

## **Notice to New Valley Corporation Stockholders**

**New Valley Corporation provides an update on the tax status on its 2005 property distributions on its common stock.**

New Valley Corporation anticipates its distribution of 0.852 shares of Ladenburg Thalmann Financial Services (AMEX: LTS) for each share of New Valley Common Stock, which was paid on March 30, 2005, will be treated as a taxable dividend

Based on tax calculations, New Valley has determined that it had current earnings and profits for federal income tax purposes for the year ended December 31, 2005 in excess of the amount of LTS distributed.

New Valley has determined that each LTS share received had a fair value of \$0.67 per share.

**Stockholders should secure their own tax advice regarding the status of property distributions under applicable federal, state and local tax laws.**