



September 8, 2004

VECTOR GROUP DECLARES QUARTERLY CASH DIVIDEND

Grants Shareholders Additional 5% Stock Dividend

MIAMI, FL, September 8, 2004 – Vector Group Ltd. (NYSE: VGR) today announced that it has declared a regular quarterly cash dividend on its common stock of \$0.40 per share. Additionally, the Company declared its regular annual stock dividend of 5%. Both the quarterly cash and the annual stock dividends are payable on September 29, 2004 to holders of record as of September 20, 2004.

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