

UNITED STATES

OMB APPROVAL

SECURITIES AND EXCHANGE COMMISSION

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SCHEDULE 13G

**Under the Securities Exchange Act of 1934
(Amendment No. ____)**

Reading International , Inc.

(Name of Issuer)

Class B Voting Common Stock

(Title of Class of Securities)

755408200

(CUSIP Number)

January 23, 2007

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Lawndale Capital Management, LLC

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b) _____

3. SEC Use Only

4. Citizenship or Place of Organization **California**

Number of
Shares
Beneficially
Owned by
Each Reporting
Person With

5. Sole Voting Power **-0-**

6. Shared Voting Power **146,480**

7. Sole Dispositive Power **-0-**

8. Shared Dispositive Power **146,480**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **146,480**

10. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (11) **9.8%**

12. Type of Reporting Person (See Instructions)

OO, IA

1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).

Andrew E. Shapiro

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) X

(b) _____

3. SEC Use Only

4. Citizenship or Place of Organization **United States**

Number of
Shares
Beneficially
Owned by
Each Reporting
Person With

5. Sole Voting Power **-0-**

6. Shared Voting Power **146,480**

7. Sole Dispositive Power **-0-**

8. Shared Dispositive Power **146,480**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **146,480**

10. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (11) **9.8%**

12. Type of Reporting Person (See Instructions)

IN

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Diamond A Partners, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Citizenship or Place of Organization **California**

Number of
Shares
Beneficially
Owned by
Each Reporting
Person With

5. Sole Voting Power **-0-**

6. Shared Voting Power **126,840**

7. Sole Dispositive Power **-0-**

8. Shared Dispositive Power **126,840**

9. Aggregate Amount Beneficially Owned by Each Reporting Person **126,840**

10. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) _____

11. Percent of Class Represented by Amount in Row (11) **8.5%**

12. Type of Reporting Person (See Instructions)

PN

Item 1.

- (a) Name of Issuer

Reading International, Inc.

- (b) Address of Issuer's Principal Executive Offices

500 Citadel Drive, Suite 300, Commerce, CA 90040

Item 2.

- (a) The names of the persons filing this statement are:

Andrew E. Shapiro ("Shapiro"), Lawndale Capital Management, LLC ("Lawndale") and Diamond A. Partners, L.P. ("DAP") (collectively, the "Filers").

Shapiro and Lawndale disclaim beneficial ownership of the Stock except to the extent of their respective pecuniary interests therein. DAP is filing jointly with the other filers, but not as a member of a group, and expressly disclaims membership in a group. In addition, the filing of this Schedule 13G on behalf of DAP should not be construed as an admission that it is, and it disclaims that it is, the beneficial owner of any of the Stock covered by this Statement.

- (b) The principal business office of the Filers is located at:

591 Redwood Highway, Suite 2345, Mill Valley, CA 94941

- (c) For citizenship of Filers, see Item 4 of the cover sheet for each Filer.

(d) This statement relates to shares of Class B Common Stock of the Issuer (the "Stock").

(e) The CUSIP number of the Issuer is: 755408200

Item 3. If this statement is filed pursuant to rule 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e) An investment adviser in accordance with section 240.13d-1(b)(1)(ii)(E).
- (f) An employee benefit plan or endowment fund in accordance with section 240.13d-1(b)(1)(ii)(F).
- (g) A parent holding company or control person in accordance with 240.13d-1(b)(1)(ii)(G).
- (h) A savings association as defined in section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813).
- (i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3).
- (j) Group, in accordance with section 240.13d-1(b)(1)(ii)(J).

Item 4. Ownership.

See Items 5-9 and 11 of the cover page for each Filer.

Item 5. Ownership of Five Percent or Less of a Class

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Lawndale is an investment adviser whose clients have the right to receive or the power to direct the receipt of dividends from, or the proceeds from, the sale of the Stock. Shapiro is the Manager of Lawndale. Lawndale is the general partner of those clients and DAP.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.

Not applicable.

Item 8. Identification and Classification of Members of the Group.

See Item 2(a) of this Schedule.

Item 9. Notice of Dissolution of Group

Not applicable.

Item 10. Certification.

The following Certification is made by Lawndale Capital Management, LLC and Andrew E. Shapiro:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

The following Certification is made by Diamond A Partners, L.P.:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: **January 25, 2007**

DIAMOND A PARTNERS, L.P.

By: Lawndale Capital Management, LLC,

General Partner

By: Andrew E. Shapiro, Manager

LAWNDALE CAPITAL MANAGEMENT,
LLC

By: Andrew E. Shapiro, Manager

Andrew E. Shapiro