

GRANITE CONSTRUCTION INC

Form 11-K

June 25, 2009

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2008

Commission File Number 0-18350

GRANITE CONSTRUCTION PROFIT
SHARING AND 401(K) PLAN

GRANITE CONSTRUCTION INCORPORATED

585 West Beach Street
Watsonville, California 95076
Telephone: (831) 724-1011

This report contains 17 pages.

Item 4. FINANCIAL STATEMENTS AND SCHEDULE PREPARED IN ACCORDANCE WITH THE FINANCIAL REPORTING REQUIREMENTS OF ERISA

The following documents are filed as part of this report:

1. Financial Statements. The following financial statements are filed as part of this report:

	Form 11-K Pages
Report of Independent Registered Public Accounting Firm	F-3
Statements of Net Assets Available for Benefits at December 31, 2008 and 2007	F-4
Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2008	F-5
Notes to Financial Statements	F-6-F-12

2. Financial Statements Schedule. The following financial statement schedule of the Granite Construction Profit Sharing and 401(K) Plan ("Plan") for the year ended December 31, 2008 is filed as part of this report and shall be read in conjunction with the financial statements of the Plan.

	Form 11-K Pages
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) at December 31, 2008	S-1

EXHIBITS

The following exhibit is attached hereto and filed herewith:

Exhibit
Number

23 Consent of Independent Registered Public Accounting Firm

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused the annual report to be signed on its behalf by the undersigned hereunto duly authorized.

GRANITE CONSTRUCTION
PROFIT SHARING AND 401(K) PLAN

Date: June 24, 2009

By: /s/ Alan Movson
Alan Movson
Committee Secretary

By: /s/ Peg Wynn
Peg Wynn
Committee Member

INDEX TO EXHIBITS

Exhibit Number	Document
23	Consent of Independent Registered Public Accounting Firm

Granite Construction
Profit Sharing and 401(k) Plan
Financial Statements
as of December 31, 2008 and 2007 and
for the year ended December 31, 2008

Granite Construction
Profit Sharing and 401(k) Plan
Index of Financial Statements and Schedule

	Pages
<u>Report of Independent Registered Public Accounting Firm</u>	F-3
Financial Statements:	
<u>Statements of Net Assets Available for Benefits at December 31, 2008 and 2007</u>	F-4
<u>Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2008</u>	F-5
<u>Notes to Financial Statements</u>	F-6
Supplemental Schedule:	
<u>Schedule H, line 4i — Schedule of Assets (Held At End of Year) at December 31, 2008</u>	S-1
Exhibit 23	

Supplemental schedules other than the above are omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and
Plan Administrator of the
Granite Construction
Profit Sharing and 401(k) Plan

We have audited the financial statements of the Granite Construction Profit Sharing and 401(k) Plan (the Plan) as of December 31, 2008 and 2007, and for the year ended December 31, 2008, as listed in the accompanying index of financial statements and schedule. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Plan's management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2008 and 2007, and the changes in net assets available for benefits for the year ended December 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, as listed in the accompanying index of financial statements and schedule, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Mohler, Nixon & Williams
MOHLER, NIXON & WILLIAMS
Accountancy Corporation

Campbell, California
June 24, 2009

F3

Granite Construction
 Profit Sharing and 401(k) Plan
 Statements of Net Assets Available for Benefits

	December 31,	
	2008	2007
Assets		
Investments, at fair value	\$ 157,756,226	\$ 194,196,378
Contributions receivable from employer	25,261	104,333
Contributions receivable from employees	4,531	13,639
Non-interest bearing cash	509	44,977
Net assets available for benefits	\$ 157,786,527	\$ 194,359,327

The accompanying notes are an integral part of these financial statements.

Granite Construction
Profit Sharing and 401(k) Plan
Statement of Changes in Net Assets Available for Benefits

	Year ended December 31, 2008
Changes to net assets available for benefits attributed to:	
Investment activities:	
Net depreciation in fair value of investments	\$ (53,901,309)
Interest and dividends	6,577,111
Net loss from investment activities	(47,324,198)
Contributions:	
Employee	16,584,216
Employer	10,885,537
Total contributions	27,469,753
Distributions to participants or beneficiaries	(16,767,910)
Diversification from employee stock ownership plan	49,555
Change in net assets available for benefits during the year	(36,572,800)
Net assets available for benefits, beginning of year	