

Granite Construction Disputes but Settles Lawsuit to Avoid Protracted Litigation

WATSONVILLE, Calif.--(BUSINESS WIRE)-- Granite Construction Incorporated (NYSE:GVA) announced today that its subsidiary, Granite Construction Company, has entered into a settlement to end a civil lawsuit with the City of San Diego related to a 2007 debris removal contract. Granite has agreed to pay the City a total of \$400,000 to dismiss the suit and admits no wrongdoing as part of the settlement.

"This settlement avoids the distraction and costs of pursuing litigation for both parties," said James H. Roberts, Granite's president and chief executive officer. "Although we remain confident that these allegations were without legal or factual merit, we are pleased to be able to put this matter behind us."

"We have provided construction services in and around San Diego for several decades," Roberts added. "We are proud to have assisted the City and its homeowners with the clean-up efforts after the devastating fires of 2007 and look forward to continuing our association with the greater San Diego community for many years to come."

Granite is one of the nation's leading infrastructure contractors. In addition to having one of the oldest and most robust ethics and compliance programs in the industry, the Company was recently recognized by the Ethisphere Institute as one of the World's Most Ethical Companies for the second year in a row.

Granite is a member of the S&P 400 Midcap Index, the FTSE KLD 400 Social Index and the Russell 2000 Index. Through its wholly owned subsidiary, Granite is one of the nation's largest diversified heavy civil contractors and construction materials producers serving public- and private-sector clients nationwide. For more information about Granite, please visit graniteconstruction.com.