



FOR IMMEDIATE RELEASE

STERLING CONSTRUCTION COMPANY, INC. ANNOUNCES 2009 GUIDANCE

HOUSTON, TX – December 19, 2008 – Sterling Construction Company, Inc. (NasdaqGS: STRL) (“Sterling” or “the Company”) today announced guidance for 2009, which is shown below.

	Year Ending December 31, 2009 (in millions, except per share data)
Revenues	\$460.0 - \$510.0
Income before income taxes	\$ 23.7 - \$ 32.6
Net income	\$ 15.4 - \$ 21.2
Net income per diluted share *	\$ 1.12 - \$ 1.54

*Net income per diluted share guidance assumes 13,750,000 weighted average shares outstanding.

Guidance for 2009 reflects management’s expectations about available projects in its markets, especially in Texas where a significant increase in contract lettings is forecasted for 2009, and the impact of the current recession, but includes no effect from the incoming administration’s proposed transportation infrastructure stimulus package since neither the timing nor the magnitude of such package is clear at this time. Management believes that such stimulus, as currently proposed, could lead to an increase in the amount of work available and an improvement in contract pricing throughout the civil construction markets in which Sterling operates. The Company’s financial condition remains strong, including its working capital and stockholders’ equity.

Sterling is a leading heavy civil construction company that specializes in the building and reconstruction of transportation and water infrastructure in large and growing markets in Texas and Nevada. 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, 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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