

Sterling

STERLING SHOES LIMITED PARTNERSHIP

FOR IMMEDIATE RELEASE

October 24, 2005

STERLING SHOES INCOME FUND ANNOUNCES MAJOR ONTARIO EXPANSION

VANCOUVER, BC, October 24, 2005 – Sterling Shoes Income Fund (TSX: SSI.UN) (“Sterling Shoes”), today announced that it has reached agreement to open six Sterling stores in Southern Ontario on or before March 15, 2006 in major malls owned and operated by Cadillac Fairview Corporation.

These stores will be in the following locations:

- Masonville Place Shopping Centre in London,
- Fairview Park Mall in Kitchener,
- Lime Ridge Mall in Hamilton,
- Erin Mills Town Centre Mall in Mississauga,
- Markville Shopping Centre in Markham, and
- The Georgian Mall in Barrie.

In addition, two Shoe Warehouse stores are expected to open in Southern Ontario in December 2005, located in the Cambridge Centre Mall in Cambridge and in the Eastgate Mall in Stoney Creek (Hamilton).

As a result of these steps, it is anticipated that Sterling Shoes will have at least 11 stores operating in the Ontario market by the end of March 2006.

Consistent with its expansion plans outlined in the initial public offering prospectus, Sterling Shoes continues to expand its market presence under the Sterling banner in some of Ontario’s high profile malls, and to add Shoe Warehouse outlets in Ontario where suitable locations become available.

“We believe that there is significant potential for growth in eastern Canada using the formats that have proven successful for us in the past and we continuously evaluate and identify opportunities to add new stores in regions already served by us,” said Jeremy Horwitz, President and CEO.

New Store Openings Since July 12, 2005

Sterling Shoes became a publicly traded company on July 12, 2005 with 100 stores; Since that time Sterling Shoes has opened four stores, a Freedman’s in Richmond Centre Mall in Richmond, British Columbia, a Shoe Warehouse in Red Deer Centre Mall in Red Deer, Alberta, a Sterling in Midtown Plaza in Saskatoon, Saskatchewan and a Sterling in Toronto’s Eaton Centre Mall.

freedman
shoes

Sterling

Joneve

SHOE
WAREHOUSE

Sterling

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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 103 stores (as at October 24, 2005) 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 750 employees, and its sales for the 12 month period ended April 30, 2005 were \$73.3 million.

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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.

freedman
shoes

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Joneve

SHOE
WAREHOUSE