



May 15, 2002

VECTOR GROUP REPORTS 2002 FIRST QUARTER FINANCIAL RESULTS

MIAMI, FL, May 15, 2002 -- Vector Group Ltd. (NYSE: VGR) today announced financial results for the first quarter ended March 31, 2002.

First quarter 2002 revenues were \$97.2 million, compared to revenues of \$77.7 million in the first quarter of 2001. The Company recorded an operating loss of \$15.1 million in the 2002 first quarter compared to operating income of \$1.2 million in the first quarter of 2001. Net loss in the 2002 first quarter was \$11.9 million, or \$0.36 per diluted common share, compared to net income of \$2.5 million, or \$0.08 per diluted common share, in the 2001 first quarter.

For the three months ended March 31, 2002, Liggett Group Inc. had revenues of \$94.1 million, compared to \$75.0 million for the three months ended March 31, 2001. Liggett's operating income before factory relocation, restructuring, non-cash compensation and settlement expense was \$21.2 million for the first quarter of 2002, compared to was \$19.5 million for the first quarter of 2001.

CONFERENCE CALL TO DISCUSS FIRST QUARTER RESULTS

As previously announced, the Company will host a conference call and webcast on Thursday, May 16, 2002 at 10:00 A.M. (EDT) to discuss first-quarter results. Investors can access the call by dialing 877-692-2591 or via live webcast at www.vcall.com

A replay of the call will also be available shortly after the call ends on May 16, 2002 through May 23, 2002. To access the replay, dial 877-519-4471 and enter 3257812 as the conference ID number. The archived webcast will also be available at www.vcall.com for 30 days.

Vector Group is a holding company that indirectly owns Liggett Group Inc., Vector Tobacco Inc. and a controlling interest in New Valley Corporation.

