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CINEPLEX INC.
Reports Record Second Quarter Adjusted EBITDA

TORONTO, **Canada**, August 9, 2012 (TSX: CGX) - Cineplex Inc. ("Cineplex") today released its financial results for the second quarter of 2012.

Second Quarter Results

	2012	2011	Period over Period Change (i)
Total Revenues	$263.6 million	$258.4 million	2.0%
Attendance	17.1 million	17.2 million	-0.2%
Other Revenues	$27.4 million	$31.1 million	-11.7%
Net Income	$21.0 million	$13.4 million	56.0%
Adjusted EBITDA	$47.3 million	$44.4 million	6.5%
Adjusted EBITDA Margin	17.9%	17.2%	0.7%
Adjusted Free Cash Flow per Share	$0.4816	$0.5026	-4.2%
Basic Earnings per Share	$0.34	$0.23	47.8%
Diluted Earnings per Share	$0.34	$0.23	47.8%

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

First Six Months Results

	2012	2011	Period over Period Change (i)
Total Revenues	$511.8 million	$479.8 million	6.7%
Attendance	34.3 million	32.4 million	5.6%
Other Revenues	$49.2 million	$57.3 million	-14.3%
Net Income	$36.1 million	$12.6 million	186.4%
Adjusted EBITDA	$88.4 million	$75.6 million	16.9%
Adjusted EBITDA Margin	17.3%	15.8%	1.5%
Adjusted Free Cash Flow per Share	$0.9493	$0.8947	6.1%
Basic Earnings per Share	$0.60	$0.22	172.7%
Diluted Earnings per Share	$0.60	$0.22	172.7%

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

"We are pleased to report another quarter of record results. Our investment in premium-priced offerings including 3D, UltraAVX, IMAX and VIP Cinemas, combined with Hollywood's increased 3D film slate, resulted in record second quarter box office revenues and BPP. Concession revenues and CPP also established new second quarter records," said Ellis Jacob, President and CEO, Cineplex Entertainment. "The strength in the core business offset the challenging media environment with Adjusted EBITDA increasing 6.5% to a second quarter record of $47.3 million and Basic EPS increasing 47.8% to $0.34 compared to the prior year period."

"In other areas of our business, we opened a new 11 screen theatre in Edmonton, Alberta in April, and announced plans to build an eight screen theatre in Sarnia, Ontario to open in 2013. We substantially completed our digital projector conversion and the circuit had 1,320 digital projectors and 492 RealD 3D screens in 125 theatres as at June 30, 2012. We announced the acquisition of four AMC theatres (86 screens) during the quarter and completed the transaction subsequent to the quarter's end. Our SCENE loyalty program continued to grow, reaching 3.7 million members as of June 30, 2012. Our Cineplex app has now been downloaded more than 3.4 million times and remains one of Canada's most popular apps. Our website cineplex.com continues to reach new heights with page views increasing 41.3% to 93.8 million page views and visits increasing 23.3% to 15.7 million during the second quarter."

EBITDA and adjusted free cash flow are not measures recognized by generally accepted accounting principles ("GAAP") and do not have standardized meanings in accordance with such principles. Therefore, EBITDA and adjusted free cash flow 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 and the share of income or 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. Management uses adjusted EBITDA and adjusted free cash flow 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 provided by operating activities to adjusted free cash flow, please refer to Cineplex's management's discussion and analysis filed on www.sedar.com.

KEY DEVELOPMENTS IN THE SECOND QUARTER OF 2012

During the second quarter of 2012, the board of directors of Cineplex (the "Board") announced a monthly dividend increase of 4.7% to $0.1125 per Share ($1.35 on an annual basis) up from $0.1075 per Share ($1.29 on an annual basis) effective with the May 2012 dividend. Also during the second quarter of 2012, Cineplex announced it had agreed to acquire four theatres from AMC Entertainment Inc. The transaction was completed subsequent to the period end. The following describes certain key business initiatives undertaken during the second quarter of 2012 in each of Cineplex's core business areas:

THEATRE EXHIBITION

- Reported record second quarter box office revenues of $156.2 million, a 3.4% increase over the prior year period and 3.2% higher than the previous record set in the second quarter of 2009.
- BPP increased 3.5% from $8.80 in the second quarter of 2011 to $9.11 in the current year period, which is a quarterly BPP record for Cineplex.
- Opened *Cineplex Odeon Windermere and VIP Cinemas* in Edmonton, Alberta, an 11 screen theatre featuring seven traditional auditoriums, one UltraAVX auditorium and three VIP Cinema auditoriums.
- Announced the construction of an eight screen theatre in Sarnia, Ontario scheduled to open in 2013.
- Launched *Cineplex Tuesdays*, an enhancement to Cineplex's longstanding tradition of Tuesday ticket price discounts, offering discounts on general admission Tuesday tickets with SCENE members benefiting from an additional 10% off the discounted admission prices on Tuesdays.
- Installed 210 digital projectors and 80 RealD 3D systems during the second quarter of 2012, bringing the circuit totals to 1,320 digital projectors and 492 RealD 3D systems in 125 theatres. As of June 30, 2012, Cineplex's conversion to digital projection is substantially complete.
- Added D-BOX MFX seats to two theatres during the quarter. At June 30, 2012, 16 of Cineplex's theatres offer D-BOX MFX seats.

MERCHANDISING

- Reported record quarterly concession revenues of $80.0 million, a 4.9% increase in concession revenues compared to the prior year period.
- Reported record quarterly CPP of $4.66 during second quarter of 2012, up $0.22 or 5.0% over the second quarter of 2011.
- The second quarter of 2012 represented the first full quarter of operations of Cineplex Starburst Inc. ("CSI"), which was formed on January 31, 2012. CSI supplies and services all of the games in Cineplex's circuit, while also supplying equipment to third party arcades, amusement centres, bowling alleys, amusement parks and theatre circuits, in addition to owning and operating *Playdium,* a family entertainment centre located in Mississauga, Ontario.
- Opened a new XSCAPE Entertainment Centre at the SilverCity Coquitlam and VIP Cinemas in Coquitlam, British Columbia, bringing the total number of XSCAPE centres in the circuit to five.

MEDIA

- Media revenues decreased 18.9% compared to the strong comparator in the prior year, which was a record second quarter for media revenues. This was due in part to the challenging media environment prevalent during the period.
- Cineplex enjoys strong relationships with a select number of national advertisers. During the quarter the reduction in campaigns from three major categories of these advertisers contributed to the decrease in media revenues period over period.

ALTERNATIVE PROGRAMMING

- Continued screening performances of the the highly successful Metropolitan Opera series in Cineplex's theatres.
- Other alternative programming during second quarter of 2012 included ethnic films, live events such as World Wrestling Entertainment, concert performances, the Classic Film Series, the Family Favourites film series, the Beatles *Yellow Submarine*, Andrew Lloyd Webber's *Love Never Dies* and performances from the National Theatre Live from London.

INTERACTIVE

- Cineplex.com registered a 41.3% increase in page views and a 23.3% increase in visits during the second quarter of 2012 compared to the prior year period, registering 93.8 million page views and 15.7 million visits during the quarter.
- Added High Definition trailers to Cineplex.com and improved Google search functionality.
- Finalized licensing agreements with Alliance Films and Disney Studios to add electronic sell-through products to the Cineplex store.
- At June 30, 2012, the Cineplex app had been downloaded 3.4 million times and recorded 66.1 million app sessions.
- Enhancement of Mobile Web continued with the addition of cast and movie archives, trailers, photos, and search.

LOYALTY

- Membership in the SCENE loyalty program increased by 0.2 million members during the second quarter of 2012 to approximately 3.7 million at June 30, 2012.
- SCENE partnered with Cara Foods, Telus, Sirius Satellite Radio, Virgin Mobile and Samsung during the second quarter of 2012 for various programs.

OPERATING RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2012

Total revenues

Total revenues for the three months ended June 30, 2012 increased $5.2 million, 2.0% to $263.6 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

Box office revenues	**Second Quarter**			**Year to Date**		
	2012	**2011**	**Change**	**2012**	**2011**	**Change**
Box office revenues	$ 156,226	$ 151,135	3.4%	$ 305,639	$ 281,091	8.7%
Attendance	17,146	17,175	-0.2%	34,273	32,447	5.6%
Box office revenue per patron	$ 9.11	$ 8.80	3.5%	$ 8.92	$ 8.66	3.0%
Canadian industry revenues (i)			1.8%			7.7%
Same store box office revenues	$ 154,428	$ 150,652	2.5%	$ 303,049	$ 279,591	8.4%
Same store attendance	16,988	17,113	-0.7%	34,033	32,251	5.5%
% Total box from 3D, UltraAVX, VIP & IMAX	36.0%	27.3%	8.7%	31.6%	25.3%	6.3%

(i) The Motion Picture Theatre Associations of Canada ("MPTAC") reported that the Canadian exhibition industry reported a box office revenue increase of 1.9% for the period from March 30, 2012 to June 28, 2012 as compared to the period from April 1, 2011 to June 30, 2011. On a basis consistent with Cineplex's calendar reporting period (April 1 to June 30), the Canadian industry box office revenue increase is estimated to be 1.8%. MPTAC reported that the Canadian exhibition industry reported a box office revenue increase of 6.8% for the period from December 30, 2011 to June 28, 2012 as compared to the period from December 31, 2010 to June 30, 2011. On a basis consistent with Cineplex's calendar reporting period (January 1 to June 30), the Canadian industry box office revenue is estimated to be an increase of 7.7%

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 continuity	**Second Quarter**		**Year to Date**	
	Box Office	**Attendance**	**Box Office**	**Attendance**
2011 as reported	$ 151,135	17,175	$ 281,091	32,447
Same store attendance change	(1,100)	(125)	15,449	1,782
Impact of same store BPP change	4,876	—	8,009	—
New and acquired theatres	1,745	152	2,289	207
Disposed and closed theatres	(430)	(56)	(1,199)	(163)
2012 as reported	$ 156,226	17,146	$ 305,639 $	34,273

Second Quarter

	Second Quarter 2012 Top Cineplex Films	**IMAX**	**3D**	**% Box**		**Second Quarter 2011 Top Cineplex Films**	**IMAX**	**3D**	**% Box**
1	Marvel's The Avengers	✔	✔	22.6%	1	Pirates of the Caribbean: On Stranger Tides	✔	✔	8.9%
2	The Hunger Games	✔		7.7%	2	The Hangover 2			7.7%
3	Men in Black III	✔	✔	5.5%	3	Fast Five	✔		7.7%
4	Madagascar 3: Europe's Most Wanted	✔	✔	5.0%	4	Thor	✔	✔	7.5%
5	Prometheus	✔	✔	4.7%	5	Bridesmaids			6.7%

Box office revenues increased $5.1 million, or 3.4%, to $156.2 million during the second quarter of 2012, compared to $151.1 million recorded in the same period in 2011. The increase was due to a 3.5% increase in BPP, from $8.80 in the second quarter of 2011 to $9.11, partially offset by a 0.2% decrease in attendance. This BPP increase was due to premium-priced product (3D, UltraAVX, IMAX and VIP) accounting for 36.0% of box office revenues in the current quarter, up from 27.3% in the prior year period. The increase in the percentage of box office revenues from premium priced product was due to increased installations of UltraAVX, 3D, IMAX and VIP screens since the second quarter of 2011, as well as more product being screened in IMAX and 3D during the current period. The BPP of $9.11 represents a quarterly record for Cineplex, $0.23 higher than the previous record of $8.88 reported in the first quarter of 2010. The top film during the quarter, *Marvel's The Avengers*, screened in IMAX and 3D, has become the third highest grossing film of all-time.

Cineplex's investment in premium-priced formats over the last four years has positioned it to take advantage of the price premiums offered on these formats, which has contributed to Cineplex's BPP growth in the current period compared to the prior year period. This investment in premium-priced offerings contributed to Cineplex outperforming the Canadian industry during the second quarter.

Year to Date

	Year to Date 2012 Top Cineplex Films	**IMAX**	**3D**	**% Box**		**Year to Date 2011 Top Cineplex Films**	**IMAX**	**3D**	**% Box**
1	Marvel's The Avengers	✔	✔	11.6%	1	Pirates of the Caribbean: On Stranger Tides	✔	✔	4.8%
2	The Hunger Games	✔		3.9%	2	The Hangover 2			4.2%
3	Dr. Seuss' The Lorax	✔	✔	2.8%	3	Fast Five	✔		4.1%
4	21 Jump Street			2.6%	4	Thor	✔	✔	4.0%
5	Men in Black III	✔	✔	2.4%	5	Bridesmaids			3.6%

Box office revenues for the first six months of 2012 were $305.6 million or 8.7% higher than the prior year period. The top five films during the 2012 period accounted for 23.3% of Cineplex's box office revenues during the period, compared to 20.7% in the prior year period. The strong performance of *Marvel's The Avengers* was the main contributor to the $24.5 million increase in box office revenue during the period. Attendance during the 2012 period also benefited from the first week of January 2012 being a school holiday week in most markets, whereas the same week in 2011 was not.

Cineplex's BPP for the first six months of 2012 increased $0.26, or 3.0%, from $8.66 in 2011 to $8.92 in the same period in 2012. This increase was primarily due to the increase in revenues from premium-priced product. Premium-priced offerings accounted for 31.6% of Cineplex's box office revenues in the 2012 period, compared to 25.3% in the prior year period. Four of the top five films in the 2012 period were screened in IMAX and three in 3D (2011 - three in IMAX and two in 3D).

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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Concession revenues	$ 79,962	$ 76,209	4.9%	$ 156,999	$ 141,363	11.1%
Attendance	17,146	17,175	-0.2%	34,273	32,447	5.6%
Concession revenue per patron	$ 4.66	$ 4.44	5.0%	$ 4.58	$ 4.36	5.0%
Same store concession revenues	$ 78,752	$ 76,023	3.6%	$ 155,435	$ 140,824	10.4%
Same store attendance	16,988	17,113	-0.7%	34,033	32,251	5.5%

Concession revenue continuity	Second Quarter		Year to Date	
	Concession	Attendance	Concession	Attendance
2011 as reported	$ 76,209	17,175	$ 141,363	32,447
Same store attendance change	(555)	(125)	7,781	1,782
Impact of same store CPP change	3,283	—	6,830	—
New and acquired theatres	1,183	152	1,470	207
Disposed and closed theatres	(158)	(56)	(445)	(163)
2012 as reported	$ 79,962	17,146	156,999	34,273

Second Quarter

Concession revenues increased 4.9% as compared to the prior year quarter despite the 0.2% decrease in attendance. CPP increased from $4.44 in the second quarter of 2011 to $4.66 in the same period in 2012, a 5.0% increase and a quarterly record for Cineplex, $0.14 higher than the previous quarterly record of $4.52 reported in the fourth quarter of 2011. Cineplex believes a focus on revised concession offerings, its retail branded outlet program and improved product promotion through the expansion of a digital menu board program have all contributed to the higher CPP in the current period compared to the prior year period.

While the 10% SCENE discount and SCENE points issued on concession combo purchases reduce individual transaction values which impacts CPP, Cineplex believes that this program drives incremental visits and concession purchases, resulting in higher overall concession revenues.

Year to Date

Concession revenues increased 11.1% as compared to the prior year period, due to the 5.6% increase in attendance and the 5.0% increase in CPP. CPP increased from $4.36 in the first six months of 2011 to $4.58 in the same period in 2012. This represents the highest CPP Cineplex has recorded through the first six 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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Media	$ 18,208	$ 22,446	-18.9%	$ 30,894	$ 40,385	-23.5%
Games	1,452	1,729	-16.0%	3,374	2,964	13.8%
Other	7,774	6,888	12.9%	14,902	13,996	6.5%
Total	$ 27,434	$ 31,063	-11.7%	$ 49,170	$ 57,345	-14.3%

Second Quarter

Other revenues decreased 11.7% from $31.1 million in the second quarter of 2011 to $27.4 million in the same period in 2012. This decrease was due to lower media revenues, which during the second quarter of 2012 were $18.2 million, down $4.2 million, or 18.9%, when compared to the prior year period. The prior year period is a strong comparator, as it was a second quarter record for media revenues. Declines in Cineplex's media business were due in part to the challenging media environment prevalent during the period. Cineplex enjoys strong relationships with a select number of national advertisers and during the quarter the reduction in campaigns from three major categories of these advertisers contributed to the decrease in media revenues period over period.

The games revenue decrease is due to the formation of CSI on January 31, 2012, with the acquisition by NWS of the gaming business of Starburst Coin Machines Inc. With the creation of the CSI joint venture, revenues from CSI are included in the 'Share of loss (income) of joint ventures' line in the Statements of Operations. The Games revenues for the second quarter of 2011 include the results of NWS for May and June 2011 ($0.4 million). The addition of two new XSCAPE entertainment centres since the second quarter of 2011 partially offset the decrease in games revenue due to the creation of CSI and related movement of CSI results to the joint ventures line of the Statements of Operations. The increase in Other was primarily due to higher auditorium rental and screening revenues.

Year to Date

Other revenues decreased 14.3% from $57.3 million in the first six months of 2011 to $49.2 million during the same period in 2012. Media revenues for the first six months of 2012 decreased $9.5 million, or 23.5%, from the prior year period. Declines in Cineplex's media business were due in part to the challenging media environment prevalent during the period. Cineplex enjoys strong relationships with a select number of national advertisers and during the period the reduction in campaigns from three major categories of these advertisers contributed to the decrease in media revenues period over period.

The increase in games revenue was due to the new XSCAPE entertainment centres added since the second quarter of 2011 as well as the higher attendance in the current year period bringing more games traffic through the theatres. The results of NWS are included in the comparison for May and June 2011 (following its acquisition in May 2011) and for January 2012 (prior to the formation of CSI described above - $0.4 million for both the 2012 and 2011 periods). The increase in the other category is primarily due to higher auditorium rental and screening revenues.

Film cost

The following table highlights the movement in film cost and Film Cost Percentage for the quarter and the year to date (in thousands of Canadian dollars, except film cost percentage):

Film cost	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Film cost	$ 83,465	$ 79,783	4.6%	$ 160,172	$ 145,327	10.2%
Film cost percentage	53.4%	52.8%	0.6%	52.4%	51.7%	0.7%

Second 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 second quarter of 2012 compared to the prior year period was due to the increase in box office revenue and the 0.6% 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 second quarter of 2012 being higher than the average film settlement rate in the 2011 period.

Year to Date

The year to date increase in film cost was due to the 8.7% increase in box office revenues and the 0.7% increase in film cost percentage during the period. The increase 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 2012 period being higher than the average settlement rate in the 2011 period.

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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Concession cost	$ 16,720	$ 16,257	2.8%	$ 32,490	$ 29,905	8.6%
Concession cost percentage	20.9%	21.3%	-0.4%	20.7%	21.2%	-0.5%
Concession margin per patron	$ 3.69	$ 3.49	5.7%	$ 3.63	$ 3.44	5.5%

Second 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 4.9% increase in concession revenues, partially offset by the 0.4% decrease in the concession cost percentage during the period. The concession margin per patron increased from $3.49 in the second quarter of 2011 to $3.69 in the same period in 2012, reflecting the impact of the higher CPP during the period and the lower concession cost percentage.

Year to Date

The increase in concession cost during the period was due to the 11.1% increase in concession revenues partially offset by the 0.5% decrease in the concession cost percentage. The 10% discount offered to SCENE members contributes to a higher concession cost percentage, however Cineplex believes the SCENE program drives incremental attendance and purchase incidence which increases concession revenues and CPP.

Depreciation and amortization

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

Amortization expenses	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Amortization of property, equipment and leaseholds	$ 14,428	$ 15,078	-4.3%	$ 28,943	$ 30,202	-4.2%
Amortization of intangible assets and other	228	2,240	-89.8%	2,167	4,488	-51.7%
Amortization expenses as reported	$ 14,656	$ 17,318	-15.4%	$ 31,110	$ 34,690	-10.3%

The quarterly and annual decrease in amortization of property, equipment and leaseholds of $0.7 million and $1.3 million respectively is due in part to the transfer of digital projection equipment to CDCP in June 2011 resulting in lower asset values to depreciate. The declining 35 millimeter projector base due to the circuit's conversion to digital (which was substantially complete as of June 30, 2012) also contributed to the decrease in amortization of property, equipment and leaseholds. The decrease in amortization of intangible assets and other relates to certain intangible assets that became fully amortized during the first quarter of 2012.

Loss (gain) on disposal of assets

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

Loss (gain) on disposal of assets	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Loss (gain) on disposal of assets	$ 727	$ (1,020)	NM	$ 672	$ (483)	NM

Second Quarter

For the second quarter of 2012, Cineplex recorded a loss of $0.7 million on the disposal of assets. For the second quarter of 2011, the gain on disposal of assets represents the gain recorded on the sale of a theatre ($1.4 million) and a nominal gain recorded on the transfer of digital projection assets to CDCP. These gains were partially offset by the loss on assets that were sold or otherwise disposed of.

Year to Date

For the six months ended June 30, 2012, disposal of assets resulted in a loss of $0.7 million on the disposal of assets. For the six months ended June 30, 2011, disposal of assets resulted in a gain of $0.5 million, comprised of the gain on the sale of the theatre and transfer of assets to CDCP described above, net of losses recorded on assets that were sold or otherwise disposed of.

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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Theatre occupancy expenses	$ 41,182	$ 41,274	-0.2%	$ 82,890	$ 82,815	0.1%
Other operating expenses	61,420	60,341	1.8%	119,286	116,573	2.3%
General and administrative expenses	13,219	15,688	-15.7%	28,791	31,391	-8.3%
Total other costs	$ 115,821	$ 117,303	-1.3%	$ 230,967	$ 230,779	0.1%

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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Rent	$ 27,512	$ 27,964	-1.6%	$ 55,270	$ 55,540	-0.5%
Other occupancy	14,460	14,056	2.9%	28,668	28,455	0.7%
One-time items (i)	(790)	(746)	5.9%	(1,048)	(1,180)	-11.2%
Total	$ 41,182	$ 41,274	-0.2%	$ 82,890	$ 82,815	0.1%

(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 excluding these one-time, non-recurring items.

Theatre occupancy continuity	Second Quarter Occupancy	Year to Date Occupancy
2011 as reported	$ 41,274	$ 82,815
Impact of new theatres	341	667
Impact of disposed theatres	(324)	(725)
Same store rent change	(198)	(15)
One-time items	(44)	132
Other	133	16
2012 as reported	$ 41,182	$ 82,890

Second Quarter

Theatre occupancy expenses decreased $0.1 million during the second quarter of 2012 compared to the prior year period. This decrease was primarily due to lower same-store rent, partially offset by higher realty taxes. The same store rent decrease was due to lower percentage rent as a result of lower business volumes at certain theatres that are subject to percentage rent payments.

Year to Date

The increase in theatre occupancy expenses of $0.1 million for the first six months of 2012 compared to the prior year period was due to the impact of one-time items, partially offset by the impact of new and disposed theatres.

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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Other operating expenses	$ 61,420	$ 60,341	1.8%	$ 119,286	$ 116,573	2.3%

Other operating continuity In thousands	Second Quarter Other Operating	Year to Date Other Operating
2011 as reported	$ 60,341	$ 116,573
Impact of new theatres	741	895
Impact of disposed theatres	(35)	(439)
Same store payroll change	(514)	1,339
Marketing change	(18)	796
Media	(1,271)	(2,398)
New Way Sales	(387)	(87)
Other	2,563	2,607
2012 as reported	$ 61,420	$ 119,286

Second Quarter

Other operating expenses increased $1.1 million during the second quarter of 2012 compared to the prior year period. The largest component of this increase was in the Other category, which includes the following:

- Higher credit card service fees due in part to the high demand for advanced ticket sales for *Marvel's The Avengers* and *The Dark Knight Rises* ($0.4 million).
- Digital projector rental costs for projectors rented from CDCP ($0.3 million).
- Higher utility costs due to the higher than seasonal temperatures across Canada during the period ($0.8 million).
- Increased spending for new business initiatives including Cineplex's interactive business ($0.4 million).

In addition, the net impact of new and disposed theatres contributed $0.7 million to the increase. These increases were partially offset by lower media costs due to lower media sales ($1.3 million), lower same-store payroll costs ($0.5 million) and the impact of NWS ($0.4 million). Expenses for NWS are included in other operating expenses in 2011 but not in 2012 due to the creation of CSI. Total theatre payroll costs accounted for 45.0% of total operating expenses during the second quarter of 2012 as compared to 46.2% for the same period one year earlier.

Year to Date

For the six months ended June 30, 2012, other operating expenses increased $2.7 million, due to the higher business volumes in the 2012 period compared to the prior year. Cost increases included higher same-store payroll expenses related to the increased business volumes ($1.3 million), higher marketing costs ($0.8 million) and the $2.6 million increase in the Other category. The components of the Other category include:

- Higher credit card service fees ($0.8 million).
- Digital projector rental costs due to the roll-out of CDCP subsequent to the second quarter of 2011 ($0.5 million).
- Higher utility costs due to the higher than seasonal temperatures across Canada during the current year period ($0.7 million).
- Increased spending for new business initiatives including Cineplex's interactive business ($0.4 million).

These increases were partially offset by lower media costs ($2.4 million) as a result of lower media sales during the period. Total theatre payroll accounted for 45.6% of total other operating expenses in the first six months of 2012, compared to 45.4% 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	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
G&A excluding LTIP and Option Plan expense	$ 10,528	$ 9,928	6.0%	$ 22,870	$ 20,464	11.8%
LTIP (i)	2,131	1,835	16.1%	4,716	4,413	6.9%
Option plan	560	3,925	-85.7%	1,205	6,514	-81.5%
G&A expenses as reported	$ 13,219	$ 15,688	-15.7%	$ 28,791	$ 31,391	-8.3%

(i) LTIP includes the expense for the LTIP program as well as the expense for the executive and Board deferred share unit plans.

Second Quarter

G&A expenses decreased $2.5 million during the second quarter of 2012 compared to the prior year period, due to a $3.4 million decrease in the expense for the option plan. This decrease was partially offset by higher LTIP costs ($0.3 million) and higher payroll related and general costs ($0.6 million).

Effective January 1, 2012, the Board of Directors of Cineplex invoked Cineplex's right to substitute a cashless exercise for any requested exercise of options for cash, in accordance with the terms of the option plan. As a result of the change in administrative policy, the options may only be equity-settled, and are considered equity, not liabilities. The expense amount for options is determined at the time of their issuance, recognized over the vesting period of the options. Existing options at the time of the change in administrative policy have their remaining expense determined at the time of the change in administrative policy, recognized over the remaining vesting periods.

Year to Date

G&A expenses for the first six months of 2012 decreased $2.6 million compared to the prior year period, due to the $5.3 million decrease in the option plan expense. This decrease was partially offset by higher professional fees ($0.8 million) relating to the creation of CSI and an internal corporate reorganization effected on January 1, 2012, higher LTIP costs ($0.3 million) and payroll related and general cost increases ($1.6 million).

Share of loss (income) of joint ventures

Cineplex's joint ventures in 2012 include its 50% share of one theatre in Quebec and one IMAX screen in Ontario, its 50% interest in SCENE LP, its 78.2% interest in CDCP (formed in June 2011) and its 50% interest in CSI (formed January 31, 2012). For the 2011 period, Cineplex's joint ventures included one theatre in Quebec, one IMAX screen in Ontario, its interest in SCENE LP and its 78.2% interest in CDCP. The following table highlights the movement in the share of loss (income) of joint ventures during the quarter and the year to date (in thousands of Canadian dollars):

Share of loss (income) of joint ventures	Second Quarter			Year to Date		
	2012	2011	Change	2012	2011	Change
Share of CDCP	$ (851)	$ 2,153	NM	(926)	2,153	NM
Share of CSI	(272)	—	NM	(498)	—	NM
Share of SCENE	1,145	683	67.6%	1,195	(1,848)	NM
Share of other joint ventures	20	31	-35.5%	(6)	89	NM
Total loss (income) of joint ventures	$ 42	$ 2,867	-98.5%	(235)	394	NM

Second Quarter

The variance from the prior year period was primarily due to $2.2 million of start-up costs relating to CDCP recognized during the prior year period. The results of CSI, created in January 2012 and therefore not included in the prior year period, also contributed to this difference.

Year to Date

The movement from a loss of $0.4 million in the first six months of 2011 to income of $0.2 million in the current period is primarily due to the activities of CDCP (formed in June 2011), CSI and SCENE:

- CDCP in the 2011 period includes the $2.2 million of start-up costs, which when compared to the income of $0.9 million generated in the current year period results in a positive variance of $3.1 million year over year.

- SCENE's results in the 2011 period include income relating to a change in accounting estimate for breakage resulting in a program-to-date adjustment to its outstanding points liability. When compared to the current year period the result is a negative variance of $3.0 million year over year.
- The results of CSI, formed January 31, 2012 and therefore not included in the prior year comparative, also contributed a $0.5 million positive variance year over year.

EBITDA and adjusted EBITDA

The following table represents EBITDA and adjusted EBITDA for the three and six months ended June 30, 2012 as compared to the three and six months ended June 30, 2011 (expressed in thousands of Canadian dollars, except adjusted EBITDA margin):

EBITDA	**Second Quarter**			**Year to Date**		
	2012	**2011**	**Change**	**2012**	**2011**	**Change**
EBITDA	$ 47,387	$ 43,260	9.5%	$ 88,656	$ 73,961	19.9%
Adjusted EBITDA	$ 47,263	$ 44,393	6.5%	$ 88,402	$ 75,631	16.9%
Adjusted EBITDA margin	17.9%	17.2%	0.7%	17.3%	15.8%	1.5%

Adjusted EBITDA for the second quarter of 2012 increased $2.9 million, or 6.5%, as compared to the prior year period, and is a record second quarter adjusted EBITDA for Cineplex. The increase over the prior year period was primarily due to the higher exhibition and concession revenues recorded in the period. Adjusted EBITDA margin, calculated as adjusted EBITDA divided by total revenues, was 17.9%, up 0.7% from 17.2% in the prior year period.

Adjusted EBITDA for the six months ended June 30, 2012 increased $12.8 million, or 16.9%, as compared to the prior year period. The increase is primarily due to the higher exhibition and concession revenues due to the higher theatre attendance. Adjusted EBITDA margin, calculated as adjusted EBITDA divided by total revenues, was 17.3%, up from 15.8% in the prior year period.

<u>Adjusted Free Cash Flow</u>

For the second quarter of 2012, adjusted free cash flow per common share of Cineplex was $0.4816 as compared to $0.5026 in the prior year period. The declared dividends per common share of Cineplex were $0.3325 in the second quarter of 2012 and $0.3200 in the prior year period. The payout ratios for these periods were 69% and 64%, respectively.

For the first six months of 2012, adjusted free cash flow per common share of Cineplex was $0.9493 as compared to $0.8947 in the prior year period. The declared dividends per commons share of Cineplex were $0.6550 in the first six months of 2012 and $0.6350 in the prior year period. The payout rations for these periods were 69% and 71%, 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. 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 134 theatres with 1,445 screens serving approximately 69 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 trade 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, August 9, 2012
10:00 a.m. Eastern Time

In order to participate in the conference call, **please dial 416-644-3418 or outside of Toronto dial 1-800-814-4861** at least five to ten minutes prior to 10:00 a.m. Eastern Time. Please quote the conference ID 4554175 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 4554175#. The replay will begin at 12:00 p.m. Eastern Time on Thursday, August 9, 2012 and end at 11:59 p.m. Eastern Time on Thursday, August 16, 2012.

- 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:

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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)

	June 30, 2012	December 31, 2011
Assets		
Current assets		
Cash and cash equivalents	$ 12,137	$ 48,992
Trade and other receivables	38,834	67,185
Inventories	4,874	4,118
Prepaid expenses and other current assets	9,662	3,727
	65,507	124,022
Non-current assets		
Property, equipment and leaseholds	392,672	389,532
Deferred income taxes	11,405	12,052
Interests in joint ventures	39,565	26,163
Intangible assets	82,212	84,379
Goodwill	608,929	608,929
	$ 1,200,290	$ 1,245,077

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

	June 30, 2012	December 31, 2011
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	$ 76,153	$ 112,285
Share-based compensation	—	1,331
Dividends payable	6,955	6,285
Income taxes payable	6,471	17,485
Deferred revenue	58,520	83,907
Finance lease obligations	2,142	2,411
Fair value of interest rate swap agreements	578	565
Convertible debentures	18,947	76,864
	169,766	301,133
Non-current liabilities		
Share-based compensation	8,631	9,466
Long-term debt	187,806	167,531
Fair value of interest rate swap agreements	706	1,199
Finance lease obligations	21,679	26,474
Post-employment benefit obligations	5,788	5,688
Other liabilities	113,977	103,727
Deficiency interest in joint venture	6,224	8,250
	344,811	322,335
Total liabilities	514,577	623,468
Equity		
Share capital	829,020	764,801
Deficit	(144,852)	(140,469)
Accumulated other comprehensive loss	(1,177)	(2,723)
Contributed surplus	2,722	—
	685,713	621,609
	$ 1,200,290	$ 1,245,077

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

	Three months ended June 30, 2012	Three months ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Revenues				
Box office	$ 156,226	$ 151,135	$ 305,639	$ 281,091
Concessions	79,962	76,209	156,999	141,363
Other	27,434	31,063	49,170	57,345
	263,622	258,407	511,808	479,799
Expenses				
Film cost	83,465	79,783	160,172	145,327
Cost of concessions	16,720	16,257	32,490	29,905
Depreciation and amortization	14,656	17,318	31,110	34,690
Loss (gain) on disposal of assets	727	(1,020)	672	(483)
Other costs	115,821	117,303	230,967	230,779
Share of loss (income) of joint ventures	42	2,867	(235)	394
Interest expense	3,612	5,912	7,996	11,611
Interest income	(23)	(191)	(103)	(423)
	235,020	238,229	463,069	451,800
Income before income taxes	28,602	20,178	48,739	27,999
Provision for (recovery of) income taxes				
Current	7,946	6,038	13,588	6,038
Deferred	(304)	700	(917)	9,369
	7,642	6,738	12,671	15,407
Net income	$ 20,960	$ 13,440	$ 36,068	$ 12,592
Basic net income per share	$ 0.34	$ 0.23	$ 0.60	$ 0.22
Diluted net income per share	$ 0.34	$ 0.23	$ 0.60	$ 0.22

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

	Three months ended June 30,		Six months ended June 30,	
	2012	**2011**	**2012**	**2011**
Net income	$ 20,960	$ 13,440	$ 36,068	$ 12,592
Other comprehensive income				
(Loss) income on hedging instruments	(1,063)	604	2,261	1,523
Associated deferred income taxes recovery (expense)	195	(168)	(715)	(2,241)
Other comprehensive (loss) income	(868)	436	1,546	(718)
Comprehensive income	$ 20,092	$ 13,876	$ 37,614	$ 11,874

Cineplex Inc.
Interim Consolidated Statements of Changes in Equity
(Unaudited)
(expressed in thousands of Canadian dollars)
For the six months ended June 30, 2012 and 2011

	Unit capital	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total
Balance - January 1, 2012	$ —	$ 764,801	$ —	$ (2,723)	$ (140,469)	$ 621,609
Share option liabilities reclassified	—	—	6,850	—	—	6,850
Net income	—	—	—	—	36,068	36,068
Other comprehensive income	—	—	—	1,546	—	1,546
Dividends declared	—	—	—	—	(39,601)	(39,601)
Long-term incentive plan obligation	—	(5,324)	—	—	—	(5,324)
Long-term incentive plan shares	—	6,471	—	—	—	6,471
Share option expense	—	—	1,206	—	—	1,206
Issuance of shares on exercise of options	—	5,334	(5,334)	—	—	—
Issuance of shares on conversion of debentures	—	58,173	—	—	—	58,173
Issuance of shares for cash	—	501	—	—	— -	501
Shares repurchased and cancelled	—	(936)	—	—	(850)	(1,786)
Balance - June 30, 2012	$ —	$ 829,020	$ 2,722	$ (1,177)	$ (144,852)	$ 685,713
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	—	—	—	—	12,592	12,592
Other comprehensive loss	—	—	—	(718)	—	(718)
Long-term incentive plan obligation	—	(3,410)	—	—	—	(3,410)
Dividends declared	—	—	—	—	(36,649)	(36,649)
Long-term incentive plan shares	—	1,888	—	—	—	1,888
Issuance of shares on conversion of debentures	—	13,289	—	—	—	13,289
Balance - June 30, 2011	$ —	$ 756,527	$ —	$ (4,252)	$ (137,177)	$ 615,098

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

	Three months ended June 30, 2012	Three months ended June 30, 2011	Six months ended June 30, 2012	Six months ended June 30, 2011
Cash provided by (used in)				
Operating activities				
Net income	$ 20,960	$ 13,440	$ 36,068	$ 12,592
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	14,656	17,318	31,110	34,690
Amortization of tenant inducements, rent averaging liabilities and fair value lease contract liabilities	(1,230)	(820)	(2,165)	(1,870)
Accretion of debt issuance costs and other non-cash interest	139	231	279	464
Loss (gain) on disposal of assets	727	(1,020)	672	(483)
Deferred income taxes	(304)	700	(917)	9,369
Interest rate swap agreements - non-cash interest	848	(40)	1,764	(136)
Non-cash share-based compensation	560	38	1,242	256
Accretion of convertible debentures	84	517	256	827
Net change in interests in joint ventures	975	(970)	3,640	(3,438)
Tenant inducements	1,948	1,195	5,245	4,050
Changes in operating assets and liabilities	(16,218)	(3,041)	(52,667)	(20,920)
Net cash provided by operating activities	23,145	27,548	24,527	35,401
Investing activities				
Proceeds from sale of assets	9	1,733	1,129	1,740
Purchases of property, equipment and leaseholds	(19,700)	(16,158)	(33,599)	(28,579)
Acquisition and formation of businesses, net of cash acquired	—	(3,280)	(7,399)	(3,280)
Additional equity funding of CDCP	—	(168)	(244)	(168)
Net cash used in investing activities	(19,691)	(17,873)	(40,113)	(30,287)
Financing activities				
Dividends paid	(20,064)	(18,327)	(38,931)	(30,397)
Borrowings under credit facility, net	20,000	—	20,000	—
Payments under finance leases	(512)	(555)	(1,053)	(1,100)
Proceeds from issuance of shares	—	—	501	—
Acquisition of long-term incentive plan shares	—	—	—	(9,793)
Purchase of shares for cancellation	—	—	(1,786)	—
Net cash used in financing activities	(576)	(18,882)	(21,269)	(41,290)
Increase (decrease) in cash and cash equivalents during the period	2,878	(9,207)	(36,855)	(36,176)
Cash and cash equivalents - Beginning of period	9,259	58,374	48,992	85,343
Cash and cash equivalents - End of period	$ 12,137	$ 49,167	$ 12,137	$ 49,167
Supplemental information				
Cash paid for interest	$ 2,930	$ 6,324	$ 5,472	$ 10,088
Cash paid for income taxes	$ 6,482	$ 65	$ 24,602	$ 65

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

Reconciliation to Adjusted EBITDA

	Three months ended June 30,		Six months ended June 30,	
	2012	**2011**	**2012**	**2011**
Net income	**$ 20,960**	**$ 13,440**	**$ 36,068**	**$ 12,592**
Depreciation and amortization (i)	15,196	17,361	32,024	34,774
Interest expense	3,612	5,912	7,996	11,611
Interest income	(23)	(191)	(103)	(423)
Current income tax expense	7,946	6,038	13,588	6,038
Deferred income tax (recovery) expense	(304)	700	(917)	9,369
EBITDA	**$ 47,387**	**$ 43,260**	**$ 88,656**	**$ 73,961**
Loss (gain) on disposal of assets	727	(1,020)	672	(483)
CDCP equity (income) loss (ii)	(851)	2,153	(926)	2,153
Adjusted EBITDA	**$ 47,263**	**$ 44,393**	**$ 88,402**	**$ 75,631**

(i) Includes the depreciation and amortization incurred by the joint ventures with the exception of CDCP (see (ii) below) (three and six months ended June 30, 2012 - $540 thousand and $914 thousand, respectively; three and six months ended June 30, 2011 - $43 thousand and $84 thousand, respectively).

(ii) CDCP equity (income) 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

Other costs	**Second Quarter**			**Year to Date**		
	2012	**2011**	**Change**	**2012**	**2011**	**Change**
Theatre occupancy expenses	$ 41,182	$ 41,274	-0.2%	$ 82,890	$ 82,815	0.1%
Other operating expenses	61,420	60,341	1.8%	119,286	116,573	2.3%
General and administrative expenses	13,219	15,688	-15.7%	28,791	31,391	-8.3%
Total other costs	$ 115,821	$ 117,303	-1.3%	$ 230,967	$ 230,779	0.1%

Cineplex Inc.
Interim Consolidated Supplemental Information
(Unaudited)
(expressed in thousands of Canadian dollars, except number of shares and per share data)

Adjusted Free Cash Flow

	Three months ended June 30,		Six months ended June 30,	
	2012	**2011**	**2012**	**2011**
Cash provided by operating activities	$ 23,145	$ 27,548	$ 24,527	$ 35,401
Less: Total capital expenditures net of proceeds on sale of assets	(19,691)	(14,425)	(32,470)	(26,839)
Standardized free cash flow	3,454	13,123	(7,943)	8,562
Add/(Less):				
Changes in operating assets and liabilities (i)	16,218	3,041	52,667	20,920
Changes in operating assets and liabilities of joint ventures (i)	(933)	3,837	(3,875)	3,832
Tenant inducements (ii)	(1,948)	(1,195)	(5,245)	(4,050)
Principal component of finance lease obligations	(512)	(555)	(1,053)	(1,100)
New build capital expenditures and other (iii)	13,593	11,675	23,253	21,765
Share of (loss) income of joint ventures, net of non-cash depreciation (iv)	(353)	(671)	223	1,843
Cash invested in CDCP (iv)	—	(219)	(244)	(219)
Adjusted free cash flow	**$ 29,519**	**$ 29,036**	**$ 57,783**	**$ 51,553**
Average number of Shares outstanding	61,289,181	57,770,425	60,868,454	57,620,340
Adjusted free cash flow per Share	**$ 0.4816**	**$ 0.5026**	**$ 0.9493**	**$ 0.8947**

(i) Changes in operating assets and liabilities are not considered a source or use of adjusted free cash flow.

(ii) Tenant inducements received are for the purpose of funding new theatre capital expenditures and are not considered a source of adjusted free cash flow.

(iii) New build capital expenditures and other represent expenditures on Board approved projects as well as any expenditures for digital equipment that was contributed to CDCP, exclude maintenance capital expenditures, and are net of proceeds on asset sales. The Revolving Facility is available to Cineplex to fund Board approved projects.

(iv) Excludes the share of income or 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.