

Bank of Granite

NEWS FOR IMMEDIATE RELEASE:

July 10, 2007

Bank of Granite appoints Waters to Lenoir board

Bank of Granite recently appointed Marty G. Waters to its Lenoir Board of Directors. "Marty is a great addition to this board," said Chairman and Chief Executive Officer, Charles M. Snipes. "We rely a great deal on our Lenoir board and value their guidance and assistance. Marty's ties to Caldwell County and passion to help in its revitalization make him an excellent advisor for us and ultimately our customers."

A native of Caldwell County, Waters received a bachelor's in Chemistry from Appalachian State University and did post-graduate work at Pfeiffer University. In 1992, he and his family founded The Marlin Chemical Company that provided chemical products to the textile industry. In 2001, the company merged with Prescott Chemical of Charlotte to form The Marlin Company and offers a diversified product line.

Waters is the son of M. Gene and Linda Waters. He and his wife, Michelle, live in Lenoir. They have three children: Mackenzie, a rising junior at Hibriten High School; Katherine, a rising fourth-grader at Davenport A+ School; and Mack, a student at School for Young Children. They attend First Presbyterian Church of Lenoir.

Waters also serves on the board of Caldwell Friends and supports the Lenoir Police Department's D.A.R.E. program and other community organizations.

Other members of the Bank of Granite Lenoir Board of Directors are: Margaret (Peg) Broyhill; David W. Barlow; T. Rahn Chase; Houston H. Groome, Jr.; Helen P. Hall, Ed.D.; Leslie (Sonny) D. Hines, Jr.; Dr. F. Ted Holcher; William F.

Howard III; Douglas W. Johnson; Dr. Donald W. Lackey; Scott R. Ross; and Dr. Parker T. Williamson.

Bank of Granite and Granite Mortgage are subsidiaries of Bank of Granite Corporation whose stock is traded on The NASDAQ Global Select Market under the symbol "GRAN." The bank operates 22 full-service banking offices in Burke, Caldwell, Catawba, Forsyth, Iredell, Mecklenburg, Watauga, and Wilkes counties, and a lending office in Guilford County. Granite Mortgage, headquartered in Winston-Salem, originates home mortgages in these counties and in Fayetteville, Greensboro, and Salisbury, N.C.

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Marty Waters