

NEWS FOR IMMEDIATE RELEASE:

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### **Bank of Granite Corporation Names Scott Anderson President And Declares Dividend**

GRANITE FALLS, NORTH CAROLINA—Directors of Bank of Granite Corporation (NASDAQ: GRAN) and its banking subsidiary, Bank of Granite, named R. Scott Anderson president at their December 18 meeting. Anderson has served as executive vice president and chief operating officer since joining the bank in May of 2004.

“Scott has done a wonderful job for our bank,” said Chairman and CEO Charles M. Snipes. “He is a dynamic leader and he has the experience, skills, and abilities to serve as our president and chief operating officer. We are very fortunate to have Scott assume this important leadership position.” Anderson will continue to work from his downtown Hickory office and report to Snipes.

Anderson has been a banker since 1977 when he began his career at Forsyth Bank and Trust Company in Winston-Salem. It was acquired by Southern National Bank in 1982 and he moved to Charlotte where he managed the commercial loan team and was responsible for 10 branches. He then served as city executive in Charleston, S.C. and later in Raleigh. When Southern National merged with BB&T, Anderson became city executive in Durham. In 1997, he returned to Charlotte as president and CEO of Bank of Mecklenburg, a wholly owned subsidiary of Triangle Bank & Trust Company. When Centura Bank bought Triangle, he went to their headquarters in Rocky Mount as a regional president, responsible for central eastern North Carolina. In 2002, Centura was acquired by the Royal Bank of Canada. Anderson then held several positions including managing the trust department before joining Bank of Granite in 2004.

“I’m honored to have this opportunity and proud of the confidence from Charles and the board of directors,” said Anderson. “I look forward to the new challenge and am so fortunate to be a team member at Bank of Granite with some of the best bankers in the business.”

A native of Charlotte, Anderson is a 1973 graduate of East Mecklenburg High School. He earned his Bachelor of Arts in 1977 from UNC-Chapel Hill and Masters in Business Administration from UNC-Greensboro in 1983. He is also a graduate of the American Bankers Association Stonier Graduate School of Banking.

Members of First Presbyterian Church of Hickory, Anderson and his wife, the former Suzan Bentley of Wilkesboro, reside in Hickory. They have two children, 15-year-old Banks, a freshman at Hickory High School, and Katherine, a 19-year-old freshman at Meredith College in Raleigh.

Active in civic life, Anderson is a member of the Rotary Club of Hickory. He is vice chair of the Catawba County Chamber of Commerce, on the board of directors of the Greater Hickory Cooperative Christian Ministries, and on the board of trustees for the North Carolina School of Banking. He is also vice president of the United Arts Council of Catawba County, and this year, co-chair of its Fund Campaign with his wife, Suzan.

In other actions, the Board of Directors also declared a quarterly cash dividend of 13¢ per share payable on January 31, 2007 to shareholders of record on January 17, 2007. The dividend represents a 16.1% increase over the split-adjusted previous dividend rate of 11.2¢ per share paid in January 2006. The dividend is the 213<sup>th</sup> consecutive quarterly cash dividend and 2006 marks the 53<sup>rd</sup> consecutive year of increased dividends to shareholders.

Snipes said “Our Board of Directors is pleased to continue our Company’s tradition of returning a portion of our earnings to our shareholders.” 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 16,022,000 shares of common stock outstanding to over 6,000 shareholders. The common stock trades on The NASDAQ Global Select Market<sup>SM</sup> 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, and Salisbury, North Carolina, in addition to Bank of Granite’s markets.

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