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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 5, 2015

**VECTOR GROUP LTD.**

(Exact Name of Registrant as Specified in Its Charter)

**DELAWARE**

(State or Other Jurisdiction of Incorporation)

**1-5759**

(Commission File Number)

**65-0949535**

(I.R.S. Employer Identification No.)

**4400 Biscayne Boulevard, Miami, Florida**

(Address of Principal Executive Offices)

**33137**

(Zip Code)

**(305) 579-8000**

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition**

Vector Group Ltd. (the “Company”) is filing this Current Report on Form 8-K to revise the presentation of a previously reported non-GAAP financial measure in Table 3 of the Company’s Press Release, dated July 29, 2015, which was filed as Exhibit 99.1 in its Current Report on Form 8-K, dated July 29, 2015.

The table below contains all changes to Table 3 of Exhibit 99.1 of previously reported Pro-forma Adjusted EBITDA for the last twelve months ended June 30, 2015. There were no changes to Pro-forma Adjusted EBITDA in total or by segment for the last twelve months ended June 30, 2015. There were also no other changes to the previously reported Table 3.

	(Dollars in thousands)		
	For the Twelve Months Ended		
	June 30, 2015		
<b>Pro-forma Adjusted EBITDA</b>	<b>As Previously Reported</b>	<b>Revision</b>	<b>As Revised</b>
Net income attributed to Vector Group Ltd.	\$ 66,313	\$ (1,016)	\$ 65,297
Income tax expense	48,859	(608)	48,251
EBITDA	293,002	(1,624)	291,378
Equity (gain) loss on long-term investments	(540)	1,625	1,085
Other, net	(8,271)	(1)	(8,272)
Pro-forma Adjusted EBITDA	\$ 245,922	\$ —	\$ 245,922

**Non-GAAP Financial Measures**

EBITDA is defined as Net Income before Interest, Taxes, Depreciation and Amortization. Pro-forma Adjusted EBITDA is EBITDA, as defined above and as adjusted for changes in fair value of derivatives embedded with convertible debt, equity gains (losses) on long-term investments, gains (losses) on sale of investment securities available for sale, equity income from non-consolidated real estate businesses, loss on extinguishment of debt, acceleration of interest expense related to debt conversion, stock-based compensation expense, litigation settlement and judgment expense, impact of the settlement of a dispute related to the Master Settlement Agreement (“MSA”), pension settlement charges, gains on acquisition of Douglas Elliman, changes to EBITDA as a result of the consolidation of Douglas Elliman and other charges.

Pro-forma Adjusted EBITDA is a financial measure not prepared in accordance with generally accepted accounting principles (“GAAP”). The Company believes that Pro-forma Adjusted EBITDA and the other non-GAAP financial measures it presents are important measures that supplement discussions and analysis of its results of operations and enhances an understanding of its operating performance. The Company believes these measures provide investors and analysts with a useful measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. Management uses these measures to review and assess operating performance of the Company’s business, and management and investors should review both the overall performance (GAAP net income) and the operating performance (Pro-forma Adjusted EBITDA and the other non-GAAP financial measures) of the Company’s business. While management considers non-GAAP financial measures to be important, they should be considered in addition to, but not as substitutes for or superior to, other measures of financial performance prepared in accordance with GAAP, such as operating income, net income and cash flows from operations. In addition, the non-GAAP financial measures are susceptible to varying calculations and the Company’s measurement of Pro-forma Adjusted EBITDA and the other non-GAAP financial measures may not be comparable to those of other companies. Reconciliation of Pro-forma Adjusted EBITDA to the most comparable GAAP financial measure for the period above is included in Exhibit 99.1.

**Item 7.01. Regulation FD Disclosure.**

Vector Group Ltd. has prepared materials for presentations to investors updated for the three and six months ended June 30, 2015. The materials are furnished (not filed) as Exhibits 99.2, 99.3 and 99.4 to this Current Report on Form 8-K pursuant to Regulation FD.

**Non-GAAP Financial Measures**

Exhibits 99.2, 99.3 and 99.4 contain the Non-GAAP Financial Measures discussed below. The Pro-forma non-GAAP financial measures are presented assuming Vector Group Ltd.’s acquisition of the additional 20.59% interest in Douglas Elliman Realty LLC, and the related purchase accounting adjustments, occurred prior to beginning of each period presented.

Pro-forma Adjusted Revenues, Pro-forma Adjusted EBITDA, Pro-forma Adjusted Net Income, Pro-forma Adjusted Operating Income, Tobacco Adjusted Operating Income, New Valley LLC Pro-forma Adjusted Revenues, New Valley LLC Pro-forma Adjusted EBITDA, Douglas Elliman Realty, LLC Adjusted Revenues, and Douglas Elliman Realty, LLC Adjusted EBITDA (hereafter referred to as "the Non-GAAP Financial Measures") are financial measures not prepared in accordance with generally accepted accounting principles ("GAAP"). The Company believes that the Non-GAAP Financial Measures are important measures that supplement discussions and analysis of its results of operations and enhances an understanding of its operating performance. The Company believes the Non-GAAP Financial Measures provide investors and analysts with a useful measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. Management uses the Non-GAAP Financial Measures as measures to review and assess operating performance of the Company's business, and management and investors should review both the overall performance (GAAP net income) and the operating performance (the Non-GAAP Financial Measures) of the Company's business. While management considers the Non-GAAP Financial Measures to be important, they should be considered in addition to, but not as substitutes for or superior to, other measures of financial performance prepared in accordance with GAAP, such as operating income, net income and cash flows from operations. In addition, the Non-GAAP Financial Measures are susceptible to varying calculations and the Company's measurement of the Non-GAAP Financial Measures may not be comparable to those of other companies.

### Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements, which involve risk and uncertainties. The words "could", "believe," "expect," "estimate," "may," "will," "could," "plan," or "continue" and similar expressions are intended to identify forward-looking statements. The Company's actual results could differ significantly from the results discussed in such forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 and the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Current Report on Form 8-K. The Company undertakes no obligation to (and expressly disclaims any obligation to) revise or update any forward-looking statement, whether as a result of new information, subsequent events, or otherwise (except as may be required by law), in order to reflect any event or circumstance which may arise after the date of this Current Report on Form 8-K.

### Item 9.01. Financial Statements and Exhibit

(c) Exhibit.

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Non-GAAP Financial Measures.
99.2	Investor presentation of Vector Group Ltd. dated August 2015 (furnished pursuant to Regulation FD).
99.3	Fact Sheet of Vector Group Ltd. dated July 31, 2015 (furnished pursuant to Regulation FD).
99.4	Fact Sheet of New Valley LLC dated July 31, 2015 (furnished pursuant to Regulation FD).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VECTOR GROUP LTD.

By: /s/ J. Bryant Kirkland III

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J. Bryant Kirkland III

Vice President, Treasurer and Chief Financial Officer

Date: August 5, 2015

**TABLE 3**  
**VECTOR GROUP LTD. AND SUBSIDIARIES**  
**COMPUTATION OF PRO-FORMA ADJUSTED EBITDA**  
**(Unaudited)**  
**(Dollars in Thousands)**

	LTM June 30, 2015	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2015	2014	2015	2014
Net income attributed to Vector Group Ltd.	\$ 65,297	\$ 17,868	\$ 7,925	\$ 38,824	\$ 10,505
Interest expense	144,862	31,761	44,183	63,507	79,636
Income tax expense	48,251	11,364	6,101	24,043	9,043
Net income attributed to non-controlling interest	8,300	1,837	5,106	2,097	6,055
Depreciation and amortization	24,668	6,442	5,462	12,723	12,554
EBITDA	\$ 291,378	\$ 69,272	\$ 68,777	\$ 141,194	\$ 117,793
Change in fair value of derivatives embedded within convertible debt (a)	(30,805)	(5,256)	(1,970)	(11,716)	(320)
Equity (gain) loss on long-term investments (b)	1,085	1,657	273	1,694	(633)
(Gain) loss on sale of investment securities available for sale	(12,899)	190	18	(12,839)	71
Equity income (loss) from real estate ventures (c)	(6,553)	(1,856)	1,808	(2,194)	256
Pension settlement charge	1,607	1,607	—	1,607	—
Acceleration of interest expense related to debt conversion	1,087	—	439	—	4,118
Stock-based compensation expense (d)	4,664	1,236	464	2,400	987
Litigation settlement and judgment expense (e)	3,068	1,250	—	2,093	1,500
Impact of MSA settlement (f)	—	—	(1,419)	—	(1,419)
Purchase accounting adjustments (g)	1,562	358	367	690	606
Other, net	(8,272)	(1,525)	(3,575)	(3,421)	(5,701)
Pro-forma Adjusted EBITDA	\$ 245,922	\$ 66,933	\$ 65,182	\$ 119,508	\$ 117,258
Pro-forma Adjusted EBITDA attributed to non-controlling interest	(11,901)	(2,913)	(5,712)	(3,997)	(7,954)
Pro-forma Adjusted EBITDA attributed to Vector Group Ltd.	\$ 234,021	\$ 64,020	\$ 59,470	\$ 115,511	\$ 109,304
<b>Pro-forma Adjusted EBITDA by Segment</b>					
Tobacco	\$ 226,476	\$ 62,024	\$ 53,273	\$ 115,496	\$ 100,188
E-cigarettes	(14,498)	(2,400)	(3,765)	(5,564)	(4,190)
Real Estate (h)	43,533	10,326	18,890	15,717	28,220
Corporate and Other	(9,589)	(3,017)	(3,216)	(6,141)	(6,960)
Total	\$ 245,922	\$ 66,933	\$ 65,182	\$ 119,508	\$ 117,258
<b>Pro-forma Adjusted EBITDA Attributed to Vector Group by Segment</b>					
Tobacco	\$ 226,476	\$ 62,024	\$ 53,273	\$ 115,496	\$ 100,188
E-cigarettes	(14,498)	(2,400)	(3,765)	(5,564)	(4,190)
Real Estate (i)	31,632	7,413	13,178	11,720	20,266
Corporate and Other	(9,589)	(3,017)	(3,216)	(6,141)	(6,960)
Total	\$ 234,021	\$ 64,020	\$ 59,470	\$ 115,511	\$ 109,304

- a. Represents income or losses recognized from changes in the fair value of the derivatives embedded in the Company's convertible debt.
- b. Represents income or losses recognized on long-term investments that the Company accounts for under the equity method.
- c. Represents equity income recognized from the Company's investment in certain real estate businesses that are not consolidated in its financial results.
- d. Represents amortization of stock-based compensation.
- e. Represents accruals for settlements of judgments in the *Engle* progeny tobacco litigation.
- f. Represents the Company's tobacco business's settlement of a long-standing dispute related to the Master Settlement Agreement.
- g. Amounts represent purchase accounting adjustments recorded in the periods presented in connection with the increase of the Company's ownership of Douglas Elliman Realty, LLC, which occurred in 2013.

- h. Includes Pro-forma Adjusted EBITDA for Douglas Elliman Realty, LLC of \$41,071 for the last twelve months ended June 30, 2015 and \$9,906, \$15,791, \$13,591, and \$23,175 for the three and six months ended June 30, 2015 and 2014, respectively. Amounts reported in this footnote reflect 100% of Douglas Elliman Realty, LLC's entire Pro-forma Adjusted EBITDA.
- i. Includes Pro-forma Adjusted EBITDA for Douglas Elliman Realty, LLC less non-controlling interest of \$28,992 for the last twelve months ended June 30, 2015 and \$6,993, \$11,147, \$9,594, and \$16,359 the three and six months ended June 30, 2015 and 2014, respectively. Amounts reported in this footnote have adjusted Douglas Elliman Realty, LLC's Pro-forma Adjusted EBITDA for non-controlling interest.



**VECTOR GROUP LTD**

**INVESTOR PRESENTATION**

August 2015

## DISCLAIMER

This document and any related oral presentation does not constitute an offer or invitation to subscribe for, purchase or otherwise acquire any equity securities or debt securities instruments of Vector Group Ltd. ("Vector", "Vector Group Ltd." or "the Company") and nothing contained herein or its presentation shall form the basis of any contract or commitment whatsoever.

The distribution of this document and any related oral presentation in certain jurisdictions may be restricted by law and persons into whose possession this document or any related oral presentation comes should inform themselves about, and observe, any such restriction. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdiction.

The information contained herein does not constitute investment, legal, accounting, regulatory, taxation or other advice and the information does not take into account your investment objectives or legal, accounting, regulatory, taxation or financial situation or particular needs. You are solely responsible for forming your own opinions and conclusions on such matters and the market and for making your own independent assessment of the information. You are solely responsible for seeking independent professional advice in relation to the information and any action taken on the basis of the information.

The following presentation may contain "forward-looking statements," including any statements that may be contained in the presentation that reflect Vector's expectations or beliefs with respect to future events and financial performance, such as the expectation that the tobacco transition payment program could yield substantial incremental free cash flow. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contained in any forward-looking statement made by or on behalf of the Company, including the risk that changes in Vector's capital expenditures impact its expected free cash flow and the other risk factors described in Vector's annual report on Form 10-K for the year ended December 31, 2014 and Form 10-Q for the quarterly period ended June 30, 2015, as filed with the SEC. Please also refer to Vector's Current Reports on Forms 8-K, filed on October 6, 2014, November 10, 2014, March 2, 2015, July 29, 2015 and August 5, 2015 (Commission File Number 1-5759) as filed with the SEC for information, including cautionary and explanatory language, relating to Non-GAAP Financial Measures in this Presentation labeled "Pro-forma Adjusted" or "Adjusted".

Results actually achieved may differ materially from expected results included in these forward-looking statements as a result of these or other factors. Due to such uncertainties and risks, potential investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date on which such statements are made. The Company disclaims any obligation to, and does not undertake to, update or revise and forward-looking statements in this presentation.



## MANAGEMENT

Name	Position	Years at Company
HOWARD M. LORBER	President and Chief Executive Officer	21
RICHARD J. LAMPEN	Executive Vice President	20
J. BRYANT KIRKLAND III	Vice President, Chief Financial Officer and Treasurer	23
MARC N. BELL	Vice President, General Counsel and Secretary	21
RONALD J. BERNSTEIN	President and Chief Executive Officer of Liggett Group LLC and Liggett Vector Brands LLC	24

## INTRODUCTION

- Vector's management continues to take transformative actions
  - Increased ownership stake in Douglas Elliman Realty, LLC ("Douglas Elliman"), the fourth-largest residential real estate brokerage firm in the United States and the largest residential brokerage firm in the New York metropolitan area, from 50% to 70.59% for a \$60 million purchase price
  - Reached a settlement with approximately 4,900 *Engle* progeny plaintiffs, which represented the overwhelming majority of Liggett's pending litigation
  - Introduced *Eagle 20's*, a deep discount cigarette brand positioned for long-term growth
- Vector continues to show strong financial results
  - Vector's Pro-Forma Adjusted EBITDA of \$234.0 million for the twelve months ended June 30, 2015<sup>(1)</sup>
  - Adjusted EBITDA for the Company's tobacco segment ("Tobacco Adjusted EBITDA") was \$226.5 million for the twelve months ended June 30, 2015<sup>(2)</sup>
  - Vector is well capitalized with \$238 million of cash and cash equivalents and investments with a fair value of \$399 million at June 30, 2015
    - Vector's debt has no significant maturities until February 2019
  - Vector has paid a quarterly cash dividend to its stockholders since 1995 and a 5% stock dividend to its stockholders since 1999

<sup>(1)</sup> This is a Non-GAAP Financial Measure. Please refer to Exhibit 99.1 of the Company's Current Reports on Forms 8-K, dated July 29, 2015 (Table 3) and August 5, 2015, for a reconciliation to GAAP as well as the Disclaimer to this document on Page 2.

<sup>(2)</sup> All "Liggett" and "Tobacco" financial information in this presentation includes the operations of Liggett Group LLC, Vector Tobacco Inc., and Liggett Vector Brands LLC unless otherwise noted. Tobacco Adjusted EBITDA is a Non-GAAP Financial Measure and is defined in Table 3 of Exhibit 99.1 to the Company's Current Reports on Form 8-K, dated July 29, 2015 and August 5, 2015.

## KEY INVESTMENT HIGHLIGHTS

- **Historically strong financial performance**
  - Vector’s Pro-Forma Adjusted EBITDA of \$234.0 million and Tobacco Adjusted EBITDA of \$226.5 million for the twelve months ended June 30, 2015<sup>(1)</sup>
- **Key cost advantage resulting from Master Settlement Agreement (“MSA”)<sup>(2)</sup>**
  - Current cost advantage of 64 cents per pack compared to the three largest U.S. tobacco companies and quality advantage compared to smaller firms<sup>(3)</sup>
  - MSA exemption worth approximately \$160 million annually
- **Recent expiration of the Tobacco Transition Payment Program (TTPP) could yield substantial incremental free cash flow**
  - Approximately \$13.5 million based on Liggett’s TTPP payments for the twelve months ended June 30, 2015
- **Diversified New Valley assets**
  - Pro-Forma Adjusted Revenues and Pro-Forma Adjusted EBITDA from Douglas Elliman Realty, LLC of \$588.1 million and \$41.1 million for the twelve months ended June 30, 2015<sup>(4)</sup>
  - Broad portfolio of consolidated and non-consolidated domestic and international real estate investments
- **Substantial liquidity with cash, marketable securities and long-term investments of \$637 million as of June 30, 2015<sup>(5)</sup>**
- **Proven management team with substantial equity ownership**
  - Executive management and directors beneficially own approximately 14% of the Company

(1) These are Non-GAAP Financial Measures. Please refer to Exhibit 99.1 of the Company’s Current Reports on Form 8-K, dated July 29, 2015 and August 5, 2015, for a reconciliation to GAAP (Table 3) as well as the Disclaimer to this document on Page 2.

(2) In 1998, various tobacco companies, including Liggett and the then four largest U.S. cigarette manufacturers, Philip Morris, Brown & Williamson, R.J. Reynolds and Lorillard, entered into the Master Settlement Agreement (“MSA”) with 46 states, the District of Columbia, Puerto Rico and various other territories to settle their asserted and unasserted health care cost recovery and certain other claims caused by cigarette smoking (Brown & Williamson, Lorillard and R.J. Reynolds are now owned by Reynolds American). Pursuant to the MSA, Liggett has no payment obligations unless its market share exceeds a market share exemption of approximately 1.65% of total cigarettes sold in the United States, and Vector Tobacco has no payment obligations unless its market share exceeds a market share exemption of approximately 0.28% of total cigarettes sold in the United States.

(3) Cost advantage applies only to cigarettes sold below applicable market share exemption.

(4) These are Non-GAAP Financial Measures. Please refer to Exhibit 99.1 of the Company’s Current Report on Form 8-K, dated July 29, 2015, for a reconciliation to GAAP (Tables, 9 and 10) as well as the Disclaimer to this document on Page 2.

(5) Excludes real estate investments.

# TOBACCO OPERATIONS

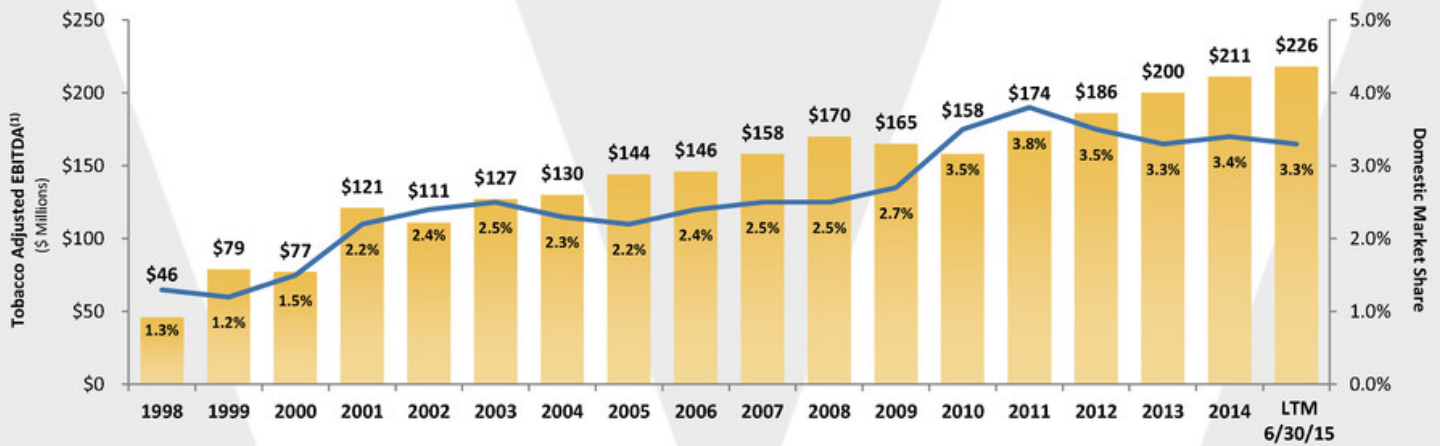
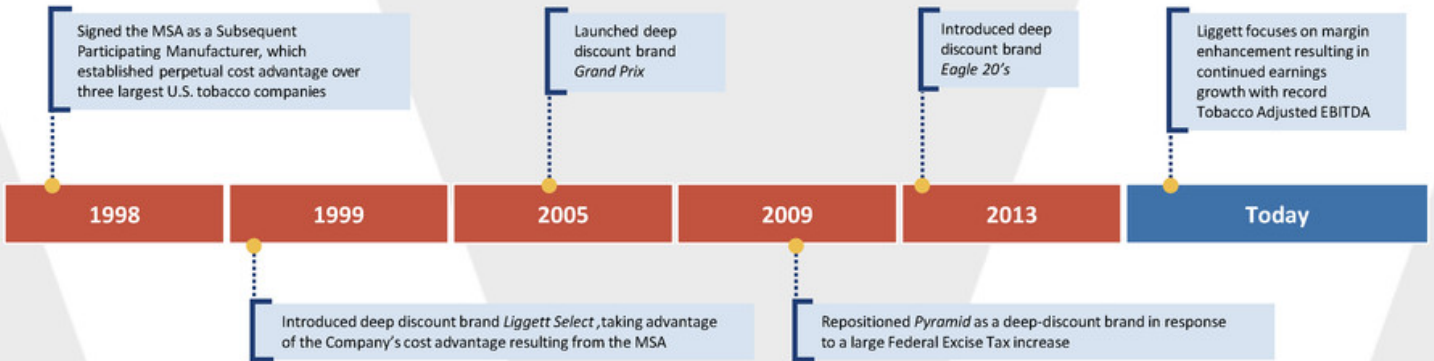
## LIGGETT OVERVIEW

- Fourth-largest U.S. tobacco company; founded in 1873
  - Core Discount Brands – *Pyramid, Grand Prix, Liggett Select, Eve and Eagle 20's*
  - Partner Brands – *USA, Bronson and Tourney*
- Consistent and strong cash flow
  - Tobacco Adjusted EBITDA of \$226.5 million for the twelve months ended June 30, 2015<sup>(1)</sup>
  - Low capital requirements with capital expenditures of \$5.0 million related to tobacco operations for the twelve months ended June 30, 2015
  - 2014 expiration of the TTPP could yield substantial incremental free cash flow
    - Approximately \$13.5 million based on Liggett's TTPP payments for the twelve months ended June 30, 2015
- Current cost advantage of 64 cents per pack compared to the three largest U.S. tobacco companies expected to maintain volume and drive profit in core brands
  - Pursuant to the MSA, Liggett has no payment obligations unless its market share exceeds a market share exemption of approximately 1.65% of total cigarettes sold in the United States, and Vector Tobacco has no payment obligations unless its market share exceeds a market share exemption of approximately 0.28% of total cigarettes sold in the United States
  - MSA exemption worth approximately \$160 million annually for Liggett and Vector Tobacco



<sup>(1)</sup> Tobacco Adjusted EBITDA is a Non-GAAP Financial Measure and is defined in Table 3 of Exhibit 99.1 of the Company's Current Reports on Form 8-K, dated July 29, 2015 and August 5, 2015. Please also refer to the Disclaimer to this document on Page 2.

# LIGETT HISTORY



Source: MSA CRA wholesale shipment database.  
 Note: The Liggett and Vector Tobacco businesses have been combined into a single segment for all periods since 2007.

(1) Tobacco Adjusted EBITDA is a Non-GAAP Financial Measure and is defined in Table 3 of Exhibit 99.1 of the Company's Current Reports on Form 8-K, dated March 2, 2015, July 29, 2015 and August 5, 2015, as well as Table 1 to Exhibit 99.1 of the Company's Current Report on Form 8-K, dated November 10, 2014.

## LITIGATION AND REGULATORY UPDATES

### Litigation

- Liggett led the industry in acknowledging the addictive properties of nicotine while seeking a legislated settlement of litigation
- On October 23, 2013, Liggett reached a settlement with approximately 4,900 Engle plaintiffs, which represented substantially all of Liggett's pending litigation
  - Liggett agreed to pay \$60 million in a lump sum in 2014 and the balance in installments of \$3.4 million over the next 14 years (2015 – 2028)
  - Approximately 300 Engle progeny plaintiffs remain
  - There are presently another ten cases under appeal, and the range of loss in these cases is \$0 to \$28.3 million (plus attorneys' fees and interest) of which Liggett has secured approximately \$12.3 million in outstanding bonds related to adverse verdicts on appeal

### Regulatory

- Since 1998, the MSA has restricted the advertising and marketing of tobacco products
- In 2009, Family Smoking Prevention and Tobacco Control Act granted the FDA power to regulate the manufacture, sale, marketing and packaging of tobacco products
  - FDA is prohibited from issuing regulations that ban cigarettes
- Federal Excise Tax is \$1.01/pack (since April 1, 2009) and additional state and municipal excise taxes exist.
- The TTPP, also known as the tobacco quota buyout, was established in 2004 and expired at the end of 2014
  - For the twelve months ended June 30, 2015, Liggett paid \$13.5 million under the TTPP



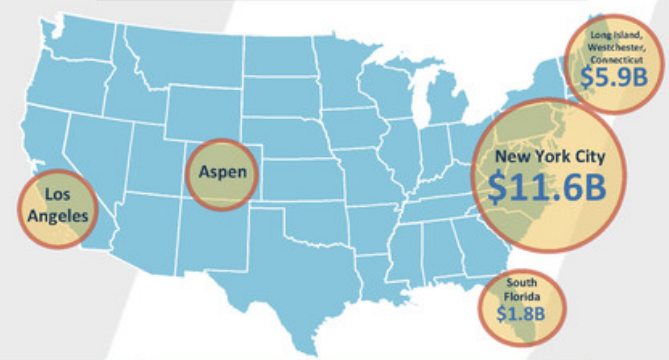
# REAL ESTATE OPERATIONS



# DOUGLAS ELLIMAN REALTY, LLC

- Douglas Elliman is 70.59% owned by New Valley:
  - Largest residential real estate brokerage firm in the highly competitive New York metropolitan area and largest non-franchised residential brokerage firm in the U.S. in 2014
  - Approximately 6,000 affiliated agents and 80 offices in the U.S.
  - Alliance with Knight Frank provides a network with 400 offices across 55 countries with 20,000 affiliated agents
  - Also offers title and settlement services, relocation services, and residential property management services through various subsidiaries
  - Became a consolidated subsidiary in December 2013

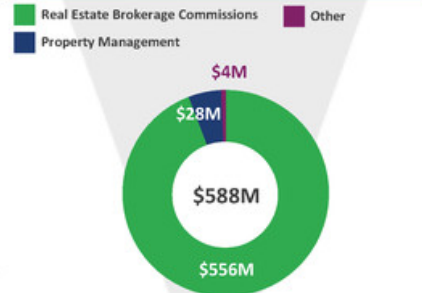
Douglas Elliman Closed Sales – LTM June 30, 2015



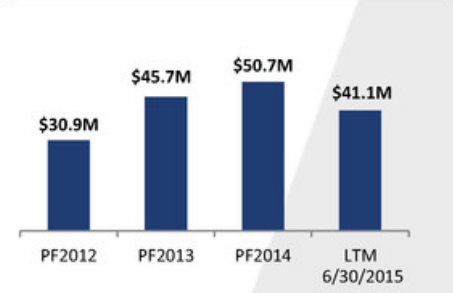
Douglas Elliman Closed Sales – LTM June 30, 2015



Douglas Elliman Pro-Forma Adjusted Revenues – LTM June 30, 2015 <sup>(2)</sup>

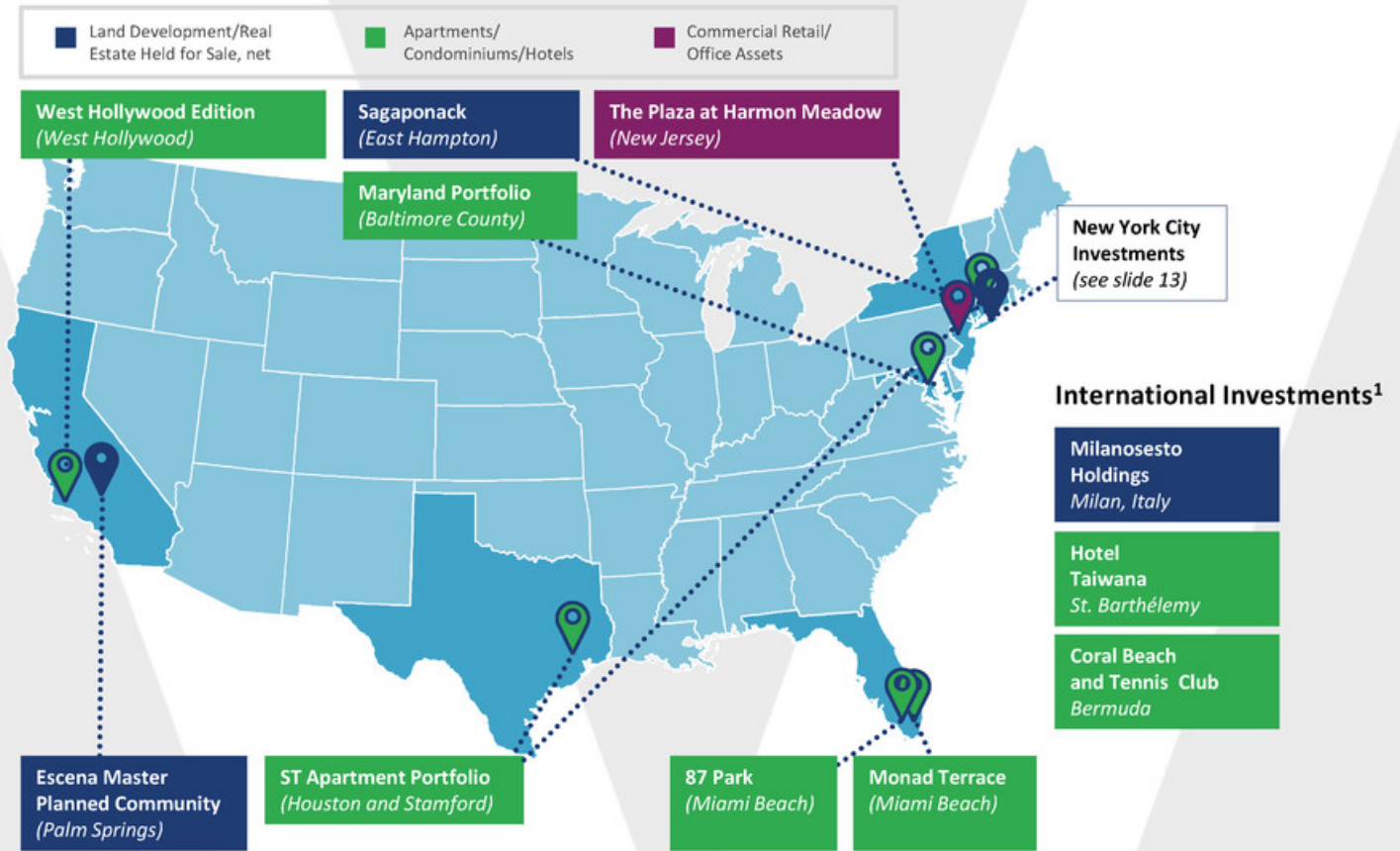


Douglas Elliman Pro-Forma Adjusted EBITDA <sup>(2)</sup>



<sup>(1)</sup> These are Non-GAAP Financial Measures. Please refer to Exhibit 99.1 of the Company's Current Report on Form 8-K, dated July 29, 2015, for a reconciliation (Tables 9 and 10) as well as the Disclaimer to this document on Page 2.  
<sup>(2)</sup> Douglas Elliman's Revenues were \$587M and Douglas Elliman's net income was \$28.4M for the twelve months ended June 30, 2015. Pro-Forma Adjusted EBITDA and Pro-Forma Adjusted Revenues are non-GAAP financial measures. For a reconciliation of Pro-Forma Adjusted EBITDA to net income and Pro-Forma Adjusted Revenues to revenues, please see Vector Group Ltd.'s Current Reports on Forms 8-K, filed on July 29, 2015, March 2, 2015, and November 10, 2014 and Form 10-Q, filed on July 31, 2015 (Commission File Number 1-5795). New Valley's Pro-Forma Adjusted EBITDA does not include an allocation of Vector Group Ltd.'s Corporate and Other Expenses (for purposes of computing Pro-Forma Adjusted EBITDA) of \$13.1M, \$12.6M, \$10.4M and \$9.6M, for the periods presented, respectively.

# NEW VALLEY'S REAL ESTATE INVESTMENTS



(1) For the percentage of each real estate project owned, please refer to the "Summary of Real Estate Investments" section of Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations - located on page 56 of Vector Group Ltd.'s Form 10-Q for the quarterly period ended June 30, 2015 (Commission File Number 1-5759).

## NEW VALLEY'S REAL ESTATE INVESTMENTS IN NEW YORK CITY



1. **The Marquand** Upper East Side
2. **10 Madison Square Park West** Flatiron District/NoMad
3. **11 Beach Street** TriBeCa
4. **20 Times Square** Times Square
5. **111 Murray Street** TriBeCa
6. **357 West Street** Greenwich Village
7. **PUBLIC Chrystie House** Lower East Side
8. **The Dutch** Long Island City
9. **Queens Plaza** Long Island City
10. **Park Lane Hotel** Central Park South
11. **125 Greenwich Street** Financial District
12. **76 Eleventh Avenue** West Chelsea

## NEW VALLEY'S REAL ESTATE SUMMARY

(Dollars in thousands)

	Net cash invested	Cumulative earnings (loss)	Carrying value	Range of ownership per investment	Number of investments
<b>Land owned</b>					
New York metropolitan area	\$ 12,502	\$ -	\$ 12,502	100.0%	1
All other U.S. areas	1,975	8,566	10,541	100.0%	1
	\$ 14,477	\$ 8,566	\$ 23,043		2
<b>Condominium and Mixed Use Development</b>					
New York metropolitan area	\$ 110,036	\$ 8,101	\$ 118,137	5.0% - 49.5%	11
All other U.S. areas	17,804	(264)	17,540	15.0% - 48.5%	3
	\$ 127,840	\$ 7,837	\$ 135,677		14
<b>Apartments</b>					
All other U.S. areas	18,876	950	19,826	7.5% - 16.4%	2
	\$ 18,876	\$ 950	\$ 19,826		2
<b>Hotels</b>					
New York metropolitan area	\$ 22,806	\$ (3,277)	\$ 19,529	5.0%	1
International	13,098	(1,867)	11,231	17.0% - 49.0%	2
	\$ 35,904	\$ (5,144)	\$ 30,760		3
<b>Commercial</b>					
New York metropolitan area	5,931	27	5,958	49.0%	1
	\$ 5,931	\$ 27	\$ 5,958		1
<b>Land Development</b>					
International	5,037	-	5,037	7.2%	1
	\$ 5,037	\$ -	\$ 5,037	7.2%	1
<b>Total</b>	<b>\$ 208,065</b>	<b>\$ 12,236</b>	<b>\$ 220,301</b>		<b>23</b>

### SUMMARY

New York metropolitan area	\$ 151,275	\$ 4,851	\$ 156,126		14
All other U.S. areas	38,655	9,252	47,907		6
International	18,135	(1,867)	16,268		3
	\$ 208,065	\$ 12,236	\$ 220,301		23

(1) For the percentage of each real estate project owned, please refer to the "Summary of Real Estate Investments" section of Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations - located on page 56 of Vector Group Ltd.'s Form 10-Q for the quarterly period ended June 30, 2015 (Commission File Number 1-5759).



FINANCIAL DATA

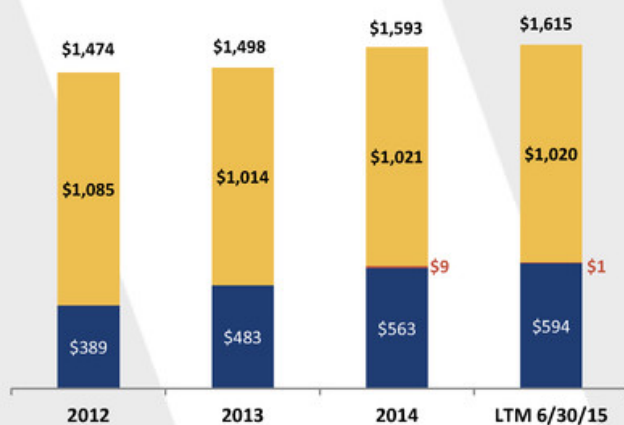
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# PRO-FORMA HISTORICAL FINANCIAL DATA

(Dollars in millions)

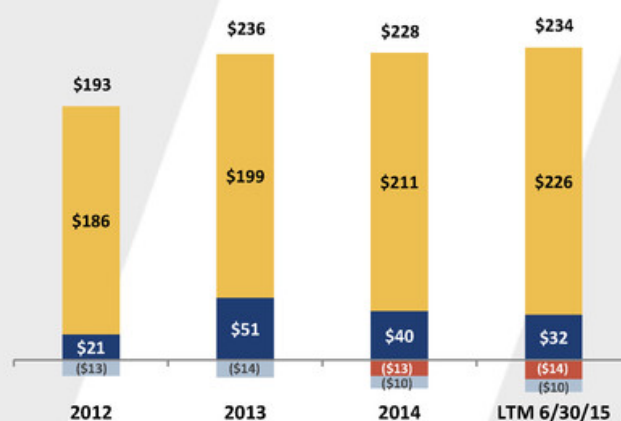
## Pro-Forma Adjusted Revenues<sup>1</sup>

■ Real Estate ■ E-cigarettes ■ Tobacco ■ Corporate & Other



## Pro-Forma Adjusted EBITDA<sup>1</sup>

■ Real Estate ■ E-cigarettes ■ Tobacco ■ Corporate & Other



<sup>(1)</sup> Pro-Forma Adjusted Revenues and Pro-Forma Adjusted EBITDA are Non-GAAP Financial Measures. Please refer to Exhibit 99.1 of the Company's Current Report on Form 8-K, dated July 29, 2015 (Tables 2 and 3), for a reconciliation to GAAP as well as the Disclaimer to this document on Page 2.

# HISTORICAL STOCK PRICE PERFORMANCE



## Value of \$100 Invested – December 31, 2005

	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	July-15
<b>Vector Group Ltd.</b>	100.0	112.1	143.4	112.5	135.4	192.7	227.0	219.3	279.5	411.4	506.5
<b>S&amp;P 500</b>	100.0	115.8	122.2	77.0	97.4	112.0	114.4	132.7	175.7	199.7	206.3
<b>S&amp;P MidCap</b>	100.0	109.0	119.1	76.0	104.3	132.1	129.8	152.9	204.1	224.0	233.7
<b>NYSE ARCA Tobacco</b>	100.0	140.2	154.2	123.0	173.7	207.4	243.8	289.4	318.9	317.0	397.2
<b>Dow Jones Real Estate Total Return</b>	100.0	135.5	110.9	66.5	86.9	110.4	117.1	139.3	141.8	180.4	179.1

Note: The graph above compares the total annual return of Vector's Common Stock, the S&P 500 Index, the S&P MidCap 400 Index, the NYSE ARCA Tobacco Index and the Dow Jones Real Estate Total Return for the period from December 31, 2005 through July 31, 2015. The graph assumes that all dividends and distributions were reinvested.  
Source: Bloomberg LP





Vector Group Ltd. owns Liggett Group, Vector Tobacco, Zoom E-Cigs, and New Valley.  
New Valley owns a 70% interest in Douglas Elliman.

## TOBACCO

- Fourth-largest cigarette manufacturer in the U.S. with a strong family of brands — *Pyramid*, *Grand Prix*, *Liggett Select*, *Eve* and *Eagle 20's* — representing 12% share of the discount market.
- Focused on brand strength and long-term profit growth, while continuing to evaluate opportunities to pursue incremental volume and margin growth.
- Annual cost advantage of approximately \$160 million due to favorable treatment under the Master Settlement Agreement.
- The only cigarette company to have reached a comprehensive settlement resolving substantially all of the individual *Engle* progeny product liability cases pending in Florida. The *Engle* progeny cases have represented the most significant litigation against the U.S. cigarette industry in recent years.
- 2014 expiration of the Tobacco Transition Payment Program could yield substantial incremental free cash flow. TPPP payments were approximately \$13.5 million for the twelve months ended June 30, 2015.



## E-CIGARETTES

- In 2014, entered e-cigarette category with national rollout of *Zoom*, a superior disposable product featuring Tobacco and Menthol flavors.



## REAL ESTATE

- New Valley, which owns 70.59% of Douglas Elliman Realty, LLC, is a diversified real estate company that is seeking to acquire additional operating companies and real estate properties.
- New Valley has invested approximately \$210 million, as of June 30, 2015, in a broad portfolio of 23 domestic and international real estate investments.
- Douglas Elliman is the largest residential real estate brokerage firm in the New York metropolitan area and the fourth-largest in the U.S.
- Douglas Elliman's closings totaled \$19.8 billion for the twelve months ended June 30, 2015 and it has approximately 6,000 affiliated agents and 80 offices throughout the New York metropolitan area, South Florida, Aspen, Greenwich, and Los Angeles.



## EXECUTIVE MANAGEMENT

**Howard M. Lorber**  
President and Chief Executive Officer

**Richard J. Lampen**  
Executive Vice President

**J. Bryant Kirkland III**  
Vice President, Chief Financial Officer and Treasurer

**Marc N. Bell**  
Vice President, General Counsel and Secretary

**Ronald J. Bernstein**  
President and Chief Executive Officer of Liggett Group LLC and Liggett Vector Brands LLC

## COMPANY HIGHLIGHTS

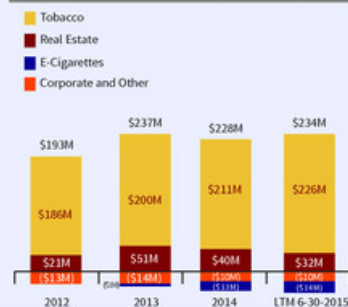
- Headquartered in Miami with an executive office in Manhattan and tobacco operations in North Carolina
- Employs approximately 1,500 people
- Executive management and directors beneficially own 14% of the Company
- Reported cash of \$238 million and investments with fair value of \$399 million at June 30, 2015
- Recognized as one of America's Most Trustworthy Companies by *Forbes* in 2013



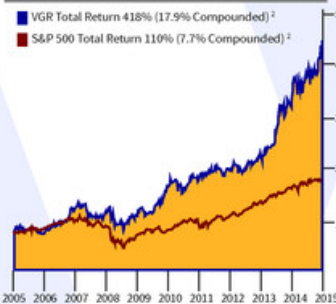
“Vector is a largely underfollowed company with a highly competent management team and numerous ways to unlock value”

Oppenheimer analyst Ian Zaffino  
*Barron's Online, August 14, 2014*

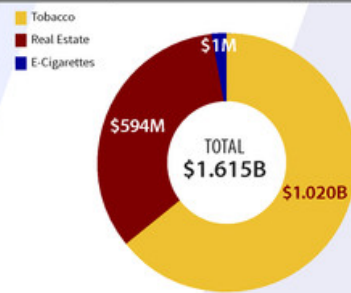
## Pro-Forma Adjusted EBITDA<sup>1</sup>



## 10-Year Stockholder Return



## Pro-Forma Adjusted Revenues LTM 6/30/15<sup>1</sup>



<sup>1</sup> The Company's net income attributable to Vector Group Ltd. for the periods presented was \$31M, \$39M, \$37M and \$65M, respectively. The Company's revenues for the twelve months ended June 30, 2015 were \$1.6B. Pro-Forma Adjusted EBITDA to net income and Pro-Forma Adjusted Revenues to revenues, please see Vector Group Ltd.'s Current Reports on Forms 8-K, filed on October 6, 2014, November 10, 2014, March 2, 2015, July 29, 2015 and August 5, 2015 and Form 10-Q for the quarterly period ended June 30, 2015 (Commission File Number 1-5759).

<sup>2</sup> 10-Year return from July 31, 2005 to July 31, 2015 and assumes reinvestment of dividends received.

This summary contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We have identified these forward-looking statements using words such as "could" and similar expressions. These statements reflect our current beliefs. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements to differ materially from those expressed in, or implied by, such statements.





New Valley LLC, the real estate subsidiary of Vector Group Ltd. (NYSE: VGR), owns real estate and 70% of Douglas Elliman, the largest residential brokerage firm in the New York metropolitan area, as well as a minority stake<sup>1</sup> in numerous real estate investments.

## NEW VALLEY REAL ESTATE INVESTMENTS<sup>1</sup>

New Valley has invested approximately \$210 million, as of June 30, 2015, in a broad portfolio of real estate projects in the United States, the Caribbean and Europe.

### New Valley Investment & Development Portfolio<sup>1</sup>



### New Valley's New York Real Estate Investments<sup>1</sup>

1. **The Marquand** Upper East Side
2. **10 Madison Square Park West** Flatiron District/NoMad
3. **11 Beach Street** TriBeCa
4. **20 Times Square** Times Square
5. **111 Murray Street** TriBeCa
6. **357 West Street** Greenwich Village
7. **PUBLIC Chrystie House** Lower East Side
8. **The Dutch** Long Island City
9. **Queens Plaza** Long Island City
10. **Park Lane Hotel** Central Park South
11. **125 Greenwich Street** Financial District
12. **76 Eleventh Avenue** West Chelsea

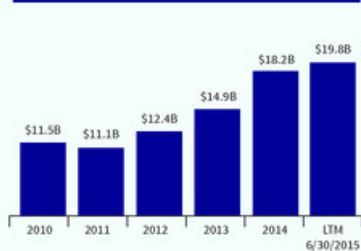
### International Investments<sup>1</sup>

- Milano/rosto Holdings Milan, Italy
- Hotel Taiwana St. Barthélemy
- Coral Beach and Tennis Club Bermuda

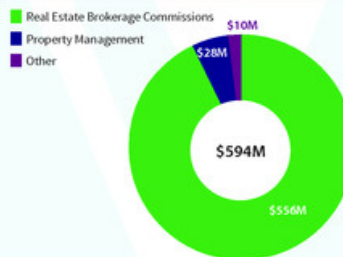
## DOUGLAS ELLIMAN

- Largest residential real estate brokerage firm in New York metropolitan area and fourth-largest in United States.
- Closings of \$19.8 billion for the last twelve months ended June 30, 2015; Douglas Elliman has approximately 6,000 affiliated agents and 80 offices throughout the New York metropolitan area, South Florida, Aspen, Greenwich, and Los Angeles.
- Strategic Marketing Partnership with Yahoo!-Zillow<sup>®</sup> Real Estate Network that provides advertising exclusivity for Douglas Elliman's listings.
- Maintains an alliance with Knight Frank—the largest independent residential brokerage in the United Kingdom—to jointly market high-end properties, providing a network with 400 offices across 55 countries with 20,000 affiliated agents.
- Pro-Forma Adjusted Revenues and Pro-Forma Adjusted EBITDA of Douglas Elliman of \$588.1 million<sup>2</sup> and \$41.1 million<sup>2</sup>, respectively, for the last twelve months ended June 30, 2015.

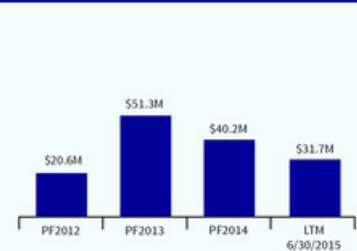
### Douglas Elliman Closings



### New Valley Pro-Forma Adjusted Revenues - LTM June 30, 2015<sup>2</sup>



### New Valley Pro-Forma Adjusted EBITDA<sup>2</sup>



### EXECUTIVE MANAGEMENT

- Howard M. Lorber**  
President and Chief Executive Officer
- Richard J. Lampen**  
Executive Vice President
- J. Bryant Kirkland III**  
Vice President, Treasurer and Chief Financial Officer
- Marc N. Bell**  
Vice President, Secretary and General Counsel
- Bennett P. Borko**  
Executive Vice President of New Valley Realty division
- Dorothy Herman**  
President and Chief Executive Officer of Douglas Elliman

### COMPANY HIGHLIGHTS

- Executive offices in Manhattan and Miami
- Employs approximately 900 people

<sup>1</sup> For the percentage of each real estate project owned, please refer to the "Summary of Real Estate Investments" section of Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations - located on page 56 of Vector Group Ltd.'s Form 10-Q for the quarterly period ended June 30, 2015 (Commission File Number 1-5759).

<sup>2</sup> Douglas Elliman's Revenues were \$587M and Douglas Elliman's net income was \$28.4M for the twelve months ended June 30, 2015. New Valley's net income for the periods presented was approximately \$16.4M, \$59.4M, \$21.4M and \$17.5M, for the periods presented, respectively. New Valley's revenues for the twelve months ended June 30, 2015 were \$593.2M. Pro-Forma Adjusted EBITDA and Pro-Forma Adjusted Revenues are non-GAAP financial measures. For a reconciliation of Pro-Forma Adjusted EBITDA to net income and Pro-Forma Adjusted Revenues to revenues, please see Vector Group Ltd.'s Current Reports on Forms 8-K, filed on July 29, 2015, March 2, 2015, and November 10, 2014 and Form 10-Q for the quarterly period ended June 30, 2015 (Commission File Number 1-5759). New Valley's Pro-Forma Adjusted EBITDA does not include an allocation of Vector Group Ltd.'s Corporate and Other Expenses (for purposes of computing Pro-Forma Adjusted EBITDA) of \$13.1M, \$12.6M, \$10.4M and \$9.6M, for the periods presented, respectively.

