



FREQUENTLY ASKED QUESTIONS ABOUT NOTICE AND ACCESS

1. What is Notice and Access?

Notice and Access is a change in the traditional way that proxy materials are made available to shareholders. For an annual meeting, for example, a public company previously would have had to mail to shareholders the Annual Report on Form 10-K, meeting notice, proxy statement, and proxy card. Although some shareholders have taken advantage of an electronic delivery option that has been available for years, they represent a very small percentage of shareholders at most companies.

Notice and Access, which was approved by the Securities and Exchange Commission (SEC) in 2007, allows shareholders to choose how they access the proxy materials: in paper form, via e-mail, or online.

2. Why is Granite using Notice and Access?

We chose this option because it significantly reduces the printing and delivery costs of our proxy solicitation. Also, the environmental impact of our proxy solicitation is greatly reduced because we use much less paper to print, and fuel to deliver, our proxy materials.

3. How does the Notice and Access process work for Granite shareholders?

Granite has chosen to use the “notice only” option. This means that we will not mail or deliver paper sets of annual meeting proxy materials to our shareholders. Instead, we—or your broker, trust, bank, or other nominee—will send to you a notice titled *Notice Regarding the Availability of Proxy Materials*.

The notice will be mailed on or around March 26, 2010. This *Notice Regarding the Availability of Proxy Materials* is not a proxy card or ballot. Its purpose is to inform you about how you can choose to access our proxy materials and how to vote your shares. The notice will also tell you when and where we will hold our annual meeting and the matters that will be voted on at the meeting.

IMPORTANT NOTE: Due to certain legal requirements, we will not utilize the “notice only” option for persons holding stock in our 401(k) plan. Please refer to question 8 if you are a 401(k) plan participant.

4. Once I receive the Notice Regarding the Availability of Proxy Materials, what do I have to do?

Please read the notice carefully and decide how you would like to access the annual meeting proxy materials. You have two choices:

- You can go to the Web site shown on the notice, review the proxy materials online, and vote your shares on the Web site or by telephone.
- You can request paper copies of the proxy materials, including a proxy or voting instruction card, at no charge.

The notice will explain how to exercise each of these options.

Most important, the notice will include a Shareholder Control Number in the lower-right corner that you will need to access the proxy materials, to request paper copies, and to vote your shares online or by telephone. For this reason it is very important to retain the notices for future reference. We suggest that you retain the notice through the date of the annual meeting.

5. How long do I have to request paper or e-mail copies of the proxy materials?

The notice will include a cutoff date for making your request. The date will be approximately two weeks before the date of the annual meeting. If you know that you will be requesting paper copies, however, please request them as soon as possible after you receive the notice.

6. If I request paper copies of the proxy materials, how long will it take to receive them?

Under the SEC's rules, the proxy materials must be mailed within three business days of receiving your request. The date on which you will receive the materials will depend on the postal system. Again, if you know that you want paper copies of the proxy materials, please request them as soon as possible after you receive the notice.

You will have the option to make a permanent election to have paper or e-mail copies of proxy materials sent to you in the future at no charge.

7. Do I have to pay any charges to receive paper copies of the proxy materials?

No. The materials will be sent to you without charge.

8. I am a participant in the Granite Construction 401(k) plan and hold shares of Granite common stock in my account. Will Notice and Access change the way that I vote those shares or have access to the proxy materials?

No. We will follow the same process that we have for prior proxy seasons: 401(k) plan participants will receive hard copies of the proxy materials without a notice and should follow the instructions on the proxy card to vote their shares.

Separated participants with a plan balance will be sent hard copies of the proxy materials and should follow the instructions on the proxy card to vote their plan shares.

9. I've lost my notice with the Shareholder Control Number on it. What do I do?

If you are a registered shareholder on the books of our transfer agent (you don't hold your Granite Construction shares through a broker, trust, bank, or other nominee), please call Granite's Investor Relations department at (831) 761-4714.

If you *do* hold your stock through a broker, trust, bank, or other nominee, please call your broker, trust, bank, or other nominee for assistance.

If you are unsure about with whom you hold your Granite Construction stock, please contact Granite's Investor Relations department at ir@gcinc.com or (831) 761-4714.