



FOR IMMEDIATE RELEASE

December 18, 2008

STERLING SHOES INCOME FUND

Fund Announces Monthly Cash Distribution

VANCOUVER, BC, December 18, 2008 –Sterling Shoes Income Fund (the “Fund”) (TSX: SSI.UN), a Vancouver-based, national specialty footwear retailer, today announced that its Board of Trustees has approved a cash distribution of \$0.03333 per trust unit for the period from December 1, 2008 to December 31, 2008, payable on January 15, 2009 to unitholders of record at the close of business on December 31, 2008.

Sterling Shoes Limited Partnership (the “Partnership”) is continuing to pay equivalent distributions to the exchangeable LP units of the Partnership.

About Sterling Shoes Income Fund

Sterling Shoes Income Fund is a leading Vancouver-based footwear retailer offering a broad selection of private label and brand name shoes and accessories in five Canadian provinces through its six separate retail banners: Sterling, Joneve, Shoe Warehouse, Freedman Shoes, Gia and Sterling Outlet. Since 1987, Sterling Shoes has grown from five shopping mall locations to 160 stores (as at December 18, 2008) located in high-traffic, high-visibility locations within enclosed shopping malls, on high streets and in strip malls. The Fund currently employs over 1,000 employees, and sales of the business for the 12 month period ended September 30, 2008 were \$124.3 million. The Fund’s units are listed on the Toronto Stock Exchange under the symbol SSI.UN. The Fund’s convertible debentures are listed on the Toronto Stock Exchange under the symbol SSI.DB.

For further information, please visit us at www.SterlingShoesIncomeFund.com, or contact:

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Additional information about Sterling Shoes Income Fund can be found in the disclosure documents filed by Sterling.

