Not for release over US newswire services

FOR IMMEDIATE RELEASE

CINEPLEX GALAXY INCOME FUND
Reports Record First Quarter Results

TORONTO, **CANADA**, May 8, 2009 (TSX: CGX.UN) – Cineplex Galaxy Income Fund (the "Fund") today released its financial results for the first quarter of 2009.

	Q1 2009	Q1 2008	Year over Year Change
Total Revenues	$211.0 million	$189.8 million	+11.2%
Attendance	16.0 million	14.6 million	+9.0%
Other Revenue	$17.6 million	$16.3 million	+8.1%
Net Income (Loss)	$3.7 million	$(2.3) million	NM
Adjusted EBITDA	$29.9 million	$25.1 million	+19.2%
Adjusted EBITDA Margin	14.2%	13.2%	+7.6%
Distributable Cash Per Unit	$0.381	$0.328	+16.2%

Period over period change calculated based on thousands of dollars except percentage and per unit values.
NM = Not meaningful.

"We begin 2009 with record-setting first quarter results," said Ellis Jacob, President and CEO, Cineplex Entertainment. "We achieved our best ever first quarter results in attendance, box office, concession, other and total revenues which resulted in record EBITDA of $29.9 million, 19.2% better than the first quarter of 2008. In addition, distributable cash per unit increased 16.2% to $0.381 versus last year," Jacob said.

"Cineplex continues to perform well during these difficult economic times," said Jacob. "Given the challenges with the current economy, we are happy to provide our guests with an affordable escape. These record results in concession revenue and concession revenue per patron amounts are compelling especially when compared against the same period in the previous year which included more children's films that tend to be more concession-friendly," said Jacob. "We are also pleased to advise that our SCENE program now exceeds 1.6 million members and continues to grow each week."

EBITDA 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 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 non-controlling interests and gains or losses on disposal of theatre assets. 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 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 distributable cash, please refer to Cineplex's management's discussion and analysis filed on www.sedar.com.

First Quarter Results

Presentation of Results. Prior to Q1 2009, Cineplex presented and discussed the results of Cineplex Entertainment Limited Partnership (the "Partnership") as the Fund equity accounted for its investment in the Partnership prior to Q2 2007 and, as such, the consolidated financial statements of the Fund did not provide comparative results on a line-by-line basis. As a result of the Fund's step acquisitions in the Partnership, there are differences in the valuation bases of certain assets and liabilities between the Fund and the Partnership. These valuation differences give rise to differences in certain non-cash expenses (primarily included in the occupancy category) which result in differences in reported results between the Fund and the Partnership. In its filed Management's Discussion and Analysis, the Fund provides a reconciliation of the Fund and the Partnership reported results. For Q1 2009, the Fund reported Adjusted EBITDA of $29.9 million, an increase of 19.2% over the prior year's amount of $25.1 million. For Q1 2009, the Partnership reported Adjusted EBITDA of $31.1 million an increase of 18.9% over the prior year's amount of $26.2 million.

The results of the Fund for the three months ended March 31, 2009 as compared to the three months ended March 31, 2008 are presented below.

Total revenues for the three months ended March 31, 2009 increased $21.2 million to $211.0 million. A discussion of the factors affecting the changes in box office, concession and other revenues for the first quarter of 2009 compared to the first quarter of 2008 is provided below.

Box office revenues. The following table highlights the movement in box office revenues, attendance and box office revenues per patron ("BPP") for the quarter (in thousands of dollars, except attendance and per patron data):

Box office revenues	**First Quarter**		
	2009	**2008**	**Change**
Box office revenues	$130,277	$ 116,823	11.5%
Attendance	15,966	14,645	9.0%
Box office revenue per patron	$ 8.16	$ 7.98	2.3%
Canadian industry revenues (1)			7.2%

(1) Source: Motion Picture Theatre Associations of Canada

Box office continuity	**First Quarter**	
In thousands	**Box Office**	**Attendance**
2008 as reported	$ 116,823	14,645
Same store attendance	8,826	1,101
Same store BPP change	1,965	-
New and acquired theatres	3,789	436
Disposed and closed theatres	(1,126)	(216)
2009 as reported	$130,277	15,966

Top Cineplex Films – First Quarter 2009 compared to First Quarter 2008					
	Q1 2009 Top Cineplex Films	**% Total Box**		**Q1 2008 Top Cineplex Films**	**% Total Box**
1	Paul Blart: Mall Cop	5.4%	1	Juno	5.8%
2	Slumdog Millionaire	5.1%	2	Dr. Seuss' Horton Hears a Who!	4.1%
3	He's Just Not That Into You	4.8%	3	10,000 B.C.	4.1%
4	Watchmen	4.6%	4	27 Dresses	3.8%
5	Taken	4.2%	5	Jumper	3.5%

The Fund reported its highest-ever first quarter box office revenues in 2009 in spite of the general economic downturn. Box office revenues for the quarter were up compared to the prior year, driven by the consistently strong film performance across the first three months of 2009. Paul Blart: Mall Cop outperformed expectations to be Cineplex's top film of the quarter, and Slumdog Millionaire leveraged its eight Oscar wins into strong box office results. He's Just Not That Into You performed well during the Valentine's Day period, and Watchmen catered to the action/adventure crowd. This strong film product led to a 9% increase in attendance, and an 11.5% increase in box office revenues period over period. The Canadian exhibition industry reported a box office increase of 7.2% for the period from January 2, 2009 to April 2, 2009 as compared to the period from December 28, 2007 to March 27, 2008. On a basis consistent with the Fund's calendar reporting period (January 1st to March 31st), it is estimated that Canadian industry box office would show an increase similar to that reported by the Fund.

Box office revenue per patron increased $0.18 from $7.98 in the first quarter of 2008 to $8.16 in the first quarter of 2009 due to the film slate catering to mature audiences. In addition, the success of 3D films such as Coraline, Monsters vs. Aliens, My Bloody Valentine and the Jonas Brothers: The 3D Concert Experience, as well for IMAX releases such as Watchmen and The Day the Earth Stood Still increased the Fund's overall box office revenue per patron, as these films attract a premium over regular ticket prices. Select ticket price increases implemented in November 2008 also contributed to this increase.

Concession revenues. The following table highlights the movement in concession revenues, attendance and box office revenues per patron for the quarter (in thousands of dollars, except per patron amounts):

Concession revenues	First Quarter		
	2009	2008	Change
Concession revenues	$ 63,126	$ 56,721	11.3%
Attendance	15,966	14,645	9.0%
Concession revenue per patron	$ 3.95	$ 3.87	2.1%

Concession revenue continuity	First Quarter	
In thousands	Concession	Attendance
2008 as reported	$ 56,721	14,645
Same store attendance	4,265	1,101
Same store CPP change	1,006	-
New and acquired theatres	1,931	436
Disposed and closed theatres	(797)	(216)
2009 as reported	$ 63,126	15,966

Concession revenues increased 11.3% as compared to the prior period, driven by the 9.0% increase in attendance and a $0.08 increase in the average concession revenue per patron, which increased from $3.87 in the first quarter of 2008 to $3.95 in the first quarter of 2009. This increase in per-patron spending occurred despite the quarter lacking a major release targeted at the family demographic, who tend to be higher concession spenders. Selected price increases implemented in the second quarter of 2008 contributed to this increase.

Management believes that concession revenues will continue to be dependent on overall theatre attendance and that the current economic conditions will not have a material impact on concession revenues.

Other revenues. The following table highlights the movement in media, games and other revenues for the quarter (in thousands of dollars):

Other revenues	First Quarter		
	2009	2008	Change
Media	$ 10,622	$ 10,374	2.4%
Games	1,168	1,367	-14.6%
Other	5,828	4,556	27.9%
Total	$ 17,618	$ 16,297	8.1%

During the first quarter of 2009, media revenue increased $0.2 million to $10.6 million. This $0.2 million increase was comprised of a $2.2 million increase in non-cash barter revenue offset by a $2.0 million reduction in cash-settled media revenue. Rather than settling cash-based transactions, during 2008 the Fund entered into a number of cross-promotional non-cash barter agreements with certain promotional partners to provide radio and television promotions to the Fund's business initiatives. During the first quarter of 2009 the Fund recognized $2.2 million in media revenue and an additional $1.7 million in marketing costs related to these transactions.

Games revenues were down period over period, primarily due to the film slate featuring strong performances from award-nominated films such as *Slumdog Millionaire, Gran Torino,* and *The Curious Case of Benjamin Button*, which tend to appeal to customers who are not frequent game players.

Other revenues were up primarily due to higher breakage revenues associated with increased sales of gift cards and corporate 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 (in thousands of dollars, except film cost percentage):

Film cost	First Quarter		
	2009	2008	Change
Film cost	$ 65,940	$ 58,932	11.9%
Film cost percentage	50.6%	50.4%	0.4%

Film cost varies primarily with box office revenue. The quarterly increase was driven by the 11.5% increase in box office revenues. Film cost percentage was up marginally as compared to the prior year, due to the mix of film product during the quarter resulting in a slightly higher film cost percentage.

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 (in thousands of dollars, except concession cost percentage):

Cost of concessions	First Quarter		
	2009	2008	Change
Concession cost	$ 12,924	$ 11,653	10.9%
Concession cost percentage	20.5%	20.5%	0.0%

Cost of concessions varies primarily with theatre attendance as well as the quantity and mix of concession offerings sold. The increase in concession cost period over period was due to the 11.5% increase in attendance. Concession cost percentage remained constant at 20.5% for both the first quarters of 2008 and 2009, in spite of the continued growth of the SCENE loyalty program and the associated 10% discount on concession products. This 10% discount accounted for a 0.2% increase in the concession cost percentage during the first quarter of 2009 as compared to the prior year period.

Occupancy expense. The following table highlights the movement in occupancy expenses for the quarter, including non-recurring one-time benefits of lease-related amounts recognized during the period (in thousands of dollars):

Occupancy expense	First Quarter		
	2009	2008	Change
Occupancy expenses excluding one-time benefits	$ 40,376	$ 40,226	0.4%
One-time benefits	(226)	(879)	-74.3%
Occupancy expenses	$ 40,150	$ 39,347	2.0%

The $0.8 million increase in occupancy expenses was primarily due to lower one-time benefits of lease-related amounts recognized in 2009 as compared to the prior period ($0.7 million) and the incremental costs associated with new and acquired theatres ($1.1 million), offset by the impact of disposed and closed theatres ($0.5 million) and lower real estate taxes and rent expenses ($0.5 million).

Other operating expenses. The following table highlights the movement in other operating expenses during the quarter (expressed in thousands of dollars):

Occupancy expense	First Quarter		
	2009	2008	Change
Other operating expenses	$ 50,721	$ 45,252	12.1%

Other operating expenses increased $5.5 million due to the incremental impact of new and acquired theatres ($1.3 million), increased theatre payroll driven by minimum wage increases and increased theatre staffing due to higher theatre attendance in the first quarter of 2009 as compared to the same period in 2008 ($1.7 million), additional marketing costs ($1.8 million) primarily arising from the non-cash barter agreements previously discussed, costs related to expanded service offerings such as the elimination of charges for online ticketing and 3D technology licensing payments ($0.8 million) and higher supplies, services and utility costs relating to higher business volumes during the quarter ($1.0 million). These increases were offset by the impact of disposed and closed theatres ($0.6 million) and lower costs relating to the SCENE loyalty program and the Fund's interactive media initiatives ($0.5 million). SCENE costs have decreased slightly from the prior year period as the first quarter of 2008 included higher program marketing costs in addition to the regular operating costs of SCENE. Interactive media costs have decreased as well due to the redevelopment of cineplex.com during the first quarter of 2008.

General and administrative expenses. The following table highlights the movement in general and administrative ("G&A") expenses during the quarter, including the Fund's total Long-Term Incentive Plan ("LTIP") costs, and the net general and administrative costs without factoring in the LTIP program (expressed in thousands of dollars):

G&A expenses	**First Quarter**		
	2009	**2008**	**Change**
G&A excluding LTIP	$ 8,693	$ 7,723	12.6%
LTIP	$ 2,679	$ 1,844	45.3%
G&A costs as reported	$ 11,372	$ 9,567	18.9%

General and administrative costs increased $1.8 million as a result of increased costs under the LTIP ($0.8 million) and increased direct costs ($1.0 million). The direct costs increased due to a $0.4 million increase in head office payroll as a result of higher headcount relating to the Fund's new initiatives, higher professional fees ($0.2 million) and other costs ($0.4 million). The Fund has received approval for the proposed wind-up of the Famous Players defined benefit pension plan and estimates that the expense to be recorded on the wind-up will be $1.7 million.

The Fund reported income before undernoted ("adjusted EBITDA") for the three months ended March 31, 2009 of $29.9 million, as compared to income before undernoted of $25.1 million for the prior period. These changes were due to the aggregate effect of the factors described above.

<u>Distributable Cash</u>

For the three months ended March 31, 2009, distributable cash per Fund unit was $0.381 as compared to $0.328 for the three months ended March 31, 2008. The declared distributions per Fund unit for the current period were $0.315 and $0.300 for the same period in 2008. The payout ratios were 83% and 91%, respectively, for the three months ended March 31, 2009 and 2008.

About Cineplex Entertainment LP

As the largest motion picture exhibitor in Canada, Cineplex Entertainment LP owns, leases or has a joint-venture interest in 130 theatres with 1,333 screens serving more than 63.5 million guests annually. Headquartered in Toronto, Canada, Cineplex Entertainment operates theatres from British Columbia to Quebec and is the largest exhibitor of digital, 3D and IMAX projection technologies in the country. Proudly Canadian and with a workforce of more than 9,000, the company operates the following top tier brands: Cineplex Odeon, Galaxy, Famous Players, Colossus, Coliseum, SilverCity, Cinema City and Scotiabank Theatres. The units of Cineplex Galaxy Income Fund, which owns approximately 99.5% of Cineplex Entertainment LP, are traded on the Toronto Stock Exchange (symbol CGX.UN). For more information, visit www.cineplex.com.

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

You are cordially invited to participate in a teleconference call with the management of the Partnership (TSX: CGX.UN) to review our quarterly results. **Ellis Jacob, Chief Executive Officer** and **Gord Nelson, Chief Financial Officer**, will host the call. The teleconference call is scheduled for:

Friday, May 8th, 2009
10:00 a.m. Eastern Time

In order to participate in the conference call, **please dial (416) 644-3427 or outside of Toronto dial 1-800-594-3615** at least five to ten minutes prior to 10:00 a.m. Eastern Time.

- 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 21303882#. The replay will begin at 12:00 p.m. Eastern Time on Friday, May 8th, 2009 and end at 11:59 p.m. Eastern Time on Friday, May 15th, 2009.

- Note that media will be participating in the call in listen – only mode.

- Thank you in advance for your interest and participation.

- 30 -

For further information:

Gord Nelson
Chief Financial Officer
(416) 323-6602

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

Cineplex Galaxy Income Fund
Interim Consolidated Supplemental Information
(Unaudited)
(expressed in thousands of Canadian dollars)

Reconciliation to Adjusted EBITDA

	Three months ended March 31, 2009	2008
Net income (loss)	**$ 3,703**	$ (2,255)
Amortization	**20,864**	21,102
Interest and accretion expense on convertible debentures	**1,836**	1,840
Interest on long-term debt and capital lease obligations	**4,214**	4,589
Interest income	**(125)**	(297)
Provision for (recovery of) income taxes	**(730)**	1,532
EBITDA	**29,762**	26,511
Non-controlling interests	**157**	(1,732)
(Gain) loss on disposal of theatre assets	**(5)**	311
Adjusted EBITDA	**$ 29,914**	$ 25,090

Cineplex Galaxy Income Fund
Interim Consolidated Supplemental Information
(Unaudited)
(expressed in thousands of Canadian dollars, except number of units and per unit data)

Distributable Cash

	For the three months ended March 31, 2009	2008
Cash provided by operating activities	**$ 18,557**	$ 8,791
Less: Total capital expenditures	**(12,557)**	(7,817)
Standardized distributable cash	**6,000**	974
Less:		
Changes in operating assets and liabilities (i)	**10,381**	13,171
Tenant inducements (ii)	**(4,560)**	(1,818)
Principal component of capital lease obligations	**(413)**	(384)
Add:		
New build capital expenditures and other (iii)	**10,542**	6,983
Non-cash components in operating assets and liabilities (iv)	**(167)**	(162)
Distributable cash	**$ 21,783**	$ 18,764
Less: Non-controlling interests share of distributable cash	**(870)**	(4,549)
Distributable cash available to Fund unitholders	**$ 20,913**	$ 14,215
Average number of Fund units outstanding	**54,867,332**	43,295,326
Distributable cash per Fund unit	**$ 0.381**	$ 0.328

(i) Changes in operating assets and liabilities are not considered a source or use of distributable cash.
(ii) Tenant inducements received are for the purpose of funding new theatre capital expenditures and are not considered a source of distributable cash.
(iii) New build capital expenditures and other represent expenditures on Board approved projects as well as any expenditures for digital equipment anticipated to be reimbursed by a third-party digital integrator, and exclude maintenance capital expenditures. The Partnership's revolving credit facility is available to the Fund for use to fund Board approved projects.
(iv) Certain non-cash components of other assets and liabilities are indirectly excluded from distributable cash to the extent they reflect permanent, not timing differences. Such items include the amortization of deferred gains on sale-leaseback transactions and non-cash pension adjustments relating to the Fund's acquisition of the Partnership.

Cineplex Galaxy Income Fund
Interim Consolidated Balance Sheets

(expressed in thousands of Canadian dollars)

		March 31, 2009 (unaudited)		December 31, 2008
Assets				
Current assets				
Cash and cash equivalents	$	23,414	$	44,585
Accounts receivable		23,117		45,507
Inventories		2,866		4,014
Prepaid expenses and other current assets		6,743		3,733
		56,140		97,839
Property, equipment and leaseholds		448,922		455,885
Future income taxes		17,366		13,099
Deferred charges		920		953
Intangible assets		114,029		117,476
Goodwill		600,564		600,564
	$	1,237,941	$	1,285,816

Cineplex Galaxy Income Fund
Interim Consolidated Balance Sheets … *continued*

(expressed in thousands of Canadian dollars)

		March 31, 2009 (unaudited)		December 31, 2008
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	**$**	**62,895**	$	86,140
Distributions payable		**6,001**		6,001
Income taxes payable		**50**		48
Deferred revenue		**61,446**		76,929
Capital lease obligations - current portion		**1,772**		1,700
		132,164		170,818
Long-term debt		**233,010**		232,861
Fair value of interest rate swap agreements		**21,504**		20,628
Capital lease obligations – long-term portion		**32,646**		33,131
Accrued pension benefit liability		**1,074**		932
Other liabilities		**110,328**		108,380
Convertible debentures - liability component		**100,099**		99,834
		630,825		666,584
Non-controlling interests		**18,710**		149,860
Unitholders' equity		**588,406**		469,372
	$	**1,237,941**	$	1,285,816

Cineplex Galaxy Income Fund
Interim Consolidated Statements of Operations
(Unaudited)
(expressed in thousands of Canadian dollars)

	Three months ended March 31, 2009	Three months ended March 31, 2008
Revenues		
Box office	$ 130,277	$ 116,823
Concessions	63,126	56,721
Other	17,618	16,297
	211,021	189,841
Expenses		
Film cost	65,940	58,932
Cost of concessions	12,924	11,653
Occupancy	40,150	39,347
Other operating	50,721	45,252
General and administrative	11,372	9,567
	181,107	164,751
Income before undernoted	29,914	25,090
Amortization	20,864	21,102
(Gain) loss on disposal of theatre assets	(5)	311
Interest and accretion expense on convertible debentures	1,836	1,840
Interest on long-term debt and capital lease obligations	4,214	4,589
Interest income	(125)	(297)
Income (loss) before income taxes and non-controlling interests	3,130	(2,455)
Provision for (recovery of) income taxes		
Current	7	(5)
Future	(737)	1,537
	(730)	1,532
Income (loss) before non-controlling interests	3,860	(3,987)
Non-controlling interests	157	(1,732)
Net income (loss)	$ 3,703	$ (2,255)

Cineplex Galaxy Income Fund
Interim Consolidated Statements of Unitholders' Equity and Comprehensive Income (Loss) (Unaudited)
(expressed in thousands of Canadian dollars)

For the three months ended March 31, 2009

	Accumulated income	Accumulated distributions	Accumulated distributions in excess of accumulated income	Accumulated other comprehensive loss	Unitholders' capital	Total Unitholders' equity	Comprehensive income
Balance - December 31, 2008	$ 102,535	$ (190,881)	**$ (88,346)**	$ (13,683)	$ 571,401	**$ 469,372**	**$ -**
Issuance of units under exchange agreement	-	-	**-**	-	134,403	**134,403**	-
LTIP compensation obligation	-	-	**-**	-	1,068	**1,068**	-
LTIP fund units	-	-	**-**	-	(2,912)	**(2,912)**	-
Distributions declared	-	(17,451)	**(17,451)**	-	-	**(17,451)**	-
Net income	3,703	-	**3,703**	-	-	**3,703**	**3,703**
Other comprehensive income - interest rate swap agreements	-	-	**-**	223	-	**223**	**223**
Comprehensive income for the period	-	-	**-**	-	-	**-**	**$ 3,926**
Balance – March 31, 2009	$ 106,238	$ (208,332)	**$ (102,094)**	$ (13,460)	$ 703,960	**$ 588,406**	

The sum of the accumulated distributions in excess of accumulated income and accumulated other comprehensive loss as at March 31, 2009 is $115,554.

For the three months ended March 31, 2008

	Accumulated income	Accumulated distributions	Accumulated distributions in excess of accumulated income	Accumulated other comprehensive income (loss)	Unitholders' capital	Total Unitholders' equity	Comprehensive loss
Balance - December 31, 2007	$ 73,532	$ (137,082)	**$ (63,550)**	$ 290	$ 570,728	**$ 507,468**	**$ -**
Issuance of units under exchange agreement	-	-	**-**	-	2,139	**2,139**	-
LTIP compensation obligation	-	-	**-**	-	1,084	**1,084**	-
LTIP fund units	-	-	**-**	-	(3,691)	**(3,691)**	-
Distributions declared	-	(12,989)	**(12,989)**	-	-	**(12,989)**	-
Net loss	(2,255)	-	**(2,255)**	-	-	**(2,255)**	**(2,255)**
Other comprehensive loss - interest rate swap agreements	-	-	**-**	(2,051)	-	**(2,051)**	**(2,051)**
Comprehensive loss for the period	-	-	**-**	-	-	**-**	**$ (4,306)**
Balance – March 31, 2008	$ 71,277	$ (150,071)	**$ (78,794)**	$ (1,761)	$ 570,260	**$ 489,705**	

The sum of the accumulated distributions in excess of accumulated income and accumulated other comprehensive loss as at March 31, 2008 is $80,555.

Cineplex Galaxy Income Fund

Interim Consolidated Statements of Cash Flows

(Unaudited)

(expressed in thousands of Canadian dollars)

	Three months ended March 31, 2009	Three months ended March 31, 2008
Cash provided by (used in)		
Operating activities		
Net income (loss)	**$ 3,703**	$ (2,255)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Amortization of property, equipment and leaseholds, deferred charges and intangible assets	**20,864**	21,102
Amortization of tenant inducements, rent averaging liabilities and fair value lease contract liabilities	**(28)**	269
Amortization of debt issuance costs	**149**	147
(Gain) loss on disposal of theatre assets	**(5)**	311
Future income taxes	**(737)**	1,537
Cash flow hedges - non-cash interest	**10**	508
Non-controlling interests	**157**	(1,732)
Accretion of convertible debentures	**265**	257
Tenant inducements	**4,560**	1,818
Changes in operating assets and liabilities	**(10,381)**	(13,171)
	18,557	8,791
Investing activities		
Proceeds from sale of theatre assets	**-**	1,658
Purchases of property, equipment and leaseholds	**(12,557)**	(7,817)
Cash acquired in exchanges of LP units	**639**	-
Acquisition of Famous branded magazines	**(231)**	(387)
	(12,149)	(6,546)
Financing activities		
Distributions paid	**(16,193)**	(12,972)
Borrowings under credit facility	**18,000**	-
Repayment of credit facility	**(18,000)**	-
Distributions paid by the Partnership to non-controlling interests	**(1,810)**	(4,173)
Acquisition of LTIP fund units	**(9,163)**	(6,887)
Payments under capital leases	**(413)**	(384)
	(27,579)	(24,416)
Decrease in cash and cash equivalents during the period	**(21,171)**	(22,171)
Cash and cash equivalents - Beginning of period	**44,585**	44,254
Cash and cash equivalents - End of year	**$ 23,414**	$ 22,083
Supplemental Information		
Cash paid for interest	**$ 2,777**	**$** 3,425
Cash paid for income taxes - net	**5**	-
Cash received for interest	**119**	280