



FOR IMMEDIATE RELEASE

**STERLING CONSTRUCTION COMPANY, INC. IS THE LOW BIDDER ON A
BEXAR COUNTY PUBLIC WORKS PROJECT
VALUED AT APPROXIMATELY \$46 MILLION**

THE WOODLANDS, TX – January 19, 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 \$46.3 million Bexar County Public Works project, which includes Texas Department of Transportation (TXDOT) funding, to perform reconstruction work on FM 1957 Potranco Road on the West side of San Antonio. Work is expected to begin by March of 2016 and be completed in late 2017.

The project consists of reconstructing 4.65 miles of the existing roadway from Loop 1604 to Texas SH211, widening it from a two lane rural road to a four lane urban roadway and adding center left turn lanes. The scope of the job will entail the removal of existing facilities, gas line installation, water line work, sanitary sewer work, earthwork, storm drain installation, new bridge structure construction, asphalt and concrete paving, miscellaneous other concrete work, and the installation of traffic signals and other traffic control devices.

Paul J. Varello, Sterling’s Chief Executive Officer, commented, “FM 1957 is a heavily-traveled roadway that runs through some densely populated suburbs of San Antonio and connects two major highways. This project is expected to significantly mitigate traffic congestion in the area thus benefitting its residents. Texas remains our largest geographic market, and we look forward to executing on this and additional TXDOT-funded jobs efficiently and profitably throughout 2016.”

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 where there are profitable construction opportunities. Its transportation infrastructure projects include highways, roads, bridges 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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