



**FOR IMMEDIATE RELEASE**

**STERLING CONSTRUCTION COMPANY, INC. SUBSIDIARY**  
**ROAD AND HIGHWAY BUILDERS OF CALIFORNIA IS APPARENT LOW BIDDER ON AN**  
**APPROXIMATELY \$34.4 MILLION PROJECT IN CALIFORNIA**

HOUSTON, TX – March 16, 2012 – Sterling Construction Company, Inc. (NasdaqGS: STRL) (“Sterling” or “the Company”) today announced that its subsidiary, Road & Highway Builders of California, was apparent low bidder on a California State Highway 89 project (Contract Number 03-2A9204), for the State of California Department of Transportation valued at approximately \$34.4 million. The project consists of rebuilding Highway 89 from the Truckee River Bridge in Tahoe City to Homewood. Work, which includes constructing utility systems, earthwork, HMAC paving, concrete structures and a polyester bridge deck overlay, is expected to begin this summer and be completed in 2015.

Patrick T. Manning, Sterling’s Chairman and CEO commented, “We’re pleased with our continuing expansion into the California market and see numerous opportunities in this geography for Sterling Construction.”

Sterling is a leading heavy civil construction company that specializes in the building and reconstruction of transportation and water infrastructure 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 or to make voluntary additional disclosures of nonpublic information, whether as a result of new information, future events or otherwise.

Contact:

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

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