



November 8, 2007

VECTOR GROUP REPORTS THIRD QUARTER 2007 FINANCIAL RESULTS

MIAMI, FL, November 8, 2007 -- Vector Group Ltd. (NYSE: VGR) today announced financial results for the three and nine months ended September 30, 2007.

Third quarter 2007 revenues were \$136.1 million, compared to revenues of \$137.7 million in the third quarter of 2006. The Company recorded operating income of \$33.7 million in the 2007 third quarter, compared to operating income of \$25.7 million in the third quarter of 2006. Net income for the 2007 third quarter was \$15.1 million, or \$0.23 per diluted common share, compared to \$19.6 million, or \$0.30 per diluted common share, in the 2006 third quarter. The results for the three months ended September 30, 2006 included an \$11.5 million decrease in reported income tax expense due to the reduction of the Company's previously established reserves as a result of its July 2006 settlement with the Internal Revenue Service. Adjusting for the \$11.5 million reduction in income tax expense, the Company's net income for the 2006 third quarter would have been \$8.1 million, or \$0.13 per diluted common share.

For the nine months ended September 30, 2007, revenues were \$410.3 million, compared to \$368.7 million for the first nine months of 2006. The Company recorded operating income of \$88.6 million for the 2007 nine-month period, compared to operating income of \$68.4 million for the 2006 period. Net income for the 2007 nine-month period was \$59.6 million, or \$0.91 per diluted common share, compared to net income of \$26.9 million, or \$0.43 per diluted common share, for the 2006 period. The results for the nine months ended September 30, 2007 included a \$19.6 million pre-tax gain associated with the Company's previously announced NASA litigation settlement and an \$8.1 million pre-tax gain related to the exchange of notes receivable from Ladenburg Thalmann Financial Services Inc. Adjusting for these gains, the Company's net income for the nine months ended September 30, 2007 would have been \$43.2 million, or \$0.66 per diluted common share. The results for the nine months ended September 30, 2006 included the debt conversion expense of \$14.9 million associated with the issuance in June 2006 of additional shares of common stock in connection with the conversion of \$70 million of the Company's 6.25% convertible notes due 2008 and the \$11.5 million decrease in reported income tax expense as a result of the Internal Revenue Service settlement. Adjusting for this debt conversion expense and the adjustment to income tax expense, net income for the first nine months of 2006 would have been \$30.3 million or \$0.49 per diluted common share.

For the three and nine months ended September 30, 2007, the Company's conventional cigarette business, which includes Liggett Group cigarettes and USA brand cigarettes, had revenues of \$135.2 million and \$407.3 million, respectively, compared to \$135.9 million and \$363.3 million for the three and nine months ended September 30, 2006, respectively. Operating income was \$40.4 million for the third quarter of 2007 and \$113.4 million for the first nine months of 2007, compared to \$34.6 million and \$95.9 million for the three and nine months ended September 30, 2006, respectively.

Conference Call To Discuss Third Quarter 2007 Results

As previously announced, the Company will host a conference call and webcast on Friday, November 9, 2007 at 11:00 A.M. (ET) to discuss third quarter 2007 results. Investors can access the call by dialing 800-859-8150 and entering 83856289 as the conference ID number. The call will also be available via live webcast at www.vcall.com.

A replay of the call will also be available shortly after the call ends on November 9, 2007 through November 23, 2007. To access the replay, dial 877-656-8905 and enter 83856289 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 LLC, Vector Tobacco Inc. and New Valley LLC. Additional information concerning the company is available on the company's website, www.VectorGroupLtd.com.

[Financial Table Follows]

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