

FOR IMMEDIATE RELEASE

<u>STERLING CONSTRUCTION COMPANY, INC. IS AWARDED A UTAH DEPARTMENT OF</u> <u>TRANSPORTATION PROJECT AS PART OF A JOINT VENTURE</u>

Sterling's Portion of the Project Valued at \$38 Million

THE WOODLANDS, TX – December 17, 2015 – Sterling Construction Company, Inc. (NasdaqGS: STRL) ("Sterling" or "the Company") today announced that its subsidiary, Ralph L. Wadsworth Construction Company, LLC ("RLW") was selected by the Utah Department of Transportation (UDOT) as part of a joint venture with Staker Parsons. The project entails construction of the second segment of a multi-phase new road project on the western side of the Salt Lake Valley and is the first job awarded to RLW by UDOT in the Mountain Valley Corridor.

The project calls for RLW to construct 21 bridges. Along with the bridges, RLW will also build the associated drainage, mechanically stabilized earth walls, cast-in-place walls, and prestressed concrete cylinder pipe. Construction is planned to begin in January 2016 and is expected to be completed by the fall of 2017. RLW's portion of the \$62.8 million project is valued at approximately \$38 million.

Paul J. Varello, Sterling's CEO commented, "We are pleased to have been selected to work on the Mountain Valley Corridor, which is a planned 35-mile freeway that will run through western Salt Lake County and northwestern Utah County. The Mountain Valley Corridor will serve 13 municipalities and is designed to meet the area's projected transportation needs through the year 2030. We believe that UDOT's selection of RLW to work on this important roadway is reflective of our subsidiary's strong reputation in the region, particularly for large, complicated bridge projects. We look forward to collaborating with Staker Parsons and hope to have additional opportunities to work with them in the intermountain West in the near future."

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, Arizona, California, Hawaii, and other states in which there are profitable construction opportunities. Its transportation infrastructure projects include highways, roads, bridges, airfields and light rail. 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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