

NEWS FOR IMMEDIATE RELEASE:

December 18, 2007

Bank of Granite Corporation Declares 217th 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 January 31, 2008 to stockholders of record on January 17, 2008. The dividend is the 217th consecutive quarterly cash dividend. Bank of Granite Corporation stockholders have enjoyed 53 consecutive years of increased dividends.

The dividend will be payable on approximately 15,439,000 shares of common stock outstanding to an estimated 6,800 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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