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FOR IMMEDIATE RELEASE

**CINEPLEX GALAXY INCOME FUND ANNOUNCES ITS
JULY 2006 DISTRIBUTION**

Toronto, Ontario, July 21, 2006 (TSX: CGX.UN): Cineplex Galaxy Income Fund announced today its cash distribution of \$0.0958 per unit for the month of July 2006, payable on August 28, 2006 to unit holders of record on July 31, 2006.

The Fund's policy is for unit holders of record on the last business day of a calendar month to receive distributions during the thirty days following the end of such month. Holders of units who are non-residents of Canada will be required to pay all withholding taxes payable in respect of any distributions of income by the Fund.

Cineplex Entertainment LP owns, leases or has joint venture interest in 131 theatres with 1,295 screens and is the largest motion picture exhibitor in Canada. Headquartered in Toronto, Canada, the Partnership operates theatres with the following six top-tier brands: Cineplex Odeon, Galaxy and Famous Players including: Coliseum, Colossus and SilverCity. Proudly Canadian, the units of Cineplex Galaxy Income Fund, which owns approximately 58.8% of Cineplex Entertainment LP, are traded on the Toronto Stock Exchange under Cineplex Galaxy Income Fund (symbol CGX.UN). More information can be found at www.cineplex.com.

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

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