



May 12, 2008

## VECTOR GROUP REPORTS FIRST QUARTER 2008 FINANCIAL RESULTS

**MIAMI, FL, May 12, 2008** -- Vector Group Ltd. (NYSE: VGR) today announced financial results for the first quarter ended March 31, 2008.

First quarter 2008 revenues were \$132.2 million, compared to \$133.9 million for 2007. The Company recorded operating income of \$28.0 million for 2008, compared to operating income of \$25.7 million for 2007. Net income for 2008 was \$14.3 million, or \$0.22 per diluted common share, compared to net income of \$23.1 million, or \$0.35 per diluted common share, for 2007. The results for 2008 included \$12.0 million of pre-tax income from the Company's investment in the St. Regis hotel, which was sold in March 2008. Adjusting for this item, the Company's net income for 2008 would have been \$7.2 million, or \$0.11 per diluted common share. The results for 2007 included a \$19.6 million pre-tax gain associated with the Company's NASA litigation settlement. Adjusting for this gain, the Company's net income for 2007 would have been \$11.5 million, or \$0.18 per diluted common share.

For the three months ended March 31, 2008, the Company's conventional cigarette business, which includes Liggett Group cigarettes and USA brand cigarettes, had revenues of \$131.6 million, compared to \$132.8 million for the three months ended March 31, 2007. Operating income was \$37.3 million for the first quarter 2008, compared to \$35.5 million for the first quarter of 2007.

### Conference Call to Discuss First Quarter 2008 Results

As previously announced, the Company will host a conference call and webcast on Tuesday, May 13, 2008 at 11:00 A.M. (ET) to discuss first quarter 2008 results. Investors can access the call by dialing 800-859-8150 and entering 81074708 as the conference ID number. The call will also be available via live webcast at [www.vcall.com](http://www.vcall.com). Webcast participants should allot extra time before the webcast begins to register.

A replay of the call will be available shortly after the call ends on May 13, 2008 through May 27, 2008. To access the replay, dial 877-656-8905 and enter 81074708 as the conference ID number. The archived webcast will also be available at [www.vcall.com](http://www.vcall.com) for 30 days.

Vector Group is a holding company that indirectly owns Liggett Group LLC, Vector Tobacco Inc. and New Valley LLC. Additional information concerning the company is available on the company's website, [www.VectorGroupLtd.com](http://www.VectorGroupLtd.com).

[Financial Table Follows]

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