

Riviera Holdings Corporation

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FOR IMMEDIATE RELEASE

RIVIERA REPORTS RECORD RESULTS FOR FIRST QUARTER 2007

LAS VEGAS, NV - May 4, 2007 -- Riviera Holdings Corporation
(AMEX: RIV)
today reported financial results for the three-month period ended March
31,
2007. The Company reported record net income, adjusted EBITDA, as
defined below,
and operating income for the first quarter of 2007.

First Quarter 2007

Net revenues for the three months ended March 31, 2007 were
\$52.0
million, an increase of approximately \$340,000 over the first quarter
of 2006.
The increase in net revenues was generated from increased casino
revenues in
both Las Vegas and Black Hawk and increased room revenues in Las Vegas.
The
increases in casino revenues of \$690,000 in Las Vegas and \$340,000 in
Black Hawk
were primarily a result of the positive effects of a new slot product
installed
in 2006 and of targeted marketing efforts at both locations.
Additionally, room
revenue increased \$1.5 million in Las Vegas primarily from increases in
both
occupancy and average daily rate (ADR) to 93.2 percent and \$89.70, from
90.9

percent and \$83.60, respectively. These increases were offset by a \$1.3 million decrease in entertainment revenues in Las Vegas as a result of two shows that were closed in 2006, and a \$700,000 decrease in food and beverage revenues, primarily in Las Vegas due to lower banquet revenues.

Income from operations was \$9.0 million for the first quarter of 2007, an increase of \$1.2 million or 15 percent from the first quarter of 2006. Net income for the quarter of \$2.6 million, or \$0.20 on a diluted per share basis, was an improvement of \$1.3 million and a 100 percent increase from the first quarter of 2006, when the Company reported net income of \$1.3 million.

Adjusted EBITDA (1) was \$12.5 million in the first quarter of 2007 compared to \$11.4 million in the first quarter of 2006, an improvement of 9.4 percent, and attributable to favorable operating results at both properties and a \$300,000 decrease in corporate expenses, primarily from the reduction of direct costs associated with Sarbanes-Oxley Act expenses. Adjusted EBITDA consists of earnings before interest, income taxes, depreciation, amortization, equity-based compensation, asset impairments, and mergers, acquisitions and development costs, as shown in the reconciliation to net income in the tables and notes of this release. As of the first quarter of 2007, the Company no longer excludes Sarbanes-Oxley Act expenses in calculating Adjusted EBITDA. The 2006 period has been adjusted to correspond with this presentation.

Debt Refinancing

Earlier this week, Wachovia and Company representatives met with Moody's, Standard and Poor's, and over 50 potential investors to review the new proposed \$245 million Senior Secured Financing. "We are very encouraged by both the presentations and the interest level," commented William L. Westerman, the Company's Chief Executive Officer, "If we are successful in our refinancing

efforts, we plan on calling our Senior Secured Notes in June of this year, which would free up approximately \$7 million in cash per year."

First Quarter 2007 Developments

- o Riviera Las Vegas net revenue was \$38.5 million, a slight increase over 2006 levels
- o Riviera Las Vegas property EBITDA was \$8.6 million compared to \$8.5 million in 2006
- o Riviera Black Hawk net revenue increased \$290,000 or 2.2 percent
- o Riviera Black Hawk property EBITDA was \$4.8 million, an increase of 15.0 percent
- o The Company has \$34 million in cash plus a \$30 million revolver, which was fully available as of March 31, 2007, compared to \$28.7 million in cash at March 31, 2006

Riviera Las Vegas

"At the Riviera, we continue to focus on providing our customers great value for their Las Vegas Strip experience. We are very excited to welcome a new show, "ICE: Direct from Russia" to the Riviera. The show opened last week and is the new must-see attraction at the Riviera. ICE is providing another quality entertainment option to the Riviera family," said Robert Vannucci, President of Riviera Las Vegas.

"All our volume indicators continue to remain strong as evidenced by our occupancy for the first quarter of 2007 which was 93.2 percent compared to 90.9 percent from the same period in 2006. In addition, our revenue per available room rate (RevPar) for the first quarter 2007 was \$83.61 compared to \$75.99 in 2006, a 10 percent increase. Our average daily win per slot unit continues to increase and was \$144.63 compared to \$107.98 in the first quarter of last year," he said.

Riviera Black Hawk

Mr. Westerman said, "We are extremely pleased with the performance of our Black Hawk property in the first quarter. EBITDA increased 15 percent compared to a year ago in spite of the highly competitive environment. Our strong EBITDA margin of 35.5 percent continues to be a testament to our team and

the quality of our property within the Black Hawk market."

Consolidated Operations

Mr. Westerman said, "The Company recorded record results in Adjusted EBITDA(1), operating income and net income for the first quarter 2007. The 100 percent increase in net income from the first quarter of 2006 to the first quarter of 2007 is a testament to the management team's focus on continually improving operations at both properties. Despite the distractions related to the possible purchase of the Company, we continue to improve our results and make strategic improvements to both Las Vegas and Black Hawk."

Conference Call Information

In conjunction with the release of first quarter 2007 financial results, Riviera will broadcast a conference call at 2 p.m. Eastern Daylight Time today, Friday, May 4, 2007. Investors can listen to the call via the Internet at www.rivierahotel.com or by dialing (888) 889-5345. The conference call rebroadcast will be available at (877) 519-4471, pass code 8691148.

Forward-Looking Statements

The forward-looking statements in this news release, which reflect our best judgment based on factors currently known to us, involve significant risks and uncertainties including hotel and casino market conditions, refinancing opportunities and interest rates, increases in energy costs, general economic and political conditions, financing requirements, expansion and modernization objectives and timetables, regulatory requirements and other risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission. Our actual results may differ materially from what is expressed or implied in our forward-looking statements. We do not plan to update our forward-looking statements even though our situation or plans may change in the future, unless applicable law requires us to do so.

About Riviera Holdings Corporation

Riviera Holdings Corporation owns and operates the Riviera Hotel and Casino on the Las Vegas Strip and the Riviera Black Hawk Casino in Black Hawk, Colorado. Riviera's stock is listed on the American Stock Exchange under the symbol RIV.

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Riviera Holdings Corporation and Subsidiaries
Financial Summary
(Amounts in thousands, except per share amounts)

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	Three Months Ended March 31			
	2007	2006	Var	%Var
Net Revenues				
<S>	<C>	<C>	<C>	<C>
Riviera Las Vegas	\$38,472	\$38,426	\$46	0.1%
Riviera Black Hawk	13,555	13,263	292	2.2%

Total Net Revenues	52,027	51,689	338	0.7%
Operating Income				
Riviera Las Vegas	6,910	6,642	268	4.0%
Riviera Black Hawk	3,256	2,753	50	18.3%
Mergers, Acquisitions and Development Costs, net	(50)	(117)	67	57.3%
Equity-Based Compensation	(199)	(216)	17	7.9%
Asset Impairment	(0)	(13)	13	NM
Corporate Expenses	(956)	(1260)	304	24.1%

Total Operating Income	8,961	7,789	1,172	15.0%
Adjusted EBITDA (1)				
Riviera Las Vegas	8,607	8,467	140	1.7%
Riviera Black Hawk	4,815	4,188	627	15.0%
Corporate Expenses	(956)	(1260)	304	24.1%

Total Adjusted EBITDA	12,466	11,395	1,071	9.4%
Adjusted EBITDA Margins (2)				
Riviera Las Vegas	22.4%	22.0%	0.4%	
Riviera Black Hawk	35.5%	31.6%	3.9%	
Consolidated	24.0%	22.0%	2.0%	
Net income	\$2,562	\$1,280	100%	

EARNINGS PER SHARE DATA

Weighted average basic shares outstanding	12,260	11,997	263
Basic income per share	\$0.21	\$0.11	\$0.10
Weighted average diluted shares outstanding	12,509	12,258	249
Diluted income per share	\$0.20	\$0.10	\$0.10

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(1) Adjusted EBITDA consists of earnings before interest, income taxes, depreciation, amortization, equity-based compensation, asset impairment, and

mergers, acquisitions and development costs, net, as shown in the reconciliation with net income in the tables below in this release.

Adjusted

EBITDA is presented solely as a supplemental disclosure because we believe

that it is 1) a widely used measure of operating performance in the gaming

industry, and 2) a principal basis for valuation of gaming companies by

certain investors. We use property-level EBITDA (earnings before interest,

income taxes, depreciation, amortization and corporate expense) as the

primary measure of our business segment properties' performance, including

the evaluation of our operating personnel. Adjusted EBITDA should not be

construed as an alternative to operating income, as an indicator of our

operating performance, as an alternative to cash flows from operating

activities, as a measure of liquidity, or as any other measure determined in

accordance with generally accepted accounting principles. We have significant uses of cash flows, including capital expenditures, interest

payments and debt principal repayments, which are not reflected in Adjusted

EBITDA. Also, other gaming companies that report EBITDA or Adjusted EBITDA

may calculate it in a different manner than we do. A reconciliation of net

income to Adjusted EBITDA is included in the tables below in this release.

(2) Adjusted EBITDA margins represent Adjusted EBITDA divided by Net Revenues.

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Riviera Holdings Corporation and Subsidiaries
 Reconciliation of Net Income to Adjusted EBITDA:
 (Amounts in thousands)

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Mergers,

Equity	Development	Net Acquisitions, Income Management (Loss) Fee	Interest Income Adjusted &(Exp.) EBITDA	Operating Income (Loss)	Depre- ciation	Asset Impairment
Based	&Costs, net					
Comp.						

First Quarter 2007:						
<S>		<C>	<C>	<C>	<C>	<C>
<C>	<C>	<C>	<C>			
Riviera Las Vegas		\$6,944	\$ 34	\$6,910	\$2,268	\$ -
\$ -	-	(571)	\$8,607			
Riviera Black Hawk		1,358	(1,898)	3,265	988	-
-	-	571	4,815			
Corporate		(5,704)	(4,535)	(1,205)	-	-
199	50	-	(956)			

		\$2,562	\$(6,399)	\$8,961	\$3,256	\$ -
\$199	\$50	\$ -	\$ 12,466			

First Quarter 2006:						
Riviera Las Vegas		\$6,656	\$ 14	\$6,642	\$2,332	\$ -
\$ -	\$ -	(507)	\$8,467			
Riviera Black Hawk		841	(1,912)	2,753	928	-
-	-	507	4,188			
Corporate		(6,217)	(4,611)	(1,606)	-	13
216	117	-	(1,260)			

		\$1,280	\$(6,509)	\$7,789	\$3,260	\$ 13
\$216	\$ 117	\$ -	\$11,395			

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Balance Sheet Summary

<TABLE>
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March 31 December 31
 2007 2006

<S>	<C>	<C>
Cash and short term investments	\$33,960	\$25,285
Total current assets	43,091	34,142
Property and equipment, net	170,367	171,320
Total assets	221,332	213,682
Total current liabilities	30,481	25,235
Long-term debt, net of current portion	214,028	214,124
Total shareholders' deficiency	(27,774)	(30,534)

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RIVIERA HOLDINGS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share amounts)

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	Three Months Ended March 31,	
	2007	2006
--		
REVENUES		
<S>	<C>	<C>
Casino	\$28,119	\$27,082
Rooms	16,314	14,843
Food and beverage	8,188	8,898
Entertainment	2,406	3,681
Other	1,712	1,703

Total Revenues	56,739	56,207
Less - promotional allowances	4,712	4,518

Net revenues	52,027	51,689

COSTS AND EXPENSES		
Direct costs and expenses of operating departments		
Casino	14,252	13,820
Rooms	7,051	6,789
Food and beverage	6,141	6,332
Entertainment	1,626	2,642
Other	337	466

Other operating expenses		
General and administrative	10,154	10,245
Mergers, acquisitions and development costs, net	50	117
Equity-based compensation	199	216
Asset impairment	0	13
Depreciation and amortization	3,256	3,260

--- Total costs and expenses	43,066	43,900

--- INCOME FROM OPERATIONS	8,961	7,789
Interest expense, net	(6,399)	(6,509)

--- NET INCOME	\$ 2,562	\$1,280
	=====	
Shares Outstanding		
Basic	12,260	11,997
Diluted	12,509	12,258
Net loss per common share		
Basic	\$0.21	\$0.11
Diluted	\$0.20	\$0.10
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