



READING

INTERNATIONAL

Annual Shareholders Meeting

Presented on May 19, 2011

Safe Harbor Statement



Our comments today may contain forward-looking statements and management may make additional forward-looking statements in response to your questions. Such written and oral disclosures are made pursuant to the Safe Harbor provision of the Private Securities Litigation Reform Act of 1995.

Although we believe our expectations expressed in such forward looking statements are reasonable, we cannot assure you that they will be realized. Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the anticipated results, and therefore we refer you to a more detailed discussion of the risks and uncertainties in the Company's filings with the Securities & Exchange Commission.

Financial Reconciliations



Use of EBITDA and Adjusted EBITDA;

We use EBITDA in our evaluation of our performance since we believe that EBITDA provides a useful measure of financial performance and value. We believe this principally for the following reasons:

We believe that EBITDA is an industry comparative measure of financial performance. It is, in our experience, a measure commonly used by analysts and financial commentators who report on the cinema exhibition and real estate industries and a measure used by financial institutions in underwriting the creditworthiness of companies in these industries. Accordingly, our management monitors this calculation as a method of judging our performance against our peers and market expectations and our creditworthiness. Also, analysts, financial commentators and persons active in the cinema exhibition and real estate industries typically value enterprises engaged in these businesses at various multiples of EBITDA. Accordingly, we find EBITDA valuable as an indicator of the underlying value of our businesses. We expect that investors may use EBITDA to judge our ability to generate cash, as a basis of comparison to other companies engaged in the cinema exhibition and real estate businesses and as a basis to value our company against such other companies.

EBITDA is not a measurement of financial performance under accounting principles generally accepted in the United States of America and should not be considered in isolation or construed as a substitute for net income or other operations data or cash flow data prepared in accordance with accounting principles generally accepted in the United States for purposes of analyzing our profitability. The exclusion of various components such as interest, taxes, depreciation and amortization necessarily limit the usefulness of these measures when assessing our financial performance as not all funds depicted by EBITDA are available for management's discretionary use. For example, a substantial portion of such funds are subject to contractual restrictions and functional requirements to service debt, to fund necessary capital expenditures and to meet other commitments from time to time as described in more detail in this Annual Report on Form 10-K.

EBIT and EBITDA also fail to take into account the cost of interest and taxes. Interest is clearly a real cost that for us is paid periodically as accrued. Taxes may or may not be a current cash item but are nevertheless real costs which, in most situations, must eventually be paid. A company that realizes taxable earnings in high tax jurisdictions may, ultimately, be less valuable than a company that realizes the same amount of taxable earnings in a low tax jurisdiction. EBITDA fails to take into account the cost of depreciation and amortization and the fact that assets will eventually wear out and have to be replaced.

EBITDA, as calculated by us, may not be comparable to similarly titled measures reported by other companies.

Adjusted EBITDA, which is used by management to measure performance, is a non-GAAP financial measure. Management believes that adjusted EBITDA is useful to investors as a supplemental measure of the company's operating performance because it eliminates items that have less bearing on operating performance and highlights trends in the core business that may not otherwise be apparent when relying solely on GAAP financial measures. In addition, adjusted EBITDA is one of the primary measures management uses for planning and budgeting processes and to monitor and evaluate financial and operating results. Adjusted EBITDA is not a recognized term under GAAP and does not purport to be an alternative to measures of the company's financial performance as determined in accordance with GAAP, such as net income (loss). Because other companies may calculate adjusted EBITDA differently, this presentation of adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

Equity Snapshot



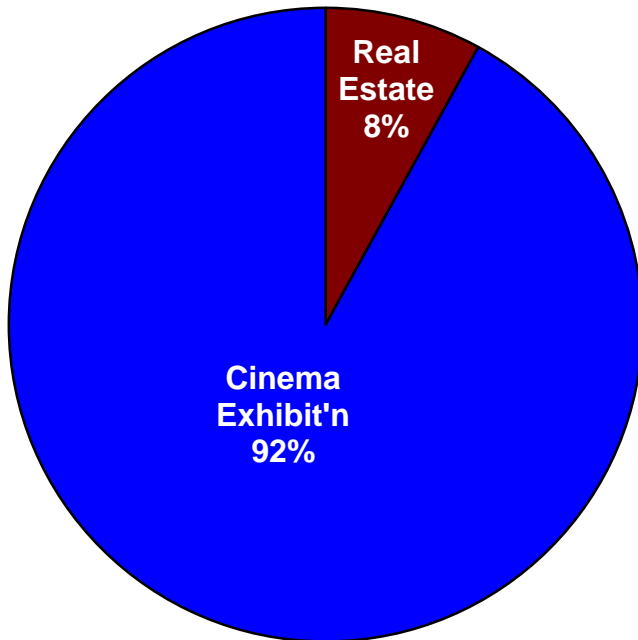
- 21.5 mil shares Class A Nonvoting Common,
- 1.5 mil shares Class B Voting Common

| | This Year | | Prior Year | |
|---|---------------|--------|-------------|--------|
| NASDAQ Listed: | RDI | | RDI | |
| Price (Class A and B) (05/17/2011) vs (05/10/2010): | \$4.58 | \$5.25 | \$4.01 | \$9.80 |
| Market Cap (Class A and B): | \$ 105.24 mil | | \$ 91.1 mil | |
| Shares Outstanding: | 23.0 mil | | 22.7 mil | |
| Float: | 18.1 mil | | 17.2 mil | |
| Revenues (ytd to 12/31/2010 & 2009): | \$229.8 mil | | \$216.7 mil | |
| Net income (loss) (ytd to 12/31/2010 & 2009): | \$(12.7) mil | | \$6.1 mil | |
| EBITDA (ytd to 12/31/2010 & 2009): | \$29.8 mil | | \$37.8 mil | |

Business and Geographic Mix

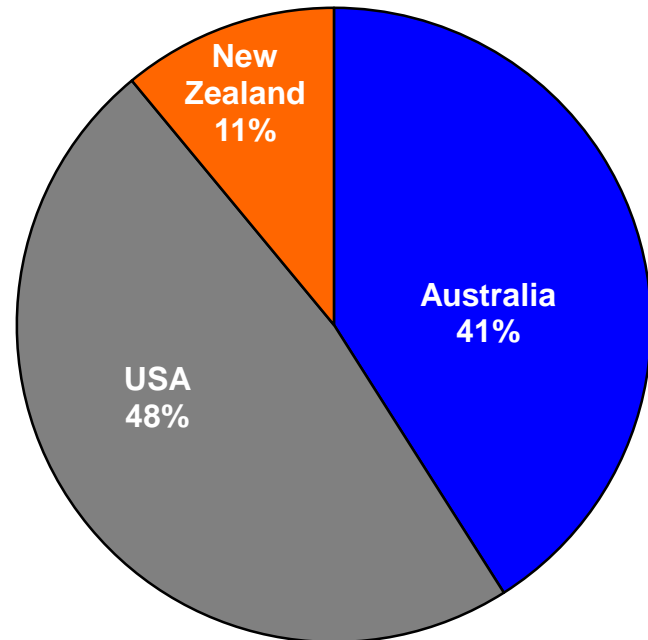


Revenue by Business



Total: \$229.8 Million

Revenue by Region



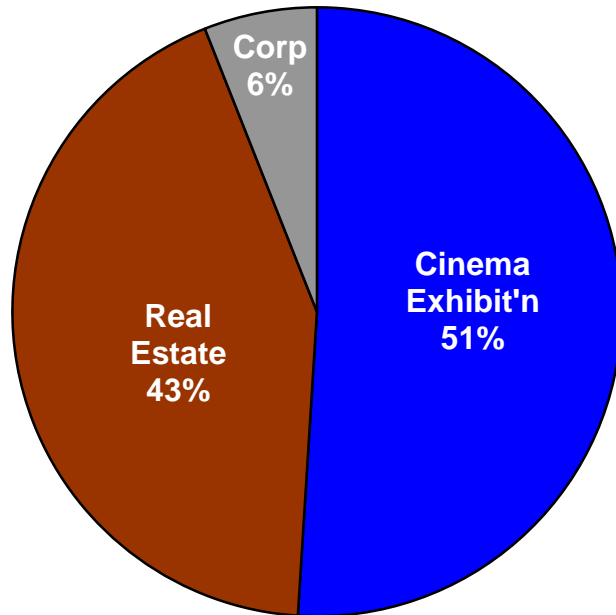
Total: \$229.8 Million

(YTD to 12/31/10)

Business and Geographic Mix

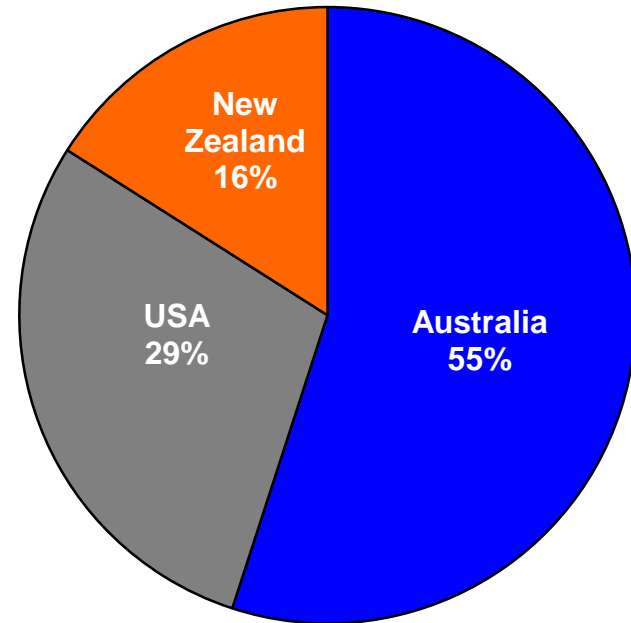


Assets by Business



Total: \$430.3 Million

Assets by Region



Total: \$430.3 Million

(As of 12/31/10)

Real Estate Valuation (as of 05/17/2011)



| Ticker | Name | Market Cap (mil) | Price/ Book (mrq) | EV/Rev (ttm) | EV/EBITDA (ttm) | EBITDA (ttm) |
|--------|---------------------------------------|---------------------|----------------------|-----------------|--------------------|-----------------|
| RDI | Reading International | \$ 105 | 0.9 | 1.6 | 12.1 | \$ 29.7 |
| AKR | Acadia Realty Trust | \$ 827 | 2.6 | 9.8 | 17.1 | \$ 94.6 |
| ADC | Agree Realty Corp. | \$ 223 | 1.4 | 8.5 | 11.4 | \$ 27.9 |
| AEC | Associated Estates Realty | \$ 670 | 2.2 | 7.8 | 19.2 | \$ 66.6 |
| BXG | Bluegreen Corp. | \$ 123 | 0.4 | 2.4 | 11.3 | \$ 77.2 |
| EPR | Entertainment Properties Trust | \$ 2,210 | 1.4 | 10.2 | 12.3 | \$ 262.9 |
| LTC | LTC Properties Inc. | \$ 871 | 2.0 | 14.3 | 16.3 | \$ 66.4 |
| MNR | Monmouth Real Estate Investment Corp. | \$ 287 | 1.6 | 11.0 | 15.5 | \$ 33.2 |
| RPT | Ramco-Gershenson Properties Trust | \$ 491 | 1.2 | 8.8 | 16.5 | \$ 64.6 |
| O | Realty Income Corp. | \$ 4,440 | 2.5 | 17.4 | 19.1 | \$ 326.2 |
| UBA | Urstadt Biddle Properties | \$ 512 | 2.1 | 7.8 | 13.0 | \$ 53.8 |
| | Average | \$ 1,065 | 1.7 | 9.8 | 15.2 | \$ 107.3 |

Cinema Exhibition Business



| Country | | Wholly Owned | Con | Un | Man | Total |
|-----------------|---------|--------------|-----|----|-----|-------|
| Australia - | cinemas | 18 | 3 | 1 | - | 22 |
| | screens | 138 | 16 | 16 | - | 170 |
| New Zealand - | cinemas | 8 | - | 3 | - | 11 |
| | screens | 44 | - | 16 | - | 60 |
| United States - | cinemas | 22 | 1 | - | 2 | 25 |
| | screens | 217 | 6 | - | 9 | 232 |
| Totals | cinemas | 48 | 4 | 4 | 2 | 58 |
| | screens | 399 | 22 | 32 | 9 | 462 |



- Revenues of \$229.8 million YTD to 12/31/2010

Cinema Exhibition Valuation (05/17/2011)



| Ticker | Name | # of Screen | Market Cap (mil) | Price/ Book (mrq) | EV/Rev (ttm) | EV/EBITDA (ttm) | EBITDA (ttm) |
|--------|------|-------------|------------------|-------------------|--------------|-----------------|--------------|
|--------|------|-------------|------------------|-------------------|--------------|-----------------|--------------|

| | | | | | | | |
|-----|-----------------------|-----|--------|-----|-----|------|---------|
| RDI | Reading International | 462 | \$ 105 | 0.9 | 1.6 | 12.1 | \$ 29.7 |
|-----|-----------------------|-----|--------|-----|-----|------|---------|

| | | | | | | | |
|------|---------------------|--------------|-----------------|------------|------------|------------|-----------------|
| RGC | Regal Entertainment | 6,698 | \$ 2,140 | N/A | 1.5 | 10.2 | \$ 398.6 |
| MCS | Marcus Corporation | 663 | \$ 312 | 0.9 | 1.4 | 8.0 | \$ 65.8 |
| CKEC | Carmike Cinemas | 2,277 | \$ 89 | N/A | 0.9 | 7.5 | \$ 54.7 |
| CNK | Cinemark Holdings | 4,945 | \$ 2,390 | 2.3 | 1.7 | 8.4 | \$ 422.6 |
| | Average | 3,646 | \$ 1,233 | 1.6 | 1.4 | 8.5 | \$ 235.4 |

| | | | | | | | |
|------|------|-----|----------|------|------|------|---------|
| IMAX | IMAX | 518 | \$ 2,280 | 14.2 | 10.4 | 67.3 | \$ 34.2 |
|------|------|-----|----------|------|------|------|---------|

Full Year 2010

Twelve Month 2010 Highlights



- our revenue for the 2010 year was \$229.8 million compared to \$216.7 million in the 2009 year, an increase of \$13.1 million or 6.1%, driven by a \$13.4 million increase in Australia and a \$2.6 million increase in New Zealand;
- on April 30, 2010, we refinanced the loan secured by our Union Square property with another lender. The new loan for \$7.5 million has a five-year term with a fixed interest rate of 5.92% per annum and an amortization payment schedule of 20 years with a balloon payment of approximately \$6.4 million at the end of the loan term.
- on July 31, 2010, Bank of America extended a \$3.0 million line of credit (“LOC”) to RDI. The agreement is for one year and is potentially renewable at that date. The LOC carries an interest rate equal to BBA LIBOR floating plus 350 basis points margin. At December 31, 2010, we had not drawn down any of this facility.

Twelve Month 2010 Highlights



- during July 2010, our wholly owned subsidiary, Craig Corporation, and the IRS agreed to file with the Tax Court a settlement of the IRS's claim against Craig Corporation with respect to its 1997 tax year, where the IRS conceded 70% of its proposed adjustment to income resulting in a \$12.1 million adjustment to taxes payable;
- on September 27, 2010 we gave notice to Nationwide Theaters Corp. that in accordance with the principal reduction provisions of the Seller's note associated with our 2008 Consolidated Cinemas acquisition, we were entitled to a \$12.5 million reduction in the principal amount owed; and
- on December 1, 2010, GE Capital amended and restated our GE Capital Term Loan agreement, lending to us an additional \$8.0 million and extending the loan expiration date to December 1, 2015.
- in 2010, we were advised by our principal lender in Australia that it was curtailing lending activities in that country, and would not be renewing our \$111.3 million (AUS\$110.0 million) credit facility. On March 9, 2011, we received credit approval from National Australia Bank for a \$106.3 million (AUS\$105.0 million) facility that will replace our expiring Australia Corporate Credit Facility which will allow us to fully repay our \$101.7 million (AUS\$100.5 million) of outstanding debt.

Summary Financial Data



Income Statement

Year Ended December 31,

| (\$ in thousands) | <u>2010</u> | <u>2009</u> |
|--|-------------------|-------------------|
| Revenues | \$ 229,817 | \$ 216,685 |
| Operating expenses | 216,688 | 202,821 |
| Operating income | 13,129 | 13,864 |
| Net income from continuing operations | 848 | 7,991 |
| Net income (loss) applicable to common | (12,650) | 6,094 |
| Earnings (loss) Per Share from continuing ops - fully diluted | (0.56) | 0.27 |
| Earnings (loss) Per Share - fully diluted | (0.56) | 0.27 |
| EBITDA | 29,782 | 37,786 |

Detailed Financial Data



| <u>Statements of Operations</u> | Twelve Months Ended | |
|---|---------------------|------------|
| | <u>December 31,</u> | |
| | 2010 | 2009 |
| Revenue | \$ 229,817 | \$ 216,685 |
| Operating expense | | |
| Cinema/real estate | 180,774 | 167,820 |
| Depreciation and amortization | 15,891 | 15,135 |
| Loss on transfer of real estate from held for sale to continuing operations | - | 549 |
| Impairment expense | 2,239 | 3,217 |
| Contractual commitment loss | - | 1,092 |
| General and administrative | 17,784 | 17,559 |
| Other operating income | - | (2,551) |
| Operating income | 13,129 | 13,864 |
| Interest expense, net | (12,286) | (14,572) |
| Other income (loss) | 1,350 | (1,898) |
| Gain on retirement of subordinated debt | - | 10,714 |
| Gain on sale of investments in unconsolidated entities | - | 268 |
| Income from discontinued operations | 5 | 58 |
| Income tax expense | (14,232) | (1,952) |
| Net income attributable to noncontrolling interest | (616) | (388) |
| Net income (loss) | \$ (12,650) | \$ 6,094 |
| Basic and diluted earnings (loss) per share | \$ (0.56) | \$ 0.27 |
| EBITDA | \$ 29,782 | \$ 37,786 |
| EBITDA change | \$ (8,004) | |

Reconciliation of EBITDA to Net Income



| | <u>Year Ended December 31,</u> | |
|--|--------------------------------|------------------|
| | <u>2010</u> | <u>2009</u> |
| (\$ in thousands) | | |
| EBITDA from continuing operations | \$ 29,782 | \$ 37,786 |
| Income tax expense | (14,232) | (1,952) |
| Interest expense | (12,286) | (14,572) |
| Depreciation & amortization | (15,891) | (15,135) |
| Discontinued operations | (23) | (33) |
| Net income (loss) | \$ (12,650) | \$ 6,094 |

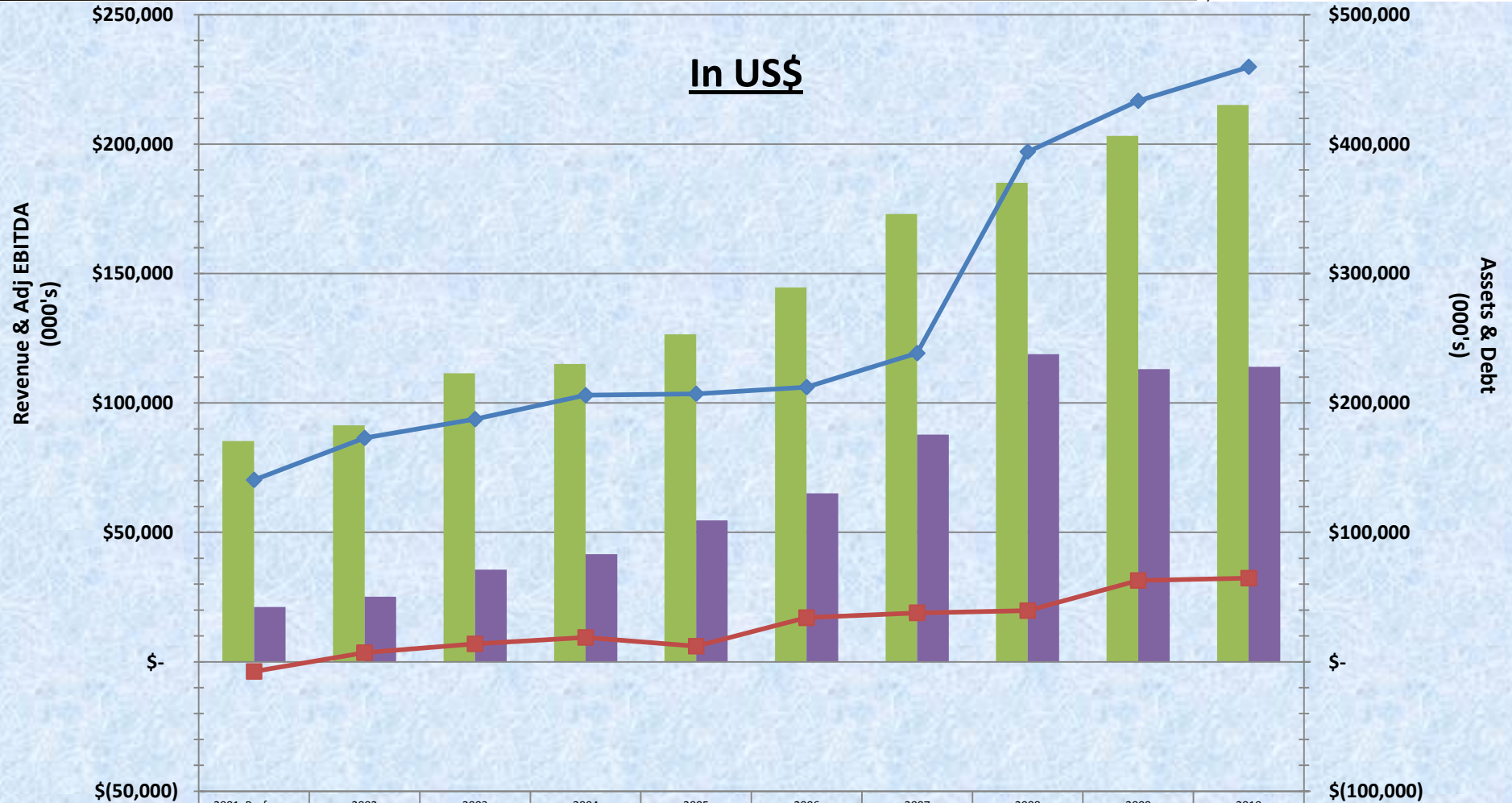
Summary Balance Sheet



Balance Sheet

| (\$ in thousands) | <u>12/31/2010</u> | <u>12/31/2009</u> |
|---|-------------------|-------------------|
| Cash and Cash Equivalents | \$ 34,568 | \$ 24,612 |
| Receivables | 5,470 | 9,458 |
| Other Current Assets | 64,879 | 7,379 |
| Total Current Assets | 104,917 | 41,449 |
| Property Held for and Under Development | 35,702 | 78,676 |
| Property & Equipment | 220,250 | 200,749 |
| Investment in Unconsolidated Entities | 10,415 | 9,732 |
| Other Assets | 59,065 | 75,811 |
| Total Assets | \$ 430,349 | \$ 406,417 |
| Total Current Liabilities | \$ 162,551 | \$ 57,678 |
| LT Notes Payable | 92,784 | 177,166 |
| Subordinate Debt | 27,913 | 27,913 |
| Other LT Liabilities | 34,462 | 33,397 |
| Total Stockholder's Equity | 112,639 | 110,263 |
| Total Liabilities & Stockholder's Equity | \$ 430,349 | \$ 406,417 |

2001 to 2010 Yearly Financial Trend



| | 2001 Proforma | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Assets | \$170,595 | \$182,772 | \$222,866 | \$230,227 | \$253,057 | \$289,231 | \$346,071 | \$370,076 | \$406,417 | \$430,349 |
| Debt | \$42,382 | \$50,240 | \$71,145 | \$83,252 | \$109,320 | \$130,212 | \$175,648 | \$237,615 | \$226,155 | \$227,983 |
| Revenue | \$70,291 | \$86,487 | \$93,739 | \$102,982 | \$103,547 | \$106,124 | \$119,235 | \$197,054 | \$216,685 | \$229,817 |
| Adj EBITDA | \$(3,707) | \$3,532 | \$6,909 | \$9,399 | \$6,022 | \$17,046 | \$18,919 | \$19,777 | \$31,436 | \$32,299 |

First Quarter 2011

- On March 9, 2011, we received credit approval from National Australia Bank (“NAB”) for a \$108.8 million (AUS\$105.0 million) facility that will replace our expiring Australia Corporate Credit Facility.

Summary Financial Data



| Income Statement | <u>Three Months to</u> <u>March 31,</u> | |
|---|--|-------------|
| | <u>2011</u> | <u>2010</u> |
| | (\$ in thousands) | |
| Revenues | \$ 54,123 | \$ 58,040 |
| Operating expenses | 52,190 | 53,599 |
| Operating income | 1,933 | 4,441 |
| Net income (loss) applicable to common | (2,480) | 353 |
| Earnings (loss) Per Share from continuing ops - fully diluted | (0.11) | 0.02 |
| Earnings (loss) Per Share - fully diluted | (0.11) | 0.02 |
| EBITDA | 6,215 | 7,936 |

Detailed Financial Data



| Statements of Operations | Three Months Ended March 31, | |
|--|---------------------------------|-----------|
| | 2011 | 2010 |
| | (\$ in thousands) | |
| Revenue | \$ 54,123 | \$ 58,040 |
| Operating expense | | |
| Cinema/real estate | 43,826 | 45,499 |
| Depreciation and amortization | 4,129 | 3,895 |
| General and administrative | 4,235 | 4,205 |
| Operating income | 1,933 | 4,441 |
| Interest expense, net | (3,930) | (3,097) |
| Other income (expense) | 345 | (231) |
| Income from discontinued operations, net of tax | 41 | 37 |
| Income tax expense | (636) | (582) |
| Net income attributable to noncontrolling interest | (233) | (215) |
| Net income (loss) | \$ (2,480) | \$ 353 |
| Basic and diluted earnings (loss) per share | \$ (0.11) | \$ 0.02 |
| EBITDA | \$ 6,215 | \$ 7,936 |
| EBITDA change | \$ (1,721) | |

Reconciliation of EBITDA to Net Income



| (\$ in thousands) | Three Months Ended March 31, | |
|--|------------------------------|-----------------|
| | 2011 | 2010 |
| EBITDA | \$ 6,215 | \$ 7,936 |
| Interest expense, net | (3,930) | (3,097) |
| Income tax provision | (636) | (582) |
| Depreciation & amortization | (4,129) | (3,895) |
| Discontinued operations | - | (9) |
| Net income (loss) | \$ (2,480) | \$ 353 |

Summary Balance Sheet



| (\$ in thousands) | 03/31/2011 | 12/31/2010 |
|---|-------------------|-------------------|
| Cash and Cash Equivalents | \$ 26,833 | \$ 34,568 |
| Receivables | 4,210 | 5,470 |
| Other Current Assets | 66,786 | 64,879 |
| Total Current Assets | 97,829 | 104,917 |
| Property Held for and Under Development | 37,015 | 35,702 |
| Property & Equipment | 220,390 | 220,250 |
| Investment in Unconsolidated Entities | 10,838 | 10,415 |
| Other Assets | 59,851 | 59,065 |
| Total Assets | \$ 425,923 | \$ 430,349 |
| | | |
| Total Current Liabilities | \$ 181,262 | \$ 162,551 |
| LT Notes Payable | 68,896 | 92,784 |
| Subordinate Debt | 27,913 | 27,913 |
| Other LT Liabilities | 34,491 | 34,462 |
| Total Stockholder's Equity | 113,361 | 112,639 |
| Total Liabilities & Stockholder's Equity | \$ 425,923 | \$ 430,349 |

THANK YOU



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