

**GENERAL AMERICAN INVESTORS COMPANY, INC.**

450 LEXINGTON AVENUE • NEW YORK • N.Y. 10017 • (212)916-8400

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December 23, 2003

*To the Common Stockholders of*  
GENERAL AMERICAN INVESTORS COMPANY, INC.

We are pleased to enclose the year-end dividends for 2003, payable on December 23, 2003, to holders of record on November 14, 2003. The dividends consist of a Capital Gain Dividend of \$0.49239 per share from net long-term profit on securities sold during the period January 1, 2003 through October 31, 2003 and an Income Dividend of \$0.00761 per share representing the distribution for the full year 2003 from estimated accumulated undistributed income.

As set forth in our Notice of Year-End Dividends for 2003, each shareholder had the choice of receiving the dividends under one of two different options. Payment is being made in accordance with your individual choice, as indicated in the notification received by Mellon Investor Services LLC, our agent, by December 2, 2003. If notification was not received by Mellon Investor Services LLC by that date, payment is made in accordance with Option 1 (additional shares for the combined total dividends).

For those receiving payment under Option 1, the issue price (and tax cost basis) for the stock is \$29.07 per share, the market value on December 2, 2003, which was lower than the net asset value that day. The holding period for such shares begins on December 23, 2003.

**Direct Registration** – Last year at this time, we initiated Direct Registration (“DR”) for our shareholders. DR is a system that allows for book-entry ownership and the electronic transfer of our shares. Accordingly, shareholders who elected to receive additional shares for their dividends (Option 1) have been credited for the full amount of the dividends in full and fractional shares. Enclosed herewith is a statement showing their book-entry share balance as well as their certificated share balance. A brochure which describes the features and benefits of Direct Registration, including the ability of shareholders to deposit certificates with our transfer agent, is available at our website: [www.generalamericaninvestors.com](http://www.generalamericaninvestors.com). In addition, we would be pleased to send a copy to you if you contact us at 1-800-436-8401.

For Federal income tax purposes, you should treat the Capital Gain Dividend as post-May 5 capital gain realized in 2003. The Income Dividend is subject to Federal income tax in 2003 as qualified dividends. Additional information, including your Form 1099-DIV, with respect to the tax status of these dividends will be forwarded to you in January 2004.

**Please retain this letter with your records.**

**GENERAL AMERICAN INVESTORS COMPANY, INC.**

Spencer Davidson  
*President and*  
*Chief Executive Officer*