



FOR IMMEDIATE RELEASE

**CINEPLEX INC.
Reports Record Third Quarter Results**

TORONTO, CANADA, November 10, 2011 (TSX: CGX) – Cineplex Inc. (“Cineplex”) today released its financial results for the third quarter of 2011.

Third Quarter Results

	Third quarter 2011	Third quarter 2010	Period over Period Change (i)
Total Revenues	\$276.7 million	\$268.3 million	3.1%
Attendance	18.5 million	18.8 million	-1.6%
Other Revenues	\$32.1 million	\$31.1 million	3.3%
Net Income (ii)	\$25.7 million	\$20.1 million	28.2%
Adjusted EBITDA	\$57.4 million	\$55.1 million	4.3%
Adjusted EBITDA Margin	20.8%	20.5%	0.3%
Adjusted Free Cash Flow per Share/Distributable Cash Per Unit	\$0.713	\$0.773	-7.8%

First Nine Months Results

	Nine months ended September 30, 2011	Nine months ended September 30, 2010	Period over Period Change (i)
Total Revenues	\$756.5 million	\$765.9 million	-1.2%
Attendance	51.0 million	53.3 million	-4.3%
Other Revenues	\$89.4 million	\$79.7 million	12.2%
Net Income (ii)	\$38.3 million	\$46.0 million	-16.7%
Adjusted EBITDA	\$133.1 million	\$131.1 million	1.5%
Adjusted EBITDA Margin	17.6%	17.1%	0.5%
Adjusted Free Cash Flow per Share/Distributable Cash Per Unit	\$1.610	\$1.779	-9.5%

(i) Period over Period change calculated based on thousands of dollars except percentage and per share/unit values.

(ii) Cineplex’s results for the three and nine months ended September 30, 2011 were negatively impacted by changes in income tax expense due to Cineplex’s conversion to a Corporation on January 1, 2011. Also impacting net income is the impact of the fair value of financial instruments that affected net income in the three and nine months ended September 30, 2010 for items that are no longer fair valued in 2011.

“Cineplex’s revenues this quarter represent the strongest quarterly revenues ever recorded by the company,” said Ellis Jacob, President and CEO, Cineplex Entertainment. “All three revenue areas generated growth during the period resulting in new quarterly records for box office revenues, up 3.3% to \$162.5 million, concession revenues up 2.8% to \$82.1 million, and other revenues up 3.3% to \$32.1 million. This resulted in total revenues increasing 3.1% to \$276.7 million which culminated in new all-time highs for net income of \$25.7 million, up 28.2%, and adjusted EBITDA of \$57.4 million, an increase of 4.3%.”

“With the CDCP financing complete, the digital projector roll-out accelerated with the installation of 188 digital projectors during the quarter bringing our digital conversion rate to 50% of the circuit as of September 30th. We are on track to complete our digital projection roll-out during 2012. Other achievements during the quarter included the opening of a new seven screen theatre in Victoria, BC which included our 23rd UltraAVX auditorium, and a new IMAX theatre in Windsor,

Ontario. We entered a new five year credit agreement which will result in interest cost savings and increased financial flexibility going forward. SCENE, our entertainment loyalty program, reached approximately 3.2 million members during the quarter and continues to exceed our expectations. We are very pleased with these record results which continue to demonstrate growth in our business,” said Jacob.

EBITDA, adjusted free cash flow and distributable cash are not measures recognized by generally accepted accounting principles (“GAAP”) and do not have standardized meanings in accordance with such principles. Therefore, EBITDA, adjusted free cash flow and distributable cash may not be comparable to similar measures presented by other issuers. EBITDA is calculated by adding back to net income, income tax expense, amortization and interest expense net of interest income. Adjusted EBITDA is calculated by adjusting EBITDA for gains and losses on disposal of assets, the change in fair value of financial instruments and the share of loss of the Canadian Digital Cinema Partnership (“CDCP”). Adjusted free cash flow is a non-GAAP measure generally used by Canadian corporations, as an indicator of financial performance and it should not be seen as a measure of liquidity or a substitute for comparable metrics prepared in accordance with GAAP. Distributable cash is a non-GAAP measure generally used in Canadian open-ended trusts, as an indicator of financial performance and it should not be seen as a measure of liquidity or a substitute for comparable metrics prepared in accordance with GAAP. Management uses adjusted EBITDA, adjusted free cash flow and distributable cash to evaluate performance primarily because of the significant effect certain unusual or non-recurring charges and other items have on EBITDA from period to period. For a detailed reconciliation of net income to EBITDA and adjusted EBITDA and from cash used in operating activities to adjusted free cash flow and distributable cash, please refer to Cineplex’s management’s discussion and analysis filed on www.sedar.com.

Adoption of International Financial Reporting Standards

Cineplex has commenced reporting under International Financial Reporting Standards (“IFRS”) with the release of its first quarter 2011 results. Subject to certain transitional elections disclosed in our unaudited interim consolidated financial statements, Cineplex has consistently applied the same accounting policies under IFRS in its opening IFRS balance sheet at January 1, 2010 and throughout all periods presented, as if these accounting policies under IFRS had always been in effect.

In addition to the disclosure in the notes to the unaudited interim consolidated financial statements, we have provided a summary of the quarterly results under IFRS in the tables following.

Third Quarter and Year to Date Results

Cineplex’s results for the three and nine months ended September 30, 2011 as compared to the Fund’s results for the three and nine months ended September 30, 2010 are presented below.

Total revenues

Total revenues for the three months ended September 30, 2011 increased \$8.4 million (3.1%) to \$276.7 million as compared to the prior year period. Total revenues for the nine months ended September 30, 2011 decreased \$9.4 million (1.2%) to \$756.5 million as compared to the prior year period. A discussion of the factors affecting the changes in box office, concession and other revenues for the periods is provided on the following pages.

Box office revenues

The following table highlights the movement in box office revenues, attendance and BPP for the quarter and the year to date (in thousands of Canadian dollars, except attendance reported in thousands of patrons, and per patron amounts, unless otherwise noted):

Box office revenues	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Box office revenues	\$ 162,522	\$ 157,330	3.3%	\$ 443,613	\$ 459,730	-3.5%
Attendance	18,542	18,847	-1.6%	50,989	53,271	-4.3%
Box office revenue per patron	\$ 8.77	\$ 8.35	5.0%	\$ 8.70	\$ 8.63	0.8%
Canadian industry revenues (1)			2.4%			-4.5%
Same store box office revenues	\$ 159,454	\$ 156,118	2.1%	\$ 426,946	\$ 450,371	-5.2%
Same store attendance	18,223	18,672	-2.4%	49,161	52,103	-5.6%
% Total box from 3D, UltraAVX & IMAX	35.4%	25.6%	38.3%	28.8%	28.7%	0.3%

(1) The Motion Picture Theatre Associations of Canada (“MPTAC”) reported that the Canadian exhibition industry reported a box office increase of 3.4% for the period from July 1, 2011 to September 29, 2011 as compared to the period from July 2, 2010 to September 30, 2010. On a basis consistent with Cineplex’s calendar reporting period (July 1 to September 30), the Canadian industry box office increase is estimated to be 2.4%. The Motion Picture Theatre Associations of Canada (“MPTAC”) reported that the Canadian exhibition industry reported a box office decrease of 4.2% for the period from December 31, 2010 to September 29, 2011 as compared to the period from January 1, 2010 to September 30, 2010. On a basis consistent with Cineplex’s calendar reporting period (January 1 to September 30), the Canadian industry box office decrease is estimated to be 4.5%.

Box office continuity In thousands	Third Quarter		Year to Date	
	Box Office	Attendance	Box Office	Attendance
	\$		\$	
2010 as reported	157,330	18,847	459,730	53,271
Same store attendance change	(3,756)	(449)	(25,433)	(2,942)
Impact of same store BPP change	7,093	-	2,008	-
New and acquired theatres	3,067	319	10,042	1,069
Disposed and closed theatres	(1,212)	(175)	(2,734)	(409)
	\$		\$	
2011 as reported	162,522	18,542	443,613	50,989

Third Quarter

Q3 2011 Top Cineplex Films		% Total Box	Q3 2010 Top Cineplex Films		% Total Box
1	Harry Potter and the Deathly Hallows 2 (i)(ii)	14.8%	1	Inception (ii)	13.0%
2	Transformers: Dark of the Moon (i)(ii)	9.6%	2	Despicable Me (i)	7.8%
3	The Smurfs (i)	6.0%	3	The Twilight Saga: Eclipse (ii)	7.4%
4	Captain America: The First Avenger (i)	5.6%	4	Toy Story 3 (i)(ii)	5.5%
5	Rise of the Planet of the Apes	5.6%	5	Salt	4.7%

i = Film screened in 3D.

ii = Film screened in IMAX.

Box office revenues increased \$5.2 million, or 3.3%, to \$162.5 million during the third quarter of 2011, compared to \$157.3 million recorded in the same period in 2010. This increase was primarily due to a 5.0% increase in BPP, partially offset by a 1.6% decrease in attendance.

BPP increased \$0.42, from \$8.35 in the third quarter of 2010 to \$8.77 in the same period in 2011 mainly due to premium-priced product (3D, UltraAVX and IMAX) accounting for 35.4% of box office revenues in the current quarter, up from 25.6% in the prior year period. The increase in the percentage of box office revenues from premium priced product was due to the top two films of the quarter, which accounted for 24.4% of total box office revenues during the period, being screened in both 3D and IMAX, as well as the impact of UltraAVX installations, as there were two UltraAVX screens installed by the end of the third quarter of 2010 and 23 installed at the end of the current quarter.

Cineplex's investment in digital and 3D technology over the last three years has positioned it to take advantage of the price premiums offered on 3D product. This investment in 3D technology, as well as other premium-priced technology such as UltraAVX, contributed to Cineplex outperforming the Canadian industry during the third quarter.

Year to Date

Year to Date 2011 Top Cineplex Films		% Total Box	Year to Date 2010 Top Cineplex Films		% Total Box
1	Harry Potter and the Deathly Hallows 2 (i)(ii)	5.7%	1	Avatar (i)(ii)	9.1%
2	Transformers: Dark of the Moon (i)(ii)	4.3%	2	Alice in Wonderland (i)(ii)	5.0%
3	Pirates of the Caribbean: On Stranger Tides (i)(ii)	3.1%	3	Inception (ii)	4.5%
4	The Hangover 2	2.7%	4	Toy Story 3 (i)(ii)	4.0%
5	Bridesmaids	2.6%	5	Iron Man 2 (ii)	3.4%

i = Film screened in 3D.

ii = Film screened in IMAX.

Box office revenues for the first nine months of 2011 were \$443.6 million, 3.5% lower than the prior year period. Cineplex's top grossing film during the current period, *Harry Potter and the Deathly Hallows Part 2* accounted for 5.7%, or \$25.3 million of Cineplex's box office revenue, compared to 9.1%, or \$42.0 million for *Avatar* in the prior year period. The tough comparator to *Avatar* during the first quarter was partially offset by the higher box office revenues recorded in the second and third quarters of 2011 compared to the prior year periods.

BPP for the first nine months of 2011 increased \$0.07, from \$8.63 in 2010 to \$8.70 in the same period in 2011. This increase was primarily due to the film product during the 2011 period catering to more mature audiences, as the top five films during the period included two mature-themed comedies and fewer films catering primarily to children, whereas the

prior year period featured *Toy Story 3* and *Alice in Wonderland* which both attracted a higher percentage of child admissions than the current year films.

Concession revenues

The following table highlights the movement in concession revenues, attendance and CPP for the quarter and the year to date (in thousands of Canadian dollars, except attendance and same store attendance reported in thousands of patrons, and per patron amounts):

Concession revenues	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Concession revenues	\$ 82,114	\$ 79,870	2.8%	\$ 223,477	\$ 226,435	-1.3%
Attendance	18,542	18,847	-1.6%	50,989	53,271	-4.3%
Concession revenue per patron	\$ 4.43	\$ 4.24	4.5%	\$ 4.38	\$ 4.25	3.1%
Same store concession revenues	\$ 80,861	\$ 79,394	1.8%	\$ 215,963	\$ 222,191	-2.8%
Same store attendance	18,223	18,672	-2.4%	49,161	52,103	-5.6%

Concession revenue continuity In thousands	Third Quarter		Year to Date	
	Concession	Attendance	Concession	Attendance
2010 as reported	\$ 79,870	18,847	\$ 226,435	53,271
Same store attendance change	(1,910)	(449)	(12,547)	(2,942)
Impact of same store CPP change	3,377	-	6,319	-
New and acquired theatres	1,253	319	4,505	1,069
Disposed and closed theatres	(476)	(175)	(1,235)	(409)
2011 as reported	\$ 82,114	18,542	\$ 223,477	50,989

Third Quarter

Concession revenues increased 2.8% as compared to the prior year quarter, due to the 4.5% increase in CPP, offset by the 1.6% decrease in attendance. CPP increased from \$4.24 in the third quarter of 2010 to \$4.43 in the same period in 2011, and represents a third quarter record for Cineplex. Cineplex believes that revised concession offerings (including Poptopia) as well as process improvements designed to increase the speed of service contributed to this increased CPP period over the period. The third quarter of 2011 was the first full quarter where SCENE members could earn SCENE points on concession combo purchases.

While the 10% SCENE discount and SCENE points issued on concession combo purchases have a negative impact on CPP, Cineplex believes that this program drives incremental visits and concession purchases, resulting in higher overall concession revenues.

Year to Date

Concession revenues decreased 1.3% as compared to the prior year period, due to the 4.3% decrease in attendance, offset by the 3.1% increase in CPP. CPP increased from \$4.25 in the first nine months of 2010 to \$4.38 in the same period in 2011. This represents the highest CPP Cineplex has recorded through the first nine months of a given year.

Other revenues

The following table highlights the movement in media, games and other revenues for the quarter and the year to date (in thousands of Canadian dollars):

Other revenues	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Media	\$ 22,190	\$ 23,498	-5.6%	\$ 62,575	\$ 56,996	9.8%
Games	2,492	1,396	78.5%	5,456	3,644	49.7%
Other	7,390	6,167	19.8%	21,386	19,073	12.1%
Total	\$ 32,072	\$ 31,061	3.3%	\$ 89,417	\$ 79,713	12.2%

Other revenues increased 3.3% from \$31.1 million in the third quarter of 2010 to \$32.1 million in the same period in 2011. This increase was due to higher games and other revenues, offset by lower media revenues. Media revenues for the third quarter of 2011 were \$22.2 million, down \$1.3 million, or 5.6%, when compared to the prior year period. The decrease was primarily due to lower full-motion and digital pre-show revenues, due to reduced spending by the automotive manufacturers during the period as a result of the impact of the March 2011 tsunami in Japan which resulted in these companies deferring their advertising commitments.

The games revenue increase is primarily due to the acquisition of NWS in the second quarter of 2011 (\$1.2 million) and therefore is not included in the prior year comparative. The increase in Other is primarily due to higher breakage revenues associated with increased sales of gift cards and coupons.

Year to Date

Other revenues increased 12.2% from \$79.7 million in the first nine months of 2010 to \$89.4 million during the same period in 2011. Media revenues for the first nine months of 2011 were up \$5.6 million, or 9.8%, from the prior year period. This increase was primarily due to higher CDM revenues (\$4.2 million) as well as higher full motion and digital pre-show revenues (\$1.6 million). CDM includes the results of CDS which was acquired during the third quarter of 2010 and is therefore not fully reflected in the prior period comparative. The increase in games revenue was primarily due to the acquisition of NWS and the addition of the two new XSCAPE centres (SilverCity Oakville which opened in March 2011, and SilverCity Cross Iron Mills which opened on June 30, 2010 and therefore not fully reflected in the prior year comparative). The increase in the other category is primarily due to higher breakage revenues associated with increased sales of gift cards and coupons.

Film cost

The following table highlights the movement in film cost and film cost as a percentage of box office revenue (“film cost percentage”) for the quarter and the year to date (in thousands of Canadian dollars, except film cost percentage):

Film cost	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Film cost	\$ 85,320	\$ 81,038	5.3%	\$ 230,647	\$ 245,468	-6.0%
Film cost percentage	52.5%	51.5%	1.9%	52.0%	53.4%	-2.6%

Third Quarter

Film cost varies primarily with box office revenue, and can vary from quarter to quarter based on the relative strength of the titles exhibited during the period. The increase in the third quarter of 2011 compared to the prior year period was due to the increase in box office revenue and the 1.9% increase in film cost percentage. The increase in film cost percentage is primarily due to the settlement rate on certain strong performing titles during the third quarter of 2010 being lower than the average film settlement rate.

Year to Date

The year to date decrease in film cost was due to the 3.5% decrease in box office revenues and the 2.6% decrease in film cost percentage during the period. The decrease in the film cost percentage as compared to the prior year period is primarily due to the settlement rate on certain strong performing titles during the first half of 2010 being higher than the average settlement rate.

Cost of concessions

The following table highlights the movement in concession cost and concession cost as a percentage of concession revenues (“concession cost percentage”) for the quarter and the year to date (in thousands of Canadian dollars, except concession cost percentage and concession margin per patron):

Cost of concessions	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Concession cost	\$ 16,817	\$ 16,368	2.7%	\$ 46,722	\$ 48,146	-3.0%
Concession cost percentage	20.5%	20.5%	0.0%	20.9%	21.3%	-1.9%
Concession margin per patron	\$ 3.52	\$ 3.37	4.5%	\$ 3.47	\$ 3.35	3.6%

Third Quarter

Cost of concessions varies primarily with theatre attendance as well as the quantity and mix of concession offerings sold. The increase in concession cost as compared to the prior year period was due to the 2.8% increase in concession revenues. The concession cost percentage of 20.5% was in line with the prior year period. The concession margin per patron increased from \$3.37 in the third quarter of 2010 to \$3.52 in the same period in 2011, reflecting the impact of the higher CPP during the period.

Year to Date

The decrease in concession cost during the period was due to the 1.3% decrease in concession revenues and the 1.9% decrease in the concession cost percentage. Changes in Cineplex's reduced price Tuesday program resulted in a decrease in concession cost percentage, partially offset by the impact of issuing SCENE points on concession combos which began in June 2011.

Depreciation and amortization

The following table highlights the movement in depreciation and amortization expenses during the quarter and year to date (in thousands of Canadian dollars):

Amortization expenses	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Amortization of property, equipment and leaseholds	\$ 14,372	\$ 21,494	-33.1%	\$ 44,574	\$ 54,824	-18.7%
Amortization of intangible assets and other	2,241	2,260	-0.8%	6,729	8,523	-21.0%
Amortization expenses as reported	\$ 16,613	\$ 23,754	-30.1%	\$ 51,303	\$ 63,347	-19.0%

The decrease in amortization of property, equipment and leaseholds of \$7.1 million primarily relates to the Fund recording an impairment charge of \$3.9 million in amortization of property, equipment and leaseholds during the third quarter of 2010. Additionally, certain valuation adjustments that arose as part of Cineplex's acquisition of the Partnership were fully amortized during the third quarter of 2010 which contributed to the lower amortization in the 2011 period. The transfer of digital projection equipment to CDCP in June 2011 and lower depreciation relating to 35 millimeter projectors due to the circuit's conversion to digital also contributed to the decrease in amortization of property, equipment and leaseholds.

The year to date decreases of \$10.3 million for the amortization of property equipment and leaseholds was due to the \$3.9 million impairment charge and the fully amortized valuation adjustments discussed above. The \$1.8 million decrease for intangible assets are primarily due to certain intangible assets becoming fully amortized during the second quarter of 2010.

Loss (gain) on disposal of assets

The following table shows the movement in the loss (gain) on disposal of assets during the quarter and the year to date (in thousands of Canadian dollars):

Loss (gain) on disposal of assets	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Loss (gain) on disposal of assets	\$ 487	\$ (95)	NM	\$ 4	\$ 1,414	-99.7%

Third Quarter

The loss on disposal of assets represents the loss recorded on certain assets that were sold or otherwise disposed of. For the third quarter of 2011, Cineplex recorded a loss of \$0.5 million on the disposal of assets. Disposal of assets resulted in a gain of \$0.1 million for the third quarter of 2010.

Year to Date

For the nine months ended September 30, 2011, disposal of assets resulted in a loss of \$4 thousand, comprised of losses recorded on assets that were sold or otherwise disposed of, offset by a gain recorded on the sale of a theatre during the second quarter of 2011 (\$1.4 million) and a nominal gain recorded on the transfer of digital projection assets to CDCP. For the nine months ended September 30, 2010, disposal of assets resulted in a loss of \$1.4 million.

Other costs

Other costs include three main sub-categories of expenses, including theatre occupancy expenses, which capture the rent and associated occupancy costs for Cineplex's various operations; other operating expenses, which include the costs related to running Cineplex's theatres and ancillary businesses; and general and administrative expenses, which includes costs related to managing Cineplex's operations, including the head office expenses. Please see the discussions below for more details on these categories. The following table highlights the movement in other costs for the quarter and the year to date (in thousands of Canadian dollars):

Other costs	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Theatre occupancy expenses	\$ 41,040	\$ 40,334	1.8%	\$ 123,855	\$ 121,394	2.0%
Other operating expenses	65,620	60,455	8.5%	182,193	174,231	4.6%
General and administrative expenses	12,068	14,326	-15.8%	43,459	43,286	0.4%
Total other costs	\$ 118,728	\$ 115,115	3.1%	\$ 349,507	\$ 338,911	3.1%

Theatre occupancy expenses

The following table highlights the movement in theatre occupancy expenses for the quarter and the year to date (in thousands of Canadian dollars):

Theatre occupancy expenses	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Rent	\$ 27,707	\$ 27,307	1.5%	\$ 83,247	\$ 81,825	1.7%
Other occupancy	13,636	13,394	1.8%	42,091	40,616	3.6%
Non-recurring legal contingency	-	-	NM	-	297	NM
One-time items (i)	(303)	(367)	-17.4%	(1,483)	(1,344)	10.3%
Total	\$ 41,040	\$ 40,334	1.8%	\$ 123,855	\$ 121,394	2.0%

(i) One-time items include amounts related to both theatre rent and other theatre occupancy costs. They are isolated here to illustrate Cineplex's theatre rent and other theatre occupancy costs net of these one-time, non-recurring items.

Theatre occupancy continuity In thousands	Third Quarter Occupancy	Year to Date Occupancy
2010 as reported	\$ 40,334	\$ 121,394
Impact of new theatres	893	2,854
Impact of disposed theatres	(123)	(951)
Same store rent change	(195)	218
Non-recurring items	63	(104)
Other	68	444
2011 as reported	\$ 41,040	\$ 123,855

Third Quarter

Theatre occupancy expenses increased \$0.7 million during the third quarter of 2011 compared to the prior year period. This increase was primarily due to the impact of new and acquired theatres net of the impact of disposed theatres.

Year to Date

The increase in theatre occupancy expenses of \$2.5 million for the first nine months of 2011 compared to the prior year period was primarily due to the impact of new and acquired theatres net of the impact of disposed theatres, as well as an increase in same-store rent expense.

Other operating expenses

The following table highlights the movement in other operating expenses during the quarter and the year to date (in thousands of Canadian dollars):

Other operating expenses	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Other operating expenses	\$ 65,620	\$ 60,455	8.5%	\$ 182,193	\$ 174,231	4.6%

Other operating continuity In thousands	Third Quarter Other Operating	Year to Date Other Operating
2010 as reported	\$ 60,455	\$ 174,231
Impact of new theatres	885	3,343
Impact of disposed theatres	(449)	(1,125)
Same store payroll change	(64)	(514)
Marketing change	881	(106)
Media	573	3,299
Theatre refurbishment payment	1,014	1,014
Other	2,325	2,051
2011 as reported	\$ 65,620	\$ 182,193

Third Quarter

Other operating expenses increased \$5.2 million during the third quarter of 2011 compared to the prior year period. Higher marketing costs (\$0.9 million) and higher media costs (\$0.6 million) due to the growth of CDM during the period, and the net impact of new and disposed theatres (\$0.4 million) contributed to the increase. Also contributing to the increase was a \$1.0 million termination payment paid to a landlord to refurbish theatre space for a disposed theatre. The \$2.3 million increase in Other includes a \$1.0 million increase in technology royalty costs during the period, the impact of NWS (\$0.9 million) which was acquired in the second quarter of 2011 and not included in the prior year comparative, as well as increased utility costs (\$0.7 million). Payroll costs were marginally lower than the prior year due to lower theatre attendance, partially offset by the impact of minimum wage increases implemented throughout 2010. Total theatre payroll accounted for 43.2% of total other operating expenses in the third quarter of 2011, compared to 46.5% in the prior year period.

Year to Date

For the nine months ended September 30, 2011, other operating expenses are \$8.0 million higher than the prior year period, despite the lower business volumes in the 2011 period compared to the prior year. The increase is due to higher media cost of sales (\$3.3 million) primarily due to the acquisition of CDS during July 2010, as CDS expenses are included in the full 2011 period and not fully reflected in the prior year comparative, as well as the net impact of new and disposed theatres (\$2.2 million) and the \$1.0 termination payment discussed above. The Other category includes the impact of NWS (\$1.3 million) and higher utility costs (\$1.2 million). These increases were partially offset by lower same-store payroll of \$0.5 million due to the lower business volumes, as well as \$0.5 million decrease in other expenses during the period. Total theatre payroll accounted for 44.7% of total other operating expenses in the first nine months of 2011, compared to 46.2% in the prior year period.

General and administrative expenses

The following table highlights the movement in general and administrative (“G&A”) expenses during the quarter and the year to date, including share and unit based compensation costs, and G&A net of these costs (in thousands of Canadian dollars):

G&A expenses	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
G&A excluding LTIP and Option plan expense	\$ 9,589	\$ 9,926	-3.4%	\$ 30,053	\$ 29,780	0.9%
LTIP	1,626	2,749	-40.9%	6,039	9,326	-35.2%
Option plan	853	1,651	-48.3%	7,367	4,180	76.2%
G&A expenses as reported	\$ 12,068	\$ 14,326	-15.8%	\$ 43,459	\$ 43,286	0.4%

Third Quarter

G&A expenses decreased \$2.3 million during the third quarter of 2011 compared to the same period in the prior year. This decrease was due to a \$0.8 million decrease in option expense during the period, and a \$1.1 million decrease in LTIP expense. Cineplex’s share price decreased from \$26.72 at June 30, 2011 to \$26.30 at September 30, 2011, contributing to the decrease in the option plan expense. During the third quarter of 2010, the share price increased from \$19.50 at June 30, 2010 to \$20.78 at September 30, 2010, resulting in the higher expense in that period.

Year to Date

G&A expenses for the first nine months of 2011 were \$0.2 million higher than the prior year period. The \$3.2 million increase in the option plan expense during the period was offset by the \$3.3 million decrease in LTIP expense during the period. The option plan expense increase is primarily due to a higher proportion of options of the 2009 (strike price \$14.00) and 2011 (strike price \$23.12) issuances now being vested compared to a year ago. The LTIP plan prior to 2011 had one-third of the award vest in the first year, with an additional one-third vesting on the second and third anniversaries of the award. The related expense is recognized using a graded vesting method, whereby a higher proportion of the expense is recognized over the first year of the award. The 2011 LTIP plan vests over three years with the entire payout occurring at the end of the three-year period, resulting in a lower proportion of vesting in the first and second years of the award resulting from a straight-line recognition of the overall expense. This difference in vesting has contributed to the lower cost in the first nine months of 2011 compared to the prior year period.

Share of (income) loss of joint ventures

Cineplex’s joint ventures in the third quarter and first nine months of 2011 include its share of one theatre in Quebec, one IMAX screen in Ontario, its interest in SCENE LP and its interest in CDCP. The Fund’s joint ventures in the third quarter and first nine months of 2010 include its share of four theatres in Quebec, one IMAX screen in Ontario and its interest in SCENE LP. The following table highlights the movement in the share of loss of joint ventures during the quarter and the year to date (in thousands of Canadian dollars):

Share of (income) loss of joint ventures	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
Share of loss of CDCP	\$ 65	\$ -	NM	\$ 2,218	\$ -	NM
Share of (income) loss of SCENE	(1,494)	828	NM	(3,342)	2,754	NM
Share of (income) loss of other joint ventures	(57)	(128)	-55.5%	32	(371)	NM
Total (income) loss of joint ventures	\$ (1,486)	\$ 700	NM	\$ (1,092)	\$ 2,383	NM

Third Quarter

The income recorded in the third quarter of 2011 is primarily related to an adjustment to SCENE’s outstanding points balance due to certain members having their points expired during the third quarter of 2011 due to inactivity in the program. This was the result of a change in terms and conditions of the program communicated earlier in 2011 with the completion of the notice period occurring during the third quarter of 2011.

Year to Date

The movement from a loss of \$2.4 million in the first nine months of 2010 to income of \$1.1 million in the current period is primarily due to breakage revenue recognized by SCENE LP. Based on an analysis of point issuance and redemption activity during the first three years of the program, SCENE established a breakage rate and recognized revenue relating to breakage for the first time during the first quarter of 2011. This change in its accounting estimate for breakage resulted in a program-to-date adjustment to its outstanding points liability during the first quarter. Additionally, during the third quarter of 2011, points were expired for certain members as discussed above. The \$2.2 million share of loss of CDCP is related to start-up costs relating to CDCP.

EBITDA and adjusted EBITDA

The following table represents EBITDA and adjusted EBITDA for the three and nine months ended September 30, 2011 as compared to the three and nine months ended September 30, 2010 (expressed in thousands of Canadian dollars, except adjusted EBITDA margin):

EBITDA	Third Quarter			Year to Date		
	2011	2010	Change	2011	2010	Change
EBITDA	\$ 56,889	\$ 51,536	10.4%	\$ 130,850	\$ 126,630	3.3%
Adjusted EBITDA	\$ 57,441	\$ 55,070	4.3%	\$ 133,072	\$ 131,136	1.5%
Adjusted EBITDA margin	20.8%	20.5%	0.3%	17.6%	17.1%	0.5%

Adjusted EBITDA for the third quarter of 2011 increased \$2.4 million, or 4.3%, as compared to the prior year period. This increase was primarily due to the increased revenues during the period and the increased contribution from the SCENE joint venture during the period. Adjusted EBITDA margin, calculated as adjusted EBITDA divided by total revenues, was 20.8%, up from 20.5% in the prior year period.

Adjusted EBITDA for the nine months ended September 30, 2011 increased \$1.9 million, or 1.5%, as compared to the prior year period. The increase is primarily due to the higher media revenues in 2011 compared to the 2010 period more than offsetting the impact of the lower box office and concession revenues due to the lower theatre attendance. Adjusted EBITDA margin, calculated as adjusted EBITDA divided by total revenues, was 17.6%, up from 17.1% in the prior year period. The increase is due to the higher media revenues in the 2011 period, which generate higher margins than exhibition revenues.

Adjusted Free Cash Flow

For the third quarter of 2011, adjusted free cash flow per share was \$0.713 as compared to distributable cash per unit of \$0.773 in the third quarter of 2010. The declared dividend per share and the declared distribution per unit were \$0.323 and \$0.315, respectively, during these periods. The payout ratios for these periods were 45% and 41%, respectively. For the first nine months of 2011, adjusted free cash flow per share was \$1.610 as compared to distributable cash per unit of \$1.779 in the first nine months of 2010. The declared dividend per share and the declared distribution per unit were \$0.958 and \$0.945, respectively, during these periods. The payout ratios for these periods were 60% and 53%, respectively.

This news release contains "forward-looking statements" within the meaning of applicable securities laws, such as statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in our Annual Information Form and in this news release. Those risks and uncertainties include adverse factors generally encountered in the film exhibition industry such as poor film product and unauthorized copying; the risks associated with national and world events, including war, terrorism, international conflicts, natural disasters, extreme weather conditions, infectious diseases, changes in income tax legislation; and general economic conditions. Many of these risks and uncertainties can affect our actual results and could cause our actual results to differ materially from those expressed or implied in any forward-looking statement made by us or on our behalf. All forward-looking statements in this news release are qualified by these cautionary statements. These statements are made as of the date of this news release and, except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of Cineplex Inc., Cineplex Galaxy Income Fund or Cineplex Entertainment Limited Partnership, their financial or operating results or their securities.

About Cineplex Inc.

Cineplex is the largest motion picture exhibitor in Canada and owns, leases or has a joint-venture interest in 130 theatres with 1,351 screens serving approximately 70 million guests annually. Headquartered in Toronto, Canada, Cineplex operates theatres from British Columbia to Quebec and is the exclusive provider of UltraAVX and the largest exhibitor of digital 3D and IMAX projection technologies in the country. Proudly Canadian and with a workforce of approximately 10,000 employees, the company operates the following top tier brands: Cineplex Odeon, Galaxy, Famous Players, Colossus, Coliseum, SilverCity, Cinema City and Scotiabank Theatres. Cineplex shares are traded on the Toronto Stock Exchange ("TSX") under the symbol "CGX". For more information, visit www.cineplex.com.

Further information can be found in the disclosure documents filed by Cineplex 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 (TSX: CGX) to review our quarterly results. **Ellis Jacob, President and Chief Executive Officer** and **Gord Nelson, Chief Financial Officer**, will host the call. The teleconference call is scheduled for:

**Thursday, November 10, 2011
10:00 a.m. Eastern Time**

In order to participate in the conference call, **please dial 416-644-3414 or outside of Toronto dial 1-800-814-4859** at least five to ten minutes prior to 10:00 a.m. Eastern Time. Please quote the conference ID 4480932 to access the call.

- If you cannot participate in the live mode, a replay will be available. Please dial 416-640-1917 or 1-877-289-8525 and enter code 4480932#. The replay will begin at 12:00 p.m. Eastern Time on Thursday, November 10, 2011 and end at 11:59 p.m. Eastern Time on Thursday, November 17, 2011.
- Note that media will be participating in the call in listen – only mode.
- Thank you in advance for your interest and participation.

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For further information:

Gord Nelson
Chief Financial Officer
(416) 323-6602

Pat Marshall
Vice President Communications and Investor Relations
(416) 323-6648

Cineplex Inc.
Interim Consolidated Balance Sheets
(Unaudited)
 (expressed in thousands of Canadian dollars)

	September 30, 2011	December 31, 2010
Assets		
Current assets		
Cash and cash equivalents	\$ 63,279	\$ 85,343
Trade and other receivables	35,779	57,950
Inventories	4,431	3,767
Prepaid expenses and other current assets	8,624	3,848
	<hr/>	
	112,113	150,908
Property, equipment and leaseholds	382,999	413,657
Deferred income taxes	12,287	25,689
Interests in joint ventures	26,621	92
Intangible assets	86,620	93,397
Goodwill	608,929	608,929
	<hr/>	
	\$ 1,229,569	\$ 1,292,672
	<hr/>	

Cineplex Inc.**Interim Consolidated Balance Sheets ... continued
(Unaudited)**

(expressed in thousands of Canadian dollars)

	September 30, 2011	December 31, 2010
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	\$ 65,808	\$ 83,700
Share or unit-based compensation	2,494	14,307
Dividends or distributions payable	6,284	-
Income taxes payable	11,929	87
Deferred revenue	51,585	82,027
Capital lease obligations	2,368	2,242
Fair value of interest rate swap agreements	668	5,482
	<hr/>	
	141,136	187,845
Non-current liabilities		
Share or unit-based compensation	8,164	8,014
Long-term debt	232,345	233,588
Fair value of interest rate swap agreements	611	3,298
Capital lease obligations	27,093	28,885
Post-employment benefit obligations	4,741	4,534
Other liabilities	100,700	98,964
Deficiency interest in joint venture	7,702	12,338
Convertible debentures	79,010	116,481
Liability for exchangeable interests	-	3,851
	<hr/>	
	460,366	509,953
	<hr/>	
	601,502	697,798
Equity		
Share capital	762,849	-
Unit capital	-	710,121
Deficit	(130,276)	(113,120)
Accumulated other comprehensive loss	(4,506)	(3,534)
Contributed surplus	-	1,407
	<hr/>	
	628,067	594,874
	<hr/>	
	\$ 1,229,569	\$ 1,292,672
	<hr/>	

Cineplex Inc.
Interim Consolidated Statements of Operations
(Unaudited)
(expressed in thousands of Canadian dollars)

	Three months ended September 30, 2011	Three months ended September 30, 2010	Nine months ended September 30, 2011	Nine months ended September 30, 2010
Revenues				
Box office	\$ 162,522	\$ 157,330	\$ 443,613	\$ 459,730
Concessions	82,114	79,870	223,477	226,435
Other	32,072	31,061	89,417	79,713
	<u>276,708</u>	<u>268,261</u>	<u>756,507</u>	<u>765,878</u>
Expenses				
Film cost	85,320	81,038	230,647	245,468
Cost of concessions	16,817	16,368	46,722	48,146
Depreciation and amortization	16,613	23,754	51,303	63,347
Loss (gain) on disposal of assets	487	(95)	4	1,414
Other costs	118,728	115,115	349,507	338,911
	<u>237,965</u>	<u>236,180</u>	<u>678,183</u>	<u>697,286</u>
Income before undernoted	38,743	32,081	78,324	68,592
Share of (income) loss of joint ventures	(1,486)	700	(1,092)	2,385
Change in fair value of financial instruments	-	3,629	-	3,092
Interest expense	6,275	5,848	17,886	17,320
Interest income	(381)	(162)	(804)	(335)
	<u>34,335</u>	<u>22,066</u>	<u>62,334</u>	<u>46,130</u>
Income before income taxes	34,335	22,066	62,334	46,130
Provision for income taxes				
Current	5,973	-	12,011	3
Deferred	2,625	1,996	11,994	99
	<u>8,598</u>	<u>1,996</u>	<u>24,005</u>	<u>102</u>
Net income	\$ 25,737	\$ 20,070	\$ 38,329	\$ 46,028

Cineplex Inc.
Interim Consolidated Statements of Comprehensive Income
(Unaudited)
(expressed in thousands of Canadian dollars)

	Three months ended September 30, 2011	Three months ended September 30, 2010	Nine months ended September 30, 2011	Nine months ended September 30, 2010
Net income	\$ 25,737	\$ 20,070	\$ 38,329	\$ 46,028
Other comprehensive (loss) income				
Changes in fair value of interest rate contracts	(242)	298	1,281	680
Associated deferred income taxes (recovery)	12	(513)	2,253	(1,749)
Other comprehensive (loss) income	(254)	811	(972)	2,429
Comprehensive income	\$ 25,483	\$ 20,881	\$ 37,357	\$ 48,457

Cineplex Inc.
Interim Consolidated Statements of Changes in Equity
(Unaudited)
(expressed in thousands of Canadian dollars)

For the nine months ended September 30, 2011

	Unit capital	Share capital	Contributed Surplus	Accumulated other comprehensive loss	Deficit	Total
Balance - January 1, 2011	\$ 710,121	\$ -	\$ 1,407	\$ (3,534)	\$ (113,120)	\$ 594,874
Effect of corporate conversion	(710,121)	744,760	(1,407)	-	-	33,232
Net income	-	-	-	-	38,329	38,329
Other comprehensive loss	-	-	-	(972)	-	(972)
Dividends declared	-	-	-	-	(55,485)	(55,485)
Long-term incentive plan obligation	-	(2,504)	-	-	-	(2,504)
Long-term incentive plan shares	-	1,888	-	-	-	1,888
Issuance of shares on conversion of debentures	-	19,080	-	-	-	19,080
Shares repurchased and cancelled	-	(375)	-	-	-	(375)
Balance - September 30, 2011	\$ -	\$ 762,849	\$ -	\$ (4,506)	\$ (130,276)	\$ 628,067

For the nine months ended September 30, 2010

	Unit capital	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total
Balance - January 1, 2010	\$ 703,706	\$ -	\$ -	\$ (7,501)	\$ (91,396)	\$ 604,809
Net income	-	-	-	-	46,028	46,028
Other comprehensive income	-	-	-	2,429	-	2,429
Distributions declared	-	-	-	-	(53,861)	(53,861)
Long-term incentive plan units	(1,063)	-	1,407	-	-	344
Issuance of units on conversion of debentures	3,163	-	-	-	-	3,163
Issuance of units under the exchange agreement	1,599	-	-	-	-	1,599
Balance - September 30, 2010	\$ 707,405	\$ -	\$ 1,407	\$ (5,072)	\$ (99,229)	\$ 604,511

Cineplex Inc.
Interim Consolidated Statements of Cash Flows
(Unaudited)
(expressed in thousands of Canadian dollars)

	Three months ended September 30, 2011	Three months ended September 30, 2010	Nine months ended September 30, 2011	Nine months ended September 30, 2010
Cash provided by (used in)				
Operating activities				
Net income	\$ 25,737	\$ 20,070	\$ 38,329	\$ 46,028
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization of property, equipment and leaseholds, deferred charges and intangible assets	16,613	23,754	51,303	63,347
Amortization of tenant inducements, rent averaging liabilities and fair value lease contract liabilities	(1,074)	(988)	(2,944)	(2,685)
Amortization of debt issuance costs	237	194	701	573
Loss (gain) on disposal of assets	487	(95)	4	1,414
Deferred income taxes	2,625	1,996	11,994	99
Interest rate swap agreements - non-cash interest	1,279	(176)	1,143	(568)
Non-cash share or unit-based compensation	37	587	293	1,884
Change in fair value of financial instruments	-	3,629	-	3,092
Accretion of convertible debentures	251	351	1,078	998
Net change in interests in joint ventures	578	1,534	(2,860)	3,447
Tenant inducements	1,535	1,221	5,585	2,228
Changes in operating assets and liabilities	(181)	(12,634)	(21,101)	(33,530)
Net cash provided by operating activities	48,124	39,443	83,525	86,327
Investing activities				
Proceeds from sale of assets	82	863	1,822	2,213
Purchases of property, equipment and leaseholds	(12,224)	(14,839)	(40,803)	(38,409)
Deposits for business acquisitions	-	3,970	-	-
Acquisition of businesses, net of cash acquired	-	(3,781)	(3,280)	(4,803)
Additional equity funding of CDCP	(210)	-	(378)	-
Net cash used in investing activities	(12,352)	(13,787)	(42,639)	(40,999)
Financing activities				
Dividends or distributions paid	(18,804)	(17,973)	(49,201)	(53,837)
Borrowings under credit facility	-	22,000	27,000	37,000
Repayment of credit facility	-	(22,000)	(27,000)	(37,000)
Payments under capital leases	(566)	(504)	(1,666)	(1,484)
Acquisition of long-term incentive plan shares or units	-	-	(9,793)	(9,620)
Deferred financing fees	(1,915)	-	(1,915)	-
Purchase of shares for cancellation	(375)	-	(375)	-
Net cash used in financing activities	(21,660)	(18,477)	(62,950)	(64,941)
Increase (decrease) in cash and cash equivalents during the period	14,112	7,179	(22,064)	(19,613)
Cash and cash equivalents - Beginning of period	49,167	67,854	85,343	94,646
Cash and cash equivalents - End of period	\$ 63,279	\$ 75,033	\$ 63,279	\$ 75,033
Supplemental Information				
Cash paid for interest	\$ 3,674	\$ 3,999	\$ 13,762	\$ 14,710
Cash paid for income taxes - net	\$ -	\$ 17	\$ 65	\$ 30

Cineplex Inc.
Consolidated Supplemental Information
(Unaudited)
(expressed in thousands of Canadian dollars)

Reconciliation to Adjusted EBITDA

	Three months ended September		Nine months ended	
	30, 2011	2010	September 30, 2011	2010
Net income	\$ 25,737	\$ 20,070	\$ 38,329	\$ 46,028
Depreciation and amortization (i)	16,660	23,784	51,434	63,515
Interest expense	6,275	5,848	17,886	17,320
Interest income	(381)	(162)	(804)	(335)
Current income tax expense	5,973	-	12,011	3
Deferred income tax expense	2,625	1,996	11,994	99
EBITDA	56,889	51,536	130,850	126,630
Change in fair value of financial instruments	-	3,629	-	3,092
Loss (gain) on disposal of assets	487	(95)	4	1,414
CDCP equity loss (ii)	65	-	2,218	-
Adjusted EBITDA	\$ 57,441	\$ 55,070	\$ 133,072	\$ 131,136

(i) Includes the depreciation and amortization incurred by the joint ventures (2011 - \$47 for three months and \$131 for nine months, 2010 - \$30 for three months and \$168 for nine months)

(ii) CDCP equity loss not included in adjusted EBITDA as CDCP is a limited-life financing vehicle that is funded by virtual print fees collected from distributors.

Components of Other Costs

	Three months ended September		Nine months ended	
	30, 2011	2010	September 30, 2011	2010
Theatre occupancy expenses	\$ 41,040	\$ 40,334	\$ 123,855	\$ 121,394
Other operating expenses	65,620	60,455	182,193	174,231
General and administrative expenses	12,068	14,326	43,459	43,286
Total other costs	\$ 118,728	\$ 115,115	\$ 349,507	\$ 338,911

Cineplex Inc.
Consolidated Supplemental Information
(Unaudited)

(expressed in thousands of Canadian dollars, except number of shares/units and per share/unit data)

Adjusted Free Cash Flow and Distributable Cash

	Three months ended		Nine months ended	
	September 30, 2011	2010	September 30, 2011	2010
Cash provided by operating activities	\$ 48,124	\$ 39,443	\$ 83,525	\$ 86,327
Less: Total capital expenditures (i)	(12,142)	(14,839)	(38,981)	(38,409)
Standardized free cash flow/Standardized distributable cash	35,982	24,604	44,544	47,918
Add/(Less):				
Changes in operating assets and liabilities (ii)	181	12,634	20,942	33,530
Changes in operating assets and liabilities of joint ventures (ii)	(2,064)	(834)	1,927	(1,062)
Tenant inducements (iii)	(1,535)	(1,221)	(5,585)	(2,228)
Principal component of capital lease obligations	(566)	(504)	(1,666)	(1,484)
New build capital expenditures and other (iv)	8,166	10,210	29,931	27,256
Share of profit (loss) of joint ventures, net of non-cash depreciation (v)	1,598	(660)	3,441	(2,196)
Cash invested in CDCP (v)	(159)	-	(378)	-
Adjusted free cash flow/Distributable cash	\$ 41,603	\$ 44,229	\$ 93,156	\$ 101,734
Less: Exchangeable interests share of distributable cash	-	(133)	-	(387)
Adjusted free cash flow/Distributable cash available to shareholders/unitholders	\$ 41,603	\$ 44,096	\$ 93,156	\$ 101,347
Average number of shares/units outstanding	58,323,750	57,060,387	57,857,376	56,979,233
Adjusted free cash flow per share/Distributable cash per unit	\$ 0.713	\$ 0.773	\$ 1.610	\$ 1.779

(i) For the 2011 adjusted free cash flow calculations, total capital expenditures are shown net of proceeds received on the sale of assets.

(ii) Changes in operating assets and liabilities are not considered a source or use of distributable cash.

(iii) Tenant inducements received are for the purpose of funding new theatre capital expenditures and are not considered a source of distributable cash.

(iv) New build capital expenditures and other represent expenditures on Board approved projects as well as any expenditures for digital equipment that will be incorporated into CDCP, and exclude maintenance capital expenditures. The 2011 figures are net of proceeds on asset sales. The revolving credit facility was available to the Fund and is available to Cineplex to fund Board approved projects.

(v) Excludes the share of loss of CDCP, as CDCP is a limited-life financing vehicle funded by virtual print fees collected from distributors. Cash invested into CDCP, as well as cash distributions received from CDCP, are considered to be uses and sources of adjusted free cash flow.

Cineplex Inc.
2010 IFRS Quarterly Interim Consolidated Balance Sheets
(Unaudited)
(expressed in thousands of Canadian dollars)

	March 31, 2010	June 30, 2010	September 30, 2010	December 31, 2010
Assets				
Current assets				
Cash and cash equivalents	\$ 78,780	\$ 67,854	\$ 75,033	\$ 85,343
Trade and other receivables	32,700	32,123	36,253	57,950
Inventories	3,588	3,774	3,726	3,767
Prepaid expenses and other current assets	9,066	13,611	10,619	3,848
	124,134	117,362	125,631	150,908
Property, equipment and leaseholds	418,747	417,498	411,751	413,657
Deferred income taxes	23,469	27,185	25,556	25,689
Interests in joint ventures	1,651	808	216	92
Intangible assets	101,054	98,256	95,990	93,397
Goodwill	600,564	601,040	603,263	608,929
	\$ 1,269,619	\$ 1,262,149	\$ 1,262,407	\$ 1,292,672
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ 83,066	\$ 76,099	\$ 67,272	\$ 83,700
Share or unit-based compensation	9,030	9,444	12,128	14,307
Dividends and distributions payable	6,001	6,009	6,017	-
Income taxes payable	11	11	87	87
Deferred revenue	58,616	56,083	52,197	82,027
Capital lease obligations	2,064	2,125	2,186	2,242
Fair value of interest rate sw ap agreements	6,578	6,163	5,742	5,482
	165,366	155,934	145,629	187,845
Non-current liabilities				
Share or unit-based compensation	3,959	4,294	5,848	8,014
Long-term debt	233,308	233,489	233,672	233,588
Fair value of interest rate sw ap agreements	4,290	5,224	5,039	3,298
Capital lease obligations	30,582	30,026	29,461	28,885
Post-employment benefit obligation	3,441	3,501	4,000	4,534
Other liabilities	106,475	106,334	107,589	98,964
Deficiency interest in joint venture	9,035	9,774	10,716	12,338
Convertible debentures	115,729	110,176	112,371	116,481
Liability for exchangeable interests	5,068	3,351	3,571	3,851
	677,253	662,103	657,896	697,798
Equity				
Unit capital	702,681	705,840	707,405	710,121
Deficit	(105,528)	(101,318)	(99,229)	(113,120)
Accumulated other comprehensive loss	(6,194)	(5,883)	(5,072)	(3,534)
Contributed surplus	1,407	1,407	1,407	1,407
	592,366	600,046	604,511	594,874
	\$ 1,269,619	\$ 1,262,149	\$ 1,262,407	\$ 1,292,672

Please refer to the 2010 Canadian GAAP quarterly unaudited interim consolidated financial statements of the Fund filed on www.SEDAR.com.

This table should be read in conjunction with the 2011 second quarter unaudited interim consolidated financial statements of Cineplex, in particular note 4 to those financial statements which describes Cineplex's transition to IFRS.

Cineplex Inc.
2010 IFRS Quarterly Interim Consolidated Statements of Operations
(Unaudited)
(expressed in thousands of Canadian dollars)

	Q1		Q2		Q3		Q4
	2010		2010		2010		2010
Revenues							
Box office	\$ 158,792	\$	143,608	\$	157,330	\$	138,097
Concessions	74,329		72,236		79,870		68,292
Other	22,093		26,559		31,061		34,159
	<u>255,214</u>		<u>242,403</u>		<u>268,261</u>		<u>240,548</u>
Expenses							
Film cost	86,521		77,909		81,038		71,254
Cost of concessions	16,793		14,985		16,368		14,101
Depreciation and amortization	19,877		19,716		23,754		19,012
Loss (gain) on disposal of assets	764		745		(95)		990
Other costs	116,511		107,285		115,115		117,233
	<u>240,466</u>		<u>220,640</u>		<u>236,180</u>		<u>222,590</u>
Income before undernoted	14,748		21,763		32,081		17,958
Share of loss of joint ventures	793		892		700		1,271
Change in fair value of financial instruments	3,909		(4,446)		3,629		6,690
Interest expense	5,679		5,793		5,848		5,846
Interest income	(84)		(89)		(162)		(191)
Income before income taxes	<u>4,451</u>		<u>19,613</u>		<u>22,066</u>		<u>4,342</u>
Provision for (recovery of) income taxes							
Current	-		3		-		27
Deferred	659		(2,556)		1,996		(80)
	<u>659</u>		<u>(2,553)</u>		<u>1,996</u>		<u>(53)</u>
Net income	<u>\$ 3,792</u>	\$	<u>22,166</u>	\$	<u>20,070</u>	\$	<u>4,395</u>
Adjusted EBITDA	<u>\$ 34,662</u>	\$	<u>41,404</u>	\$	<u>55,070</u>	\$	<u>36,718</u>

Please refer to the 2010 Canadian GAAP quarterly unaudited interim consolidated financial statements of the Fund filed on www.sedar.com.

This table should be read in conjunction with the 2011 third quarter unaudited interim consolidated financial statements of Cineplex, in particular note 4 to those financial statements which describes Cineplex's transition to IFRS.