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FOR IMMEDIATE RELEASE**

## **Cineplex Galaxy Income Fund Announces Approval of Plan of Arrangement**

TORONTO, Ontario, December 8, 2010 (TSX: CGX.UN): Cineplex Galaxy Income Fund (the “Fund”) announced today that it received a final order from the Ontario Superior Court of Justice approving its proposed reorganization from an income trust structure into a public corporation (to be named Cineplex Inc.) pursuant to a plan of arrangement (the “Arrangement”). The Arrangement had previously received the approval of a requisite majority of unitholders voting at a duly constituted special meeting of unitholders held on December 2, 2010. Full details of the Arrangement are described in the management information circular dated November 1, 2010 that was mailed to all unitholders.

The completion of the Arrangement is also subject to approval of the TSX for the continued listing of the debentures and the substitutional listing of the common shares to be issued in connection with the reorganization and the receipt of any necessary third party consents. There can be no certainty, nor can the Fund provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If these conditions are satisfied as anticipated, the Arrangement is scheduled to be effective on or about January 1, 2011. After the conversion the common shares of the new public company – Cineplex Inc. – will be traded on the Toronto Stock Exchange under the stock symbol (CGX) and the debentures will continue to be listed as CGX.DB.

### **About Cineplex Entertainment LP:**

Headquartered in Toronto, Canada, Cineplex Entertainment owns, leases or has a joint-venture interest in 131 theatres with 1,362 screens located from British Columbia to Quebec. As the largest motion picture exhibitor in Canada serving approximately 70 million guests annually, Cineplex Entertainment is the exclusive provider of UltraAVX™ and the leading exhibitor of digital, 3D and IMAX projection technologies in the country. With a workforce of approximately 10,000 employees, the company operates the following brands: Cineplex Odeon, Galaxy, Famous Players, Colossus, Coliseum, SilverCity, Cinema City and Scotiabank Theatres. Cineplex Entertainment is proud to be a major supporter of The Starlight Children’s Foundation and regularly conducts various fundraising initiatives throughout the year including the annual Starlight pin campaign. The units of Cineplex Galaxy Income Fund, which owns approximately 99.7% of Cineplex Entertainment LP, are traded on the Toronto Stock Exchange (symbol CGX.UN). For more information, visit [www.cineplex.com](http://www.cineplex.com)

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### **Forward-Looking Statements**

This news release contains forward-looking information relating to the completion of the Arrangement. Reliance should not be placed on forward-looking statements as they involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Fund to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those set forward in the forward-looking statements include the failure to satisfy or obtain a waiver of the conditions to the Arrangement, a change in tax provisions, and other risks detailed in the Fund’s management information circular dated November 1, 2010, which was filed with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com).

The Fund undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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