

FOR IMMEDIATE RELEASE  
Not for Release over US newswire services



## **CINEPLEX ENTERTAINMENT COMPLETES SALE OF 7 QUEBEC DIVESTITURE THEATRES TO FORTUNE CINEMA INC.**

Toronto, Ontario, March 31, 2006 (TSX: CGX.UN) - Cineplex Entertainment announced today that it has completed the sale of seven theatres with 78 screens located in the province of Quebec to Fortune Cinema Inc., based in Chelsea, Quebec. The transaction is valued at approximately \$2 million.

“Our acquisition of Famous Players last year necessitated the divestiture of 34 theatres in the regions of Quebec, Ontario and Western Canada pursuant to a consent agreement with Canada’s Commissioner of Competition,” said Ellis Jacob, President and CEO, Cineplex Entertainment. “We sold 27 theatres with 202 screens to Empire theatres Ltd of Stellerton, Nova Scotia this past September. The total proceeds of approximately \$85 million from the divestiture of the 34 theatres are in line with our expectations.”

Robert Sudermann, President, Fortune Cinema Inc. said “We are very pleased with this acquisition as it enables us to expand our portfolio of businesses to include entertainment offerings. We believe these theatres will be a great addition to Camp Fortune and Mont Ste. Marie ski resorts offering us great cross promotional opportunities.” As part of the agreement, Fortune Cinema Inc. will offer employment to all staff currently employed in these theatres.

Cineplex Entertainment and Fortune Cinema Inc. have also agreed to enter into a Screen Advertising Agreement under which Cineplex Media, a wholly owned division of Cineplex Entertainment, will act as Fortune Cinema Inc.’s sales agent for in-theatre and on-screen advertising for these theatres.

A complete listing of the theatres being sold is attached to this press release.

**About Cineplex Entertainment LP:** Cineplex Entertainment LP owns leases or has a joint venture interest in 129 theatres with 1,269 screens and is the largest motion picture exhibitor in Canada. Headquartered in Toronto, Canada, the Partnership operates theatres with the following six top-tier brands: Cineplex Odeon, Galaxy and Famous Players including: Coliseum, Colossus and SilverCity. Proudly Canadian, the units of Cineplex Galaxy Income Fund, which owns approximately 50.6% of Cineplex

Entertainment LP, are traded on the Toronto Stock Exchange under Cineplex Galaxy Income Fund (symbol CGX.UN). More information can be found at [www.cineplex.com](http://www.cineplex.com).

**About Fortune Cinema Inc:**

Fortune Cinema Inc. is a private company dedicated to the presenting of first run film and is owned and operated by Robert and Peter Sudermann. Headquartered in Chelsea, Quebec the Sudermann's are also owners of two of Western Quebec's most popular ski resorts Camp Fortune and Mont Ste-Marie, which have more than 300,000 skier visits annually. The Sudermann's also own one of the National Capital Regions best golf courses, Aerial Adventure Park and a variety of food, beverage and catering operations. The Sudermann's are also involved in several real estate and condominium projects at Mont Ste-Marie. More information can be found at [www.campfortune.com](http://www.campfortune.com) and [www.montstemarie.com](http://www.montstemarie.com).

**Quebec Region**

Famous Players StarCité Hull  
115, boul. du Plateau  
Gatineau, PQ

Famous Players StarCité Ste. Foy  
1150 boul. Duplessis  
Ste-Foy, PQ

Famous Players Parisien  
480 rue St. Catherine Ouest  
Montreal, PQ

Cineplex Odeon Cavendish Mall Cinemas  
5800 boul. Cavendish  
Cote St. Luc, PQ

Famous Players Les Galeries de la Capitale  
5401 boul. de Galeries  
Quebec City, PQ

Cineplex Odeon Cote des Neiges Cinemas  
6700, chemin de la Cote-ses-Neiges  
Montreal, PQ

Famous Players Carrefour Angrignon Cinemas  
7077 Newman Boulevard  
Lasalle, PQ

- 30 -

For more information contact:

Pat Marshall  
Cineplex Entertainment LP  
Vice President Communications and  
Investor Relations  
T: 416-323-6648  
E: [pat.marshall@cineplex.com](mailto:pat.marshall@cineplex.com)

Robert A. Sudermann  
President  
Fortune Cinema Inc.  
300 Dunlop Road  
Chelsea, Quebec  
T: 613-612-6355  
E: [suderman@istar.ca](mailto:suderman@istar.ca)