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**FOR IMMEDIATE RELEASE**

**AMERICAN REAL ESTATE PARTNERS, L.P.  
APPROVES \$0.10 PER UNIT QUARTERLY DISTRIBUTION**

**Mount Kisco, New York, March 15, 2006** - American Real Estate Partners, L.P. ("AREP") (NYSE:ACP ) today reported that its Board of Directors approved payment of a quarterly cash distribution of \$0.10 per unit on its depositary units for the first quarter of this year consistent with the distribution policy established in 2005. The distribution is payable on April 7, 2006 to depositary unitholders of record at the close of business on March 27, 2006.

AREP, a master limited partnership, is a diversified holding company engaged in a variety of businesses. AREP's businesses currently include Oil & Gas Exploration and Production; Gaming; Real Estate; and Home Fashion.

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 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.