



August 7, 2014

Vector Group Ltd. Extends Exchange Offer Deadline for 7.750% Senior Secured Notes in the Aggregate Principal Amount of \$150,000,000

MIAMI--(BUSINESS WIRE)-- Vector Group Ltd. (NYSE:VGR) (the "Company") today announced that it has extended the expiration of its exchange offer from 5:00 p.m., New York City Time, on August 7, 2014 to 5:00 p.m., New York City Time, on August 14, 2014. Pursuant to the exchange offer, the Company has offered to exchange \$150,000,000 in aggregate principal amount of its 7.750% Senior Secured Notes due 2021 (the "Original Notes"), which were issued as additional notes in April 2014 in a private placement 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 (the "New Notes") which have been registered under the Securities Act. The New Notes will have substantially the same terms as the Original Notes, except that the New Notes will be registered under the Securities Act.

As of 5:00 p.m., New York City time, on August 7, 2014, \$149,900,000 in aggregate principal amount of the Original Notes (or approximately 99.9% of the Original Notes) had been tendered pursuant to the exchange offer. The exchange offer has been extended in order to allow additional time for the holders of the remaining \$100,000 aggregate principal amount of the Original Notes to participate in the exchange offer.

Except for the extension of the expiration date of the exchange offer for the Original Notes, all other terms, conditions and provisions of the exchange offer remain effective as of the date hereof.

The terms of the exchange offer and other information relating to Vector Group Ltd. are set forth in the prospectus dated July 9, 2014. 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. Questions concerning the delivery of appropriate documentation for the exchange offer should be directed to the U.S. Bank. 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

The Original Notes have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

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 July 9, 2014.

Vector Group Ltd. is a holding company that indirectly owns Liggett Group LLC, Vector Tobacco Inc., and Zoom E-Cigs LLC and directly owns New Valley LLC, which owns a controlling interest in Douglas Elliman Realty, LLC.

Sard Verbinnen & Co
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212-687-8080

Source: Vector Group Ltd.

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