



FOR IMMEDIATE RELEASE

**NEW GALAXY CINEMA PLANNED
FOR SASKATOON, SASKATCHEWAN
TO OPEN JUNE 2006**

Saskatoon, SK (CGX.UN) - August 29, 2005 - Cineplex Galaxy and Princeton Developments Ltd. announced today they would jointly develop a 12 screen entertainment complex at 347 2nd Avenue South in the city of Saskatoon, Saskatchewan. The state-of-the-art facility will feature numerous amenities with approximately 2,600 high back luxury seats.

"It's always exciting to announce a new theatre and Cineplex Galaxy is particularly thrilled to be announcing this project in Saskatoon," said Pat Marshall, Vice President Communications and Investor Relations. "We have wanted to build a new theatre in Saskatoon for some time. The acquisition of Famous Players in July provided us with the opportunity to assume responsibility for this project. Throughout Saskatchewan, communities have embraced our Galaxy Cinemas and we felt the Galaxy brand was most appropriate for this market. We're very pleased that Saskatoon will now finally have its own state-of-the-art cinema."

Mayor Donald Atchison said: "We are absolutely thrilled to have a Galaxy Cinema on this site. Everyone has worked very hard over the years to make something happen here. And now it is. Our south downtown is poised to become a great development and having this theatre here adds to the excitement."

At a press conference held today, representatives from the City of Saskatoon, Princeton Developments Ltd. and Cineplex Galaxy were on-site for the announcement and official ground breaking ceremony. Construction is set to begin next month and the theatre is expected to open in June 2006.

"Princeton is pleased to be working with Cineplex Galaxy on this downtown development project," said Lanny White, Vice President Operations, Princeton Developments. "They are the leaders in Canadian out-of-home entertainment and go to great lengths to add value."

The entertainment complex will offer more than just movies. With large luxury seats, ample legroom, and all stadium-seating (each seat row being 18" higher than the previous row) each auditorium will feature wall-to-wall, giant curved screens and Dolby Digital Surround Sound. A *Zero Gravity Family Entertainment Centre* will be located off the spacious lobby and can be accessed without a movie ticket.

Guests will enjoy a tremendous variety in the concession area - truly something to tempt everyone's taste buds. Whether you prefer the traditional popcorn, candy and soft drinks or more elaborate offerings, the concession stand will offer a wide range of options. Hot foods, such as fresh cut fries, chicken tenders, hot dogs, sausages and pizza will be available; as well, a *Yogun Fruz* frozen dessert bar will serve up several no-fat and low-fat yogurts and premium ice creams.

About Cineplex Galaxy LP:

Cineplex Galaxy LP owns, operates or has an interest in 132 theatres with 1, 278 screens (after giving effect to the 34 theatres and 282 screens to be divested pursuant to a consent agreement with the Canadian Commissioner of Competition) and is the largest motion picture exhibitor in Canada.

Headquartered in Toronto, Canada, the company operates theatres with the following five top-tier brands: Cineplex Odeon, Coliseum, Colossus, Galaxy and Silver City. Proudly Canadian, Cineplex Galaxy Income Fund, which owns approximately 50.2% of Cineplex Galaxy LP, is a public company traded on the Toronto Stock Exchange under Cineplex Galaxy Income Fund (symbol CGX.UN). More information can be found at www.cineplexgalaxy.com or at www.famousplayers.ca.

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