



**FOR IMMEDIATE RELEASE**

**STERLING CONSTRUCTION COMPANY, INC. IS APPARENT LOW BIDDER ON**

**\$44.6 MILLION PROJECT FOR CALTRANS**

HOUSTON, TX — November 17, 2011--Sterling Construction Company, Inc. (NasdaqGS:STRL), ("Sterling" or the "Company") today announced that its wholly-owned subsidiary, Road and Highway Builders of California, Inc., was the apparent low bidder, with a bid of approximately \$44.6 million, on a project for California Department of Transportation ("CalTrans"). The CalTrans job entails the reconstruction of seven miles of road on I-5 in Siskiyou County near Yreka, close to the California – Oregon border. The project consists of 150,000 cubic yards of roadway excavation, 66,000 tons of hotmix asphalt and 107,000 cubic yards of concrete paving. The project is scheduled to begin in spring 2012 and is scheduled to be completed within 360 working days.

Patrick T. Manning, Sterling's Chairman and CEO, commented, "We are pleased to get our first major win in California. We will continue to pursue more opportunities in the state of California, both through Road and Highway Builders of California and through our 50% partnership with Myers & Sons Construction, L.P. as an integral part of our strategic plan to expand our geographic footprint."

Sterling is a leading heavy civil construction company that specializes in the building and reconstruction of transportation and water infrastructure in large markets in Texas, Utah, Nevada, Arizona, California and other states where there are construction opportunities. Its transportation infrastructure projects include highways, roads, bridges and light rail and its water infrastructure projects include water, wastewater and storm drainage systems.

This press release includes certain statements that fall within the definition of "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Any such statements are subject to risks and uncertainties, including overall economic and market conditions, federal, state and local government funding, competitors' and customers' actions, and weather conditions, which could cause actual results to differ materially from those anticipated, including those risks identified in the Company's filings with the Securities and Exchange Commission. Accordingly, such statements should be considered in light of these risks. Any prediction by the Company is only a statement of management's belief at the time the prediction is made. There can be no assurance that any prediction once made will continue thereafter to reflect management's belief, and the Company does not undertake to update publicly its predictions, whether as a result of new information, future events or otherwise.

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