



April 26, 2013

VECTOR GROUP LTD. COMMENCES EXCHANGE OFFER FOR 7.750% SENIOR SECURED NOTES

MIAMI, FL, April 26, 2013 -- Vector Group Ltd. (NYSE: VGR) ("Vector") today announced that it has commenced an offer to exchange up to \$450 million in aggregate principal amount of its 7.750% Senior Secured Notes due 2021 (the "Original Notes"), which were privately placed in February 2013 pursuant to exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act"), for an equal amount of newly issued 7.750% Senior Secured Notes due 2021 that have been registered under the Securities Act (the "Exchange Notes").

The Exchange Notes will have substantially the same terms as the Original Notes, except for the elimination of certain transfer restrictions. The Exchange Notes will be issued only upon cancellation of a like amount of currently outstanding Original Notes. Vector will not receive any proceeds from the exchange offer.

Vector is making this exchange offer to satisfy its obligations under a registration rights agreement entered into when it issued the Original Notes. Any Original Notes not tendered for exchange in the exchange offer will remain outstanding and continue to accrue interest, and Vector will have no further obligation to provide for the registration of such notes under the Securities Act, except under certain limited circumstances.

Pursuant to the terms of the exchange offer, Vector will accept for exchange any and all Original Notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on May 28, 2013 (the "Expiration Date"), unless extended. Tenders of Original Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date.

The terms of the exchange offer and other information relating to Vector are set forth in the prospectus dated April 26, 2013. Copies of the prospectus and the related letter of transmittal may be obtained from U.S. Bank National Association ("U.S. Bank"), which is serving as the exchange agent in connection with the exchange offer. U.S. Bank's address, telephone number and facsimile number are as follows:

U.S. Bank National Association
60 Livingston Avenue
EP-MN-WS3C
St. Paul, MN 55107-2292
Attention: Specialized Finance Department
Phone: (800) 934-6802
Facsimile: (651) 466-7372

This press release shall not constitute an offer to exchange or a solicitation of an offer to exchange the Original Notes. The exchange offer is made only by the prospectus dated April 26, 2013.

Vector Group Ltd. is a holding company that indirectly owns Liggett Group LLC and Vector Tobacco Inc. and directly owns New Valley LLC.

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Paul Caminiti / Jonathan Doorley
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