

NEWS FOR IMMEDIATE RELEASE:

March 21, 2007

Bank of Granite Corporation Declares 214th Consecutive Quarterly Dividend

GRANITE FALLS, NORTH CAROLINA—Directors of Bank of Granite Corporation (NASDAQ: GRAN) declared a quarterly cash dividend of 13¢ per share payable on April 30, 2007 to stockholders of record on April 16, 2007. The dividend represents a 16.1% increase over the split-adjusted previous dividend rate of 11.2¢ per share declared in March 2006. The dividend is the 214th consecutive quarterly cash dividend. Bank of Granite Corporation stockholders have enjoyed 53 consecutive years of increased dividends.

Charles M. Snipes, Chairman and Chief Executive Officer, said “Our Board of Directors is pleased to continue our Company’s tradition of returning a portion of our earnings to our stockholders.” The Company’s payment of increased cash dividends for so many consecutive years is believed to be a record among publicly traded banks in the United States.

The dividend will be payable on approximately 15,997,000 shares of common stock outstanding to an estimated 6,900 stockholders. The common stock trades on The NASDAQ Global Select MarketSM under the symbol “GRAN.” Bank of Granite Corporation is the parent company of Bank of Granite and Granite Mortgage. Bank of Granite operates 22 full-service banking offices in eight North Carolina counties—Burke, Caldwell, Catawba, Forsyth, Iredell, Mecklenburg, Watauga, and Wilkes. Granite Mortgage, a mortgage banking company headquartered in Winston-Salem, originates home mortgages in Fayetteville, Greensboro/High Point, and Salisbury, North Carolina, in addition to Bank of Granite’s markets.

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