

# Sterling

STERLING SHOES LIMITED PARTNERSHIP

FOR IMMEDIATE RELEASE

February 17, 2006

## STERLING SHOES INCOME FUND ANNOUNCES MONTHLY CASH DISTRIBUTION

VANCOUVER, BC, February 17, 2006 – Sterling Shoes Income Fund (TSX: SSI.UN) (“Sterling Shoes”), a leading independent footwear retailer, today announced that its Board of Trustees has approved a cash distribution of \$0.08958 per trust unit for the period from February 1, 2006 to February 28, 2006, payable on March 15, 2006 to unitholders of record at the close of business on February 28, 2006.

Sterling Shoes’ Declaration of Trust requires that it pay or make payable all taxable income earned in its fiscal period ending December 31. Towards this objective, during December 2005, Management estimated and the Board of Trustees declared a special year-end distribution of \$0.16 per Unit payable to unitholders of record on December 31, 2005. This was paid on January 16, 2006.

Upon completion of the annual financial statements, a final determination of any supplemental installment necessary to ensure the Fund’s total taxable income for 2005 has been paid or made payable will be made. This additional installment, if any, will also be paid to unitholders of record at December 31, 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 Income Fund became a publicly traded entity on the Toronto Stock Exchange on July 12, 2005 and 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 105 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 800 employees and sales for the twelve month period ended September 30, 2005 were \$77.7 million. Sterling Shoes’ units are listed on the Toronto Stock Exchange under the symbol SSI.UN.*

**freedman**  
shoes

**Sterling**

**Joneve**

**SHOE**  
**WAREHOUSE**

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For further information, please visit us at [www.SterlingShoesIncomeFund.com](http://www.SterlingShoesIncomeFund.com), or contact:

Jeremy Horwitz  
President and Chief Executive Officer  
(604) 270-6114

Daniel S. Gumprich  
Chief Financial Officer  
(604) 270-6114

*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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2580 Viscount Way Richmond BC Canada V6V 1N1 | TEL 604.270.6114 FAX 604.278.7751 [www.sterlingshoes.com](http://www.sterlingshoes.com)