

For: General American Investors Company, Inc.
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For Immediate Release

**GENERAL AMERICAN INVESTORS COMPANY, INC. ANNOUNCES SUCCESSFUL
OFFERING OF 8 MILLION SHARES OF PREFERRED STOCK**

NEW YORK, Wed., Sep. 24, 2003 --- General American Investors Company, Inc. (NYSE: GAM), today announced the issue and sale of 8 million shares of 5.95% cumulative preferred stock, series B (liquidation preference \$25 per share) in an underwritten offering led by Citigroup and Merrill Lynch & Co. The series B preferred shares are noncallable for 5 years, are rated Aaa by Moody's Investors Service and have been approved for listing on the NYSE, symbol GAM Pr B. The shares are expected to begin trading on the exchange within 30 days from the date of the offering. Holders of the preferred shares will receive dividends on a quarterly basis. The net proceeds from the offering of approximately \$193.2 million bring the Company's total net assets to about \$1.135 billion.

The issuance of the series B preferred shares follows the redemption on Sep. 23, 2003 of all of the then outstanding 6 million shares of the Company's 7.20% tax-advantaged cumulative preferred stock, series A, which were issued on June 19, 1998.

As indicated in the offering documents, the Company expects to invest the net proceeds from the offering in accordance with its investment objectives and policies over the next six months, depending on market conditions. Currently, the new assets are being held in high quality short-term debt securities.

General American Investors, a closed-end investment company founded in 1927, has been publicly traded since its inception. The objective of the Company is long-term capital appreciation through investment in companies with above average growth potential.

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