

# Sterling

STERLING SHOES LIMITED PARTNERSHIP

FOR IMMEDIATE RELEASE

September 21, 2005

## STERLING SHOES INCOME FUND ANNOUNCES MONTHLY CASH DISTRIBUTION

VANCOUVER, BC, September 21, 2005 – Sterling Shoes Income Fund (TSX: SSI.UN) (“Sterling Shoes”), a leading independent footwear retailer, today announced a cash distribution of \$0.08958 per trust unit of Sterling Shoes. The distribution is payable on October 15, 2005 to unitholders of record on September 30, 2005.

Sterling Shoes also announced today a \$314,757 distribution by Sterling Shoes Limited Partnership (the “Partnership”) to SSI Investments Inc. (“SSI”) (the entity that previously carried on the Sterling Shoes business and that retains a 20% interest in the Partnership) as the holder of record on September 30, 2005 of subordinated limited partner units in the Partnership. This distribution amounts to a payment of \$0.23695 per Subordinated Exchangeable LP Unit for the period from the closing of Sterling Shoes’ initial public offering on July 12, 2005 to September 30, 2005. This distribution will also be payable on October 15, 2005.

Sterling Shoes’ policy is to pay cash distributions on the 15<sup>th</sup> of each month to unitholders of record on the last business day of the preceding month. Unitholders who are non-residents of Canada will be required to pay all withholding taxes payable on any distributions by Sterling Shoes. Distributions on the subordinated limited partner units of the Partnership are intended to be paid quarterly on a subordinated basis assuming certain financial tests are met.

### *About Sterling Shoes Income Fund*

Sterling Shoes is a leading Vancouver-based independent footwear retailer offering a broad selection of private label and brand name shoes and accessories across five Canadian provinces through its four separate retail banners: Sterling, Joneve, Shoe Warehouse and Freedman’s. Since 1987, Sterling Shoes has grown from five shopping mall locations to 102 stores located primarily in western Canada in high-traffic, high-visibility locations within enclosed shopping malls, on high streets and in strip malls. Sterling Shoes currently employs over 700 employees, and its sales for the 12 month period ended April 30, 2005 were \$73.3 million.

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**freedman**  
shoes

**Sterling**

*Joneve*

**SHOE**  
**WAREHOUSE**

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*Additional information about Sterling Shoes Income Fund can be found in the disclosure documents filed by Sterling Shoes Income Fund with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com).*

**freedman**  
shoes

**Sterling**

*Joneve*

**SHOE**  
**WAREHOUSE**

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