



**FOR IMMEDIATE RELEASE**

**STERLING CONSTRUCTION COMPANY, INC. IS APPARENT LOW BIDDER ON A  
\$71 MILLION ARIZONA DOT PROJECT IN MESA, ARIZONA**

HOUSTON, TX – January 13, 2012 – Sterling Construction Company, Inc. (NasdaqGS: STRL), ("Sterling" or the "Company") today announced that Ralph L. Wadsworth ("RLW") in conjunction with J. Banicki Construction, Inc. ("Banicki"), its recently acquired Arizona-based subsidiary, was apparent low bidder on the \$71 million Gateway Freeway SR 24 project in Mesa, Arizona. The Arizona DOT project consists of freeway to freeway ramps connecting to SR 202 from about Power Road to Elliot Road and constructing SR 24 (a new freeway) for about one mile to the southeast ending at Ellsworth Road. The project has approximately one mile of flyover box beam bridge and one million cubic yards of imported fill. The project, which will begin March 2012, has an estimated duration of 18 months.

Patrick T. Manning, Sterling's Chairman and CEO commented, "This project represents a significant addition to backlog in Arizona for both RLW and Banicki. RLW specializes in bridge construction, while Banicki will focus on the underground and earthwork."

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.

Contact:

Sterling Construction Company, Inc.  
Brian Manning, P.E.  
EVP & Chief Business Development Officer  
Elizabeth Brumley  
EVP & CFO  
281-821-9091

Investor Relations Counsel  
The Equity Group Inc.  
Linda Latman 212-836-9609  
Lena Cati 212-836-9611