

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15 (d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

MAY 15, 2003  
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Date of Report (Date of earliest event reported)

AMERICAN REAL ESTATE PARTNERS, L.P.  
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(Exact Name of Registrant as Specified in its Charter)

DELAWARE  
-----

(State of Organization)

1-9516  
-----

(Commission File Number)

13-3398766  
-----

(IRS Employer Identification Number)

100 SOUTH BEDFORD ROAD  
MT. KISCO, NY 10549  
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(Address of Registrant's Principal Executive Office (Zip Code))

(914) 242-7700  
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(Registrant's telephone number, including area code)

-----  
(Former Name or Former Address, if Changed Since Last Report)

ITEM 5. OTHER EVENTS

On May 15, 2003, the Registrant announced its 2003 first quarter financial results. Reference is made to the press release, dated May 15, 2003, annexed hereto as Exhibit 99.3 for information regarding the announcement.

ITEM 7. EXHIBITS

Description of Document

Exhibit No.

99.3 - Press Release, dated May 15, 2003

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN REAL ESTATE PARTNERS, L.P.  
(Registrant)

By: American Property Investors, Inc.  
General Partner

By: /s/ John P. Saldarelli

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John P. Saldarelli  
Chief Financial Officer, Secretary and Treasurer

Date: May 16, 2003

EXHIBIT INDEX

Exhibit Number	Description	Page No.
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99.3	Press Release dated May 15, 2003	3

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

FOR IMMEDIATE RELEASE

AMERICAN REAL ESTATE PARTNERS, L.P.  
 REPORTS FIRST QUARTER RESULTS

Mount Kisco, New York, May 15, 2003 - American Real Estate Partners, L.P. (NYSE:ACP) today reported the following first quarter financial results:

For the first quarter of 2003, diluted earnings per weighted average limited partnership unit outstanding decreased from \$.33 in 2002 to \$.18 in 2003.

Earnings decreased from \$18,822,000 in the first quarter of 2002 to \$10,483,000 in the first quarter of 2003 primarily due to decreased earnings from land, house and condominium operations, decreased equity in earnings of GB Holdings, Inc. and a write-down of equity securities.

American Real Estate Partners, L.P. is a master limited partnership primarily engaged in acquiring and managing real estate investments with a primary focus on office, retail, industrial, hotel, gaming, and residential properties.

FOR IMMEDIATE RELEASE

AMERICAN REAL ESTATE PARTNERS, L.P.  
 REPORTS FIRST QUARTER RESULTS

CONSOLIDATED RESULTS OF EARNINGS  
 In thousands of dollars except per unit data

First quarter ended March 31, ----- (unaudited)	2003 ----	2002 ----
Revenues	\$ 64,255	
\$ 78,419	=====	=====
Operating income	\$ 10,506	\$ 17,183
Provision for loss on real estate	(200)	--
Write-down of equity securities	(961)	--

Gain on sales and disposition of real estate	1,138	1,639
	-----	-----
Net earnings	\$ 10,483	\$ 18,822
	=====	=====
Net earnings per L.P. unit:		
Basic:		
Net earnings	\$ .20	\$ .38
	=====	=====
Weighted average units outstanding	46,098,284	46,098,284
	=====	=====
Diluted:		
Net earnings	\$ .18	\$ .33
	=====	=====
Weighted average units and equivalent units outstanding	55,641,655	56,377,391
	=====	=====