



Contact: John P. Saldarelli
Secretary and Treasurer
(914) 242-7700

FOR IMMEDIATE RELEASE

**AMERICAN REAL ESTATE PARTNERS, L.P.
APPROVES \$0.10 PER UNIT QUARTERLY DISTRIBUTION,
EXTENDS FILING DATE FOR THIRD QUARTER RESULTS AND
ANNOUNCES EARNINGS CALL**

Mount Kisco, New York, November 9, 2005 - American Real Estate Partners, L.P. ("AREP") (NYSE:ACP) today reported that the board of directors of its general partner, American Property Investors, Inc. ("API"), has approved payment of a quarterly cash distribution of \$0.10 per unit on its depositary units for the fourth quarter of this year consistent with the distribution policy earlier adopted by AREP. The distribution is payable on December 12, 2005 to depositary unitholders of record at the close of business on November 28, 2005. The payment of future distributions will be determined by API's board.

AREP also announced it has filed a Notification of Late Filing on Form 12b-25 with the Securities and Exchange Commission for its Form 10-Q for the third quarter 2005 and has scheduled its quarterly earnings call to discuss financial and operational results on Wednesday, November 16, 2005 at 9:30 a.m., Eastern Time. AREP sought an extension of up to five calendar days to file its quarterly report for the period ended September 30, 2005. The extension will allow AREP adequate time to properly reflect in its third quarter financial results the effect of the acquisition of the assets of WestPoint Stevens Inc. by AREP's subsidiary, WestPoint Home, Inc., and the chapter 11 bankruptcy filing of GB Holdings, Inc., a subsidiary of AREP which owns a minority interest in The Sands Hotel and Casino in Atlantic City, New Jersey. Each of these transactions was complex, including from an accounting perspective, and AREP's management needs additional time to ensure that AREP's consolidated financial statements fully and fairly reflect its financial condition and results of operations.

Conference Call Information: AREP will hold a conference call to discuss financial and operational results on Wednesday, November 16, 2005 at 9:30 a.m., Eastern Time. The webcast will be broadcast live and may be joined by visiting AREP's website at <http://www.areplp.com>. It will also be archived and made available at

<http://www.areplp.com> under the Investor Relations Section. For those wishing to monitor only the audio portion of the webcast, a dial-in number, 1-800-950-0039, has been established. The access code is 14444.

American Real Estate Partners, L.P., a master limited partnership, is a diversified holding company engaged in a variety of businesses. AREP's businesses currently include home fashion; gaming; oil and gas exploration and production; and real estate.

This release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, many of which are beyond our ability to control or predict. Forward-looking statements may be identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," or words of similar meaning and include, but are not limited to, statements about the expected future business and financial performance of AREP and its subsidiaries. Among these risks and uncertainties are risks related to our home fashion operations, including changes in the availability and price of raw materials, changes in customer preferences and changes in transportation costs and delivery times; risks related to our casino gaming and associated hotel, restaurant and entertainment operations, including the effects of regulation, substantial competition, rising operating costs and economic downturns; risks related to oil and gas exploration and production operations, including costs of drilling, completing and operating wells and the effects of regulation; risks related to our real estate activities including the extent of any tenant bankruptcies and insolvencies, our ability to maintain tenant occupancy at current levels, our ability to obtain, at reasonable costs, adequate insurance coverage, competition for investment properties, and other risks and uncertainties detailed from time to time in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking information, whether as a result of new information, future developments or otherwise.