1,320)	(1,109)	(1,149)	366
EBITDA	17,732	19,026	74,642	64,585
Normalized Adjustments:				
Foreign exchange gain	-	83	-	(3,696)
Gain on disposal of theatre assets	3	(176)	(111)	(92)
Management fee	-	(203)	-	7,664
ADJUSTED EBITDA	17,735	18,730	74,531	68,461

Distributable Cash

	Three Months Ended December 31, 2004	Period from November 26, 2003 to December 31, 2003	Year Ended December 31, 2004	Period from November 26, 2003 to December 31, 2003
Cash provided by operating activities	$ 24,361	$ 29,623	$ 40,110	$ 29,623
Less:				
Changes in operating assets and liabilities (i)	(13,728)	(19,181)	7,808	(19,181)
Total capital expenditures	(8,586)	(962)	(22,803)	(962)
Add:				
Interest on loan from Cineplex Galaxy Trust (ii)	3,500	1,381	14,000	1,381
New theatre capital expenditures (iii)	5,958	653	17,653	653
POS/Rebranding capital expenditures (iv)	1,281	-	1,659	-
Distributable Cash	12,786	11,514	58,427	11,514
Number of units outstanding (fully diluted)	47,566,974	47,566,974	47,566,974	47,566,974
Distributable cash per unit (fully diluted)	$0.2688	$0.2421	$1.2283	$0.2421

(i) Changes in operating assets and liabilities are not considered a source of distributable cash exclusive of $3 thousand arising during the period November 26 to December 31, 2003 as a result of the retroactive application of CICA Handbook section 3110 Asset Retirement Obligations.

(ii) Subject to "Catch-Up Payment" provision and is considered part of distributable cash

(iii) The total capital expenditures noted above includes new theatre and maintenance capital expenditures of which the new theatre capital expenditures are funded out of the Partnership's development loan facility and therefore are added back to calculate distributable cash.

(iv) Point-of-Sale ("POS") and rebranding capital expenditures are funded out of a $5.5 million reserve fund established on November 26, 2003.