



December 20, 2006

VECTOR GROUP CONVERTIBLE DEBENTURES RESALE REGISTRATION STATEMENT DECLARED EFFECTIVE

MIAMI, FL, December 20, 2006 -- Vector Group Ltd. (NYSE: VGR) today announced that the Securities and Exchange Commission has declared effective its registration statement on Form S-3. The registration statement relates to resales by the holders of \$110 million principal amount of Vector Group's 3 7/8% Variable Interest Senior Convertible Debentures due 2026 (the "Debentures") and the common stock issuable upon conversion of the Debentures. Vector Group will not receive any proceeds from any resale by the selling securityholders of the securities.

The Debentures were originally sold on July 12, 2006 in a private offering pursuant to Rule 144A of the Securities Act of 1933, as amended. The filing of the registration statement was required by the registration rights agreement entered into by Vector Group and the initial purchaser of the Debentures.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Debentures or the common stock issuable upon conversion thereof. There may be no sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state.

A written prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, may be obtained from Vector Group Ltd., 100 S.E. Second Street, Miami, Florida 33131, Attention: Investor Relations.

Vector Group is a holding company that indirectly owns Liggett Group LLC, Vector Tobacco Inc. and a controlling interest in New Valley LLC. Additional information concerning the company is available on the company's website, www.VectorGroupLtd.com.

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