

NEWS FOR IMMEDIATE RELEASE:

April 29, 2008

**BANK OF GRANITE CORPORATION
NAMES PRESTON CHAIRMAN**

GRANITE FALLS, NORTH CAROLINA—Directors of Bank of Granite Corporation (NASDAQ: GRAN) (“the Company”) have named James “Jim” Y. Preston chairman of the board. Chief Executive Officer and President R. Scott Anderson said, “Not only is Jim an outstanding business and civic leader, his commitment to Bank of Granite since joining the board in 2003 makes him an exceptional choice for this position. I am confident his insight and perspective will serve our stockholders, customers and employees well.”

Preston, formerly chairman of the board at Charlotte, N.C.-based First Commerce Corporation, became a Bank of Granite board director with the July 2003 merger of the two banks. He succeeds longtime banker Charles M. Snipes, retiring after 50 years in banking and 25 years with Bank of Granite. Snipes’ retirement was effective at the conclusion of the annual stockholders meeting held on April 28.

After high school in Charlotte, N.C., Preston received a Bachelor of Arts from University of North Carolina at Chapel Hill in 1958. In 1961, he graduated with high honors earning a Juris Doctorate. While at UNC, Preston was editor-in-chief of the *North Carolina Law Review*. He was admitted to the North Carolina State Bar in 1961.

Currently Of Counsel with Parker Poe Adams & Bernstein LLP in Charlotte, Preston practiced law for more than 40 years until his retirement. His experience has been in all areas of business and tax practice.

Active in professional organizations, Preston served as president of the North Carolina State Bar from 1988 to 1989. He was a member of the American Bar Association House of Delegates from 1990 to 1994. He is also a Fellow of the American Bar Foundation, a preeminent resource for lawyers, scholars and policy makers seeking insightful analyses of the theory and functioning of law and the legal profession.

Along with his professional affiliations, Preston has served on the board of directors and is past chairman of Arts and Science Council of Charlotte/Mecklenburg, Inc., Community School of the Arts, National Conference for Community and Justice, Charlotte Area Fund and Wildacres Leadership Initiative. Currently he is chairman of the Greater Charlotte Cultural Trust and on the boards of directors of the Echo Foundation, Croydon Foundation and Wildacres Retreat.

Preston and his wife, Elizabeth “Libby”, now reside in Mooresville, N.C. and Charlotte. They are active members of Christ Episcopal Church in Charlotte and have two daughters, Betsy P. Carr and Mary Lane P. Lennon, and a son, J. Brenton Preston.

In addition to Preston and Anderson, Bank of Granite Corporation’s Board of Directors includes Vice Chairman John N. Bray, Joseph D. Crocker, Le N. Erwin, Paul M. Fleetwood, III, Hugh R. Gaither and Boyd C. Wilson, Jr.

Bank of Granite Corporation’s 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, Inc. Bank of Granite operates twenty-two full-service banking offices in eight North Carolina counties—Burke, Caldwell, Catawba, Forsyth, Iredell, Mecklenburg, Watauga, and Wilkes, as well as a loan production office in Guilford County. Granite Mortgage, a mortgage banking company headquartered in Winston-Salem, originates home mortgages in these counties as well as in Cumberland and Rowan counties.

* * * * *

For further information, please contact:

Karen Clark-Carusio, Public Relations and Marketing Director at Voice (828) 345-6863, Fax (828) 345-0809 or Internet: kcaruso@bankofgranite.com.