



FOR IMMEDIATE RELEASE

STERLING CONSTRUCTION COMPANY, INC. AWARDED A \$21 MILLION

DESIGN-BUILD PROJECT IN POST FALLS, IDAHO

HOUSTON, TX – December 22, 2011 -- Sterling Construction Company, Inc. (NasdaqGS:STRL), ("Sterling" or the "Company") today announced that its Utah-based subsidiary, Ralph L. Wadsworth Construction Company, LLC ("RLW"), was awarded a design-build contract by the Pointe Development Company for \$20,969,000. The job entails the design and construction of an interchange on I-90 just across the Washington border in Post Falls, Idaho and involves the construction of two bridges and asphalt roadway. Design will begin immediately and construction is scheduled to begin in the spring of 2012 with completion by the end of 2012.

Patrick T. Manning, Sterling's Chairman and CEO commented, "This design-build award further expands RLW's footprint into Idaho. One of the unique services that we are providing on this project is partial funding, with repayment coming from receipt of sales taxes from the area serviced by the planned construction, under the Idaho STAR legislation which makes a private company eligible for reimbursement of approved project expenses using sales tax reimbursements within the project area."

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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