



FOR IMMEDIATE RELEASE

**STERLING CONSTRUCTION COMPANY, INC. IS THE LOW BIDDER
ON A TEXAS DEPARTMENT OF TRANSPORTATION PROJECT VALUED AT \$65.3 MILLION**

HOUSTON, TX – June 22, 2016 – Sterling Construction Company, Inc. (NasdaqGS: STRL) (“Sterling” or “the Company”) today announced that its Texas Sterling Construction Co. (“TSC”) subsidiary was the low bidder on a \$65.3 million Texas Department of Transportation (“TxDOT”) project in the San Antonio, TX area. The project consists of the reconstruction of a six-mile section of I-10 from Foster Road to Graytown Road which will include concrete and blacktop paving, three new bridges, new retaining walls, the improvements to frontage roads and ramps and drainage improvements. Work is expected to commence in September 2016 and be completed by June 2019.

Paul J. Varello, Sterling’s Chief Executive Officer, commented, “We are pleased that we were declared the low bidder on this important project for TxDOT. This project will greatly improve the safety and enhance the traffic flow on this heavily traveled stretch of I-10 in the eastern suburbs of San Antonio. Given the recent flooding in the region, the drainage improvements designed into this project will enable drivers to travel more safely during such hazardous weather conditions. This is one of our largest awards in Texas in recent years and we will be deploying significant resources and expertise to the project in order to ensure its efficient, profitable and on-time execution.”

Sterling is a leading heavy civil construction company that specializes in the building and reconstruction of transportation and water infrastructure projects in Texas, Utah, Nevada, Colorado, Arizona, California, Hawaii, and other states where there are construction opportunities. Its transportation infrastructure projects include highways, roads, bridges, airfields, ports 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.

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