

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

**GENERAL AMERICAN INVESTORS ANNOUNCES:**

**ISSUE PRICE FOR THE 2008 YEAR-END DIVIDEND AND DISTRIBUTION PAYABLE ON  
DECEMBER 26, 2008**

NEW YORK - Dec. 5 - General American Investors Company, Inc. (NYSE symbol - GAM), a closed-end investment company, announced that the price at which shares of its common stock will be issued to stockholders who elected to receive additional shares in payment of the 2008 year-end dividend and distribution on its common stock will be \$15.55 per share. The issue price represents the average between the high and the low prices on the New York Stock Exchange on December 5, 2008, which was below the net asset value of \$19.96 per share on that date. The dividends and distributions are payable on December 26, 2008. As announced on November 5, the dividends and distributions amount to \$0.44 per share in the aggregate and consist of:

- a capital gain distribution of \$0.254406 per share from net profits on securities sold during the period January 1, 2008 through October 31, 2008. This is long-term capital gain and is expected to be taxable as capital gain income.
- an income dividend of \$0.185594 per share from estimated accumulated undistributed income for the full year 2008. This is ordinary income and is expected to be taxable as qualified dividend income.

The final determination as to the taxability of the above amounts will be reported to you in January 2009 via Form 1099-DIV.

General American Investors was founded in 1927, has been publicly traded since its inception, and has been listed on the NYSE since 1930. The objective of the Company is long-term capital appreciation through investment in companies with above average growth potential. General American Investors has net assets of approximately \$0.6 billion applicable to its 31.5 million shares of common stock outstanding. The aggregate liquidation value of the Company's preferred stock is \$200 million. Its preferred shares (symbol GAM Pr B) are also listed on the NYSE.

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