



September 13, 2001

VECTOR GROUP FILES FOR REGISTRATION OF CONVERTIBLE NOTES FOR RESALE

Vector Group Ltd. (NYSE: VGR) today announced that it has filed with the Securities and Exchange Commission a registration statement on Form S-3. The registration statement relates to the resale by the holders of \$172.5 million principal amount of Vector Group's 6.25% convertible subordinated notes due 2008 and the common stock issuable upon conversion of the notes.

The notes were originally sold on July 5, 2001 in a private placement to qualified institutional buyers. The filing of this registration statement is required by the registration rights agreement entered into by Vector Group.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any 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 any such state.

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