

TO THE STOCKHOLDERS

For the nine months ended September 30, 2003, the investment return to our stockholders was 15.5% (assuming reinvestment of all dividends). The net asset value per Common Share increased 15.4%. By comparison, the rate of return (including income) for our benchmark, the Standard & Poor's 500 Stock Index, was 14.7%. For the twelve months ended September 30, 2003, the return to our stockholders was 18.6% and the return on the net asset value per Common Share was 20.1%; these compare with a return of 24.3% for the S&P 500. During each period, the discount at which our shares traded fluctuated moderately and at September 30, 2003, it was 9.9%.

As set forth in the accompanying financial statements (unaudited), as of September 30, 2003, the net assets applicable to the Company's Common Stock were \$909,167,385, equal to \$30.51 per Common Share.

The increase in net assets resulting from operations for the nine months ended September 30, 2003 was \$126,543,696. During this period, the net realized loss on securities sold was \$6,981,962 and the increase in unrealized appreciation was \$141,234,927. Net investment income for the nine months was \$382,120 and distributions to preferred stockholders amounted to \$8,091,389.

During the nine months, 764,000 shares of the Company's Common Stock were repurchased for \$18,548,308 at an average discount from net asset value of 9.6%.

The economy appears to be strengthening in response to continuing monetary accommodation and fiscal stimulus. The recovery may not achieve historical norms, however, since job creation and average hourly wage gains, essential elements for sustained consumer spending, remain weak.

The market has moved broadly higher, with the biggest gains, by far, having accrued to the lowest priced, lowest quality and riskiest stocks. While speculative leadership may propel the market for some time, our record suggests that superior long-term performance generally results from holding companies of high quality with strong financials and powerful positions in their respective industries.

On September 23, 2003, the Company redeemed all of its then outstanding 6,000,000 shares of 7.20% Tax-Advantaged Cumulative Preferred Stock, Series A at a redemption price of \$25.00 per share. The Series A Preferred Shares were issued originally on June 19, 1998.

On September 24, 2003, the Company issued and sold 8,000,000 shares of its 5.95% Cumulative Preferred Stock, Series B in an underwritten offering. The Preferred Shares are noncallable for 5 years, have a liquidation preference of \$25.00 per share plus accrued dividends and are listed on the New York Stock Exchange, symbol GAM Pr B. Trading of the shares on the NYSE is expected to begin later this month. The net proceeds from the offering were \$193.2 million. The underwriting discount and other expenses associated with the offering amounted to \$6.8 million and were charged to paid-in capital.

The information about the Company, including our investment objective, operating policies and procedures, investment results, record of dividend payments, financial reports and press releases, contained at our website has been updated through September 30, 2003. It can be accessed on the Internet at www.generalamericaninvestors.com.

By Order of the Board of Directors,

GENERAL AMERICAN INVESTORS COMPANY, INC.

Spencer Davidson
President and Chief Executive Officer

October 8, 2003

STATEMENT OF ASSETS AND LIABILITIES September 30, 2003 (Unaudited)

General American Investors

ASSETS

INVESTMENTS, AT VALUE (NOTE 1a)		
Common stocks (cost \$416,586,158)		\$771,095,881
Convertible corporate note (cost \$9,698,828)		10,050,000
Corporate discount notes (cost \$183,111,243)		183,111,243
U.S. Treasury bills (cost \$149,380,194)		149,380,194
Total investments (cost \$758,776,423)		1,113,637,318

CASH, RECEIVABLES AND OTHER ASSETS

Cash	\$67,500	
Receivable for securities sold	1,898,909	
Deposit with broker for securities sold short	10,158,047	
Dividends, interest and other receivables	400,352	
Prepaid expenses	6,854,766	
Other	353,715	
		19,733,289

TOTAL ASSETS 1,133,370,607

LIABILITIES

Payable for securities purchased	5,092,726	
Preferred dividend accrued but not yet declared	231,389	
Securities sold short, at value (proceeds \$10,158,047) (note 1a)	10,605,409	
Accrued expenses and other liabilities	8,273,698	
		24,203,222

TOTAL LIABILITIES 24,203,222

5.95% CUMULATIVE PREFERRED STOCK, SERIES B -
 8,000,000 shares at a liquidation value of \$25 per share (note 2) 200,000,000

NET ASSETS APPLICABLE TO COMMON STOCK - 29,797,356 shares (note 2) \$909,167,385

NET ASSET VALUE PER COMMON SHARE \$30.51

NET ASSETS APPLICABLE TO COMMON STOCK

Common Stock, 29,797,356 shares at par value (note 2)	\$29,797,356	
Additional paid-in capital (note 2)	538,665,891	
Accumulated realized loss on investments	(6,807,860)	
Undistributed net income	1,429,854	
Unallocated distributions on Preferred Stock	(8,331,389)	
Unrealized appreciation on investments and securities sold short (including aggregate gross unrealized appreciation of \$402,965,679)	354,413,533	
		\$909,167,385

NET ASSETS APPLICABLE TO COMMON STOCK \$909,167,385

(see notes to financial statements)

STATEMENT OF OPERATIONS Nine Months Ended September 30, 2003 (Unaudited)

General American Investors

INCOME		
Dividends	\$4,573,293	
Interest	3,264,251	
Other income	<u>212,767</u>	\$8,050,311
EXPENSES		
Investment research	4,624,412	
Administration and operations	2,076,945	
Office space and general	394,744	
Transfer agent, custodian and registrar fees and expenses	144,378	
Auditing and legal fees	143,250	
Directors' fees and expenses	115,982	
Stockholders' meeting and reports	103,275	
Miscellaneous taxes	<u>65,205</u>	<u>7,668,191</u>
NET INVESTMENT INCOME		382,120
REALIZED LOSS AND CHANGE IN UNREALIZED APPRECIATION ON INVESTMENTS (NOTES 1d AND 4)		
Net realized loss on investments:		
Long transactions	(6,540,256)	
Short sale transactions (note 1b)	<u>(441,706)</u>	
Net realized loss on investments	<u>(6,981,962)</u>	
Net increase in unrealized appreciation	<u>141,234,927</u>	
NET GAIN ON INVESTMENTS		134,252,965
DISTRIBUTIONS TO PREFERRED STOCKHOLDERS		<u>(8,091,389)</u>
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		<u>\$126,543,696</u>
(see notes to financial statements)		

STATEMENT OF CHANGES IN NET ASSETS

General American Investors

	Nine Months Ended September 30, 2003 (Unaudited)	Year Ended December 31, 2002
OPERATIONS		
Net investment income	\$382,120	\$5,698,197
Net realized gain (loss) on investments	(6,981,962)	17,039,043
Net increase (decrease) in unrealized appreciation	141,234,927	(264,293,395)
Distributions to Preferred Stockholders:		
From net income	—	(3,726,000)
From long-term capital gains	—	(7,074,000)
Unallocated distributions on Preferred Stock	(8,091,389)	—
Decrease In Net Assets From Preferred Distributions	(8,091,389)	(10,800,000)
INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	126,543,696	(252,356,155)
DISTRIBUTIONS TO COMMON STOCKHOLDERS		
From net income, including short-term capital gains in 2002	(305,033)	(6,606,164)
From long-term capital gains	(915,098)	(12,540,285)
DECREASE IN NET ASSETS FROM COMMON DISTRIBUTIONS	(1,220,131)	(19,146,449)
CAPITAL SHARE TRANSACTIONS		
Value of Common Shares issued in payment of dividends (note 2)	—	6,410,677
Cost of Common Shares purchased (note 2)	(18,548,307)	(23,245,666)
Underwriting discount and other expenses associated with the issuance of Preferred Stock (note 2)	(6,800,000)	—
DECREASE IN NET ASSETS - CAPITAL TRANSACTIONS	(25,348,307)	(16,834,989)
NET INCREASE (DECREASE) IN NET ASSETS	99,975,258	(288,337,593)
NET ASSETS APPLICABLE TO COMMON STOCK		
BEGINNING OF PERIOD	809,192,127	1,097,529,720
END OF PERIOD (including undistributed net income of \$1,429,854 and \$1,352,767, respectively)	\$909,167,385	\$809,192,127
(see notes to financial statements)		

FINANCIAL HIGHLIGHTS

General American Investors

The following table shows per share operating performance data, total investment return, ratios and supplemental data for the nine months ended September 30, 2003 and for each year in the five-year period ended December 31, 2002. This information has been derived from information contained in the financial statements and market price data for the Company's shares.

	Nine Months Ended September 30, 2003 (Unaudited)	Year Ended December 31,				
		2002	2001	2000	1999	1998
PER SHARE OPERATING PERFORMANCE						
Net asset value, beginning of period	\$26.48	\$35.14	\$39.91	\$41.74	\$34.87	\$29.15
Net investment income	.01	.19	.41	.53	.45	.47
Net gain (loss) on securities - realized and unrealized	4.56	(7.88)	(.66)	6.12	11.32	9.44
Distributions on Preferred Stock:						
Dividends from investment income	—	(.12)	(.07) (a)	(.11) (b)	(.07) (c)	(.03)
Distributions from capital gains	—	(.23)	(.29)	(.29)	(.35)	(.20)
Unallocated	(.27)	—	—	—	—	(.01)
	(27)	(35)	(36)	(40)	(42)	(24)
Total from investment operations	4.30	(8.04)	(.61)	6.25	11.35	9.67
Less distributions on Common Stock:						
Dividends from investment income	(.01)	(.21) (d)	(.88) (e)	(2.30) (f)	(.71) (g)	(.48)
Distributions from capital gains	(.03)	(.41)	(3.28)	(5.78)	(3.77)	(3.24)
	(04)	(62)	(4.16)	(8.08)	(4.48)	(3.72)
Capital Stock transaction - effect of Preferred Stock offering	(.23)	—	—	—	—	(.23)
Net asset value, end of period	\$30.51	\$26.48	\$35.14	\$39.91	\$41.74	\$34.87
Per share market value, end of period	\$27.49	\$23.85	\$33.47	\$36.00	\$37.19	\$30.44
TOTAL INVESTMENT RETURN - Stockholder						
Return, based on market price per share	15.45%*	(27.21)%	4.33%	19.10%	39.22%	31.31%
RATIOS AND SUPPLEMENTAL DATA						
Net assets applicable to Common Stock, end of period (000's omitted)	\$909,167	\$809,192	\$1,097,530	\$1,155,039	\$1,094,519	\$868,933
Ratio of expenses to average net assets applicable to Common Stock	0.90%*	0.97%	1.02%	1.09%	1.01%	0.95%
Ratio of net income to average net assets applicable to Common Stock	0.04%*	0.61%	1.15%	1.24%	1.23%	1.50%
Portfolio turnover rate	13.15%*	22.67%	23.81%	40.61%	33.68%	34.42%
PREFERRED STOCK						
Liquidation value, end of period (000's omitted)	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Asset coverage	555%	639%	832%	870%	830%	679%
Liquidation preference per share	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Market value per share	\$25.38	\$25.85	\$25.90	\$24.25	\$21.75	\$25.88

(a) Includes short-term capital gain in the amount of \$.04 per share.

(b) Includes short-term capital gain in the amount of \$.09 per share.

(c) Includes short-term capital gain in the amount of \$.03 per share.

(d) Includes short-term capital gain in the amount of \$.19 per share.

(e) Includes short-term capital gain in the amount of \$.51 per share.

(f) Includes short-term capital gain in the amount of \$1.82 per share.

(g) Includes short-term capital gain in the amount of \$.29 per share.

*Not annualized

STATEMENT OF INVESTMENTS September 30, 2003 (Unaudited)

General American Investors

Shares or Principal Amount	COMMON STOCKS	Value (note 1a)
AEROSPACE/DEFENSE (0.1%)		
20,000	The Boeing Company	(COST \$614,000) <u>\$686,600</u>
COMMUNICATIONS AND INFORMATION SERVICES (5.2%)		
550,000	CIENA Corporation (a)	3,223,000
900,000	Cisco Systems, Inc. (a)	17,631,000
620,000	Cox Communications, Inc. Class A (a)	19,604,400
450,000	Juniper Networks, Inc.(a)	6,750,000
		(COST \$31,949,018) <u>47,208,400</u>
COMPUTER SOFTWARE AND SYSTEMS (0.9%)		
300,000	EMC Corporation (a)	3,789,000
350,000	VeriSign, Inc. (a)	4,711,000
		(COST \$4,111,632) <u>8,500,000</u>
CONSUMER PRODUCTS AND SERVICES (2.7%)		
275,000	Coca-Cola Enterprises Inc.	5,241,500
275,000	Ethan Allen Interiors Inc.	9,900,000
125,000	Newell Rubbermaid Inc.	2,708,750
150,000	PepsiCo, Inc.	6,874,500
		(COST \$17,111,384) <u>24,724,750</u>
ELECTRONICS (1.9%)		
692,500	Molex Incorporated Class A	(COST \$14,877,393) <u>16,945,475</u>
ENVIRONMENTAL CONTROL (INCLUDING SERVICES) (2.9%)		
1,175,000	Republic Services, Inc.	(COST \$26,227,380) <u>26,602,000</u>
FINANCE AND INSURANCE (29.6%)		
BANKING (9.4%)		
575,000	Annaly Mortgage Management, Inc.	9,441,500
400,000	Golden West Financial Corporation	35,804,000
310,000	M&T Bank Corporation	27,063,000
225,000	SunTrust Banks, Inc.	13,583,250
		(COST \$16,010,583) <u>85,891,750</u>
INSURANCE (20.0%)		
335,000	American International Group, Inc.	19,329,500
1,000,000	Annuity and Life Re (Holdings), Ltd. (a)	1,140,000
300	Berkshire Hathaway Inc. Class A (a)	22,500,000
690,000	Everest Re Group, Ltd.	51,860,400
425,000	John Hancock Financial Services, Inc.	14,365,000
110,000	Max Re Capital Ltd.	1,872,200
435,000	MetLife, Inc.	12,201,750
500,000	PartnerRe Ltd.	25,335,000
425,000	Reinsurance Group of America, Incorporated	17,318,750
230,000	Transatlantic Holdings, Inc.	16,357,600
		(COST \$98,680,833) <u>182,280,200</u>
OTHER (0.2%)		
84,548	Central Securities Corporation	(COST \$2,132,865) <u>1,662,214</u>
		(COST \$116,824,281) <u>269,834,164</u>

STATEMENT OF INVESTMENTS September 30, 2003 (Unaudited) - continued

General American Investors

Shares or Principal Amount	COMMON STOCKS (continued)	Value (note 1a)
HEALTH CARE (17.8%)		
PHARMACEUTICALS (13.9%)		
340,000	Alkermes, Inc. (a)	\$4,664,800
900,000	Baxter International Inc.	26,154,000
300,000	Bristol-Myers Squibb Company	7,698,000
270,000	Genaera Corporation (a)	1,277,100
335,000	Genentech, Inc. (a)	26,846,900
375,000	Genta Incorporated (a)	4,751,250
275,000	IDEC Pharmaceuticals Corporation (a)	9,154,750
234,000	MedImmune, Inc. (a)	7,729,020
120,000	Millennium Pharmaceuticals, Inc.(a)	1,854,000
75,000	OSI Pharmaceuticals, Inc. (a)	2,448,750
1,100,000	Pfizer Inc	33,418,000
	(COST \$84,542,077)	<u>125,996,570</u>
MEDICAL INSTRUMENTS AND DEVICES (1.5%)		
290,000	Medtronic, Inc.	(COST \$862,614)
		<u>13,606,800</u>
HEALTH CARE SERVICES (2.4%)		
695,000	Health Net, Inc. (a)	(COST \$15,334,735)
		<u>22,010,650</u>
		(COST \$100,739,426)
		<u>161,614,020</u>
MISCELLANEOUS (1.5%)		
	Other	(COST \$13,475,009)
		<u>13,459,467</u>
OIL & NATURAL GAS (INCLUDING SERVICES) (1.7%)		
650,000	Halliburton Company	(COST \$8,512,693)
		<u>15,762,500</u>
RETAIL TRADE (18.1%)		
700,000	Costco Wholesale Corporation (a)	21,805,000
1,945,000	The Home Depot, Inc. (b)	61,948,250
2,500,000	The TJX Companies, Inc.	48,550,000
570,000	Wal-Mart Stores, Inc.	31,834,500
		(COST \$49,944,422)
		<u>164,137,750</u>
SEMICONDUCTORS (2.2%)		
200,000	Applied Materials, Inc. (a)	3,626,000
250,000	ASM International N.V. (a)	3,682,500
491,500	Brooks Automation, Inc. (a)	10,272,350
197,000	EMCORE Corporation (a)	579,180
1,644,900	IQE plc (a)	411,225
250,000	Zarlink Semiconductor Inc. (a)	977,500
		(COST \$24,189,800)
		<u>19,548,755</u>
SPECIAL HOLDINGS (a) (c) (NOTE 5) (0.2%)		
400,000	Cytokinetics, Incorporated Series E Preferred	2,000,000
432,000	Silicon Genesis Corporation Series C Preferred	72,000
546,000	Standard MEMS, Inc. Series A Convertible Preferred	—
		(COST \$8,009,720)
		<u>2,072,000 (d)</u>
TOTAL COMMON STOCKS (84.8%)		(COST \$416,586,158)
		<u>771,095,881</u>
CONVERTIBLE CORPORATE NOTE		
HEALTH CARE (1.1%)		
\$10,000,000	MedImmune Vaccines, Inc. 5 1/4% due 2/1/08	(COST \$9,698,828)
		<u>10,050,000</u>

STATEMENT OF INVESTMENTS September 30, 2003 (Unaudited) - continued

General American Investors

Principal Amount	SHORT-TERM SECURITIES AND OTHER ASSETS	Value (note 1a)
\$30,000,000	AIG Funding, Inc. notes due 10/6-11/4/03; 1.01%-1.03%	\$29,971,540
38,900,000	American Express Credit Corporation notes due 10/7-11/17/03; 1.02%-1.04%	38,861,663
14,600,000	Ford Motor Credit Company notes due 10/21-11/13/03; 1.24%-1.28%	14,579,394
32,100,000	General Electric Capital Corporation notes due 10/6-10/27/03; 1.03%-1.04%	32,069,113
26,100,000	General Motors Acceptance Corporation notes due 10/2-11/6/03; 1.24%-1.28%	26,063,278
28,700,000	Prudential Funding, LLC notes due 10/1-10/16/03; 1.02%-1.03%	28,681,932
12,900,000	Sears Roebuck Acceptance Corp. note due 10/28/03; 1.25%	12,884,323
150,000,000	U.S. Treasury bills due 1/29-3/18/04; 0.95%-1.00%	149,380,194
	TOTAL SHORT-TERM SECURITIES (36.6%) (COST \$332,491,437)	<u>332,491,437</u>
	Liabilities in excess of cash, receivables and other assets	<u>(4,469,933)</u>
	TOTAL SHORT-TERM SECURITIES AND OTHER ASSETS, NET (36.1%)	<u>328,021,504</u>
	PREFERRED STOCK (-22.0%)	<u>(200,000,000)</u>
	NET ASSETS APPLICABLE TO COMMON STOCK (100%)	<u>\$909,167,385</u>

(a) Non-income producing security.

(c) Restricted security.

(b) 1,000,000 shares held by custodian in a segregated custodian account as collateral for open short positions.

(d) Fair value of each holding in the opinion of the directors.

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STATEMENT OF SECURITIES SOLD SHORT September 30, 2003 (Unaudited)

General American Investors

Shares	COMMON STOCKS	Value (note 1a)
300,000	NASDAQ-100 Trust, Series 1	\$9,726,000
24,100	Southwest Bancorporation of Texas Inc.	879,409
	TOTAL SECURITIES SOLD SHORT (PROCEEDS \$10,158,047)	<u>\$10,605,409</u>

(see notes to financial statements)

NOTES TO FINANCIAL STATEMENTS (Unaudited)

General American Investors

I. SIGNIFICANT ACCOUNTING POLICIES

General American Investors Company, Inc. (the "Company"), established in 1927, is registered under the Investment Company Act of 1940 as a closed-end, diversified management investment company. It is internally managed by its officers under the direction of the Board of Directors.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

a. **SECURITY VALUATION** Securities traded on securities exchanges or on the NASDAQ National Market System are valued at the last reported sales price on the last business day of the period. Listed and NASDAQ securities for which no sales are reported on that day and other securities traded in the over-the-counter market are valued at the last bid price (asked price for open short positions) on the valuation date. Corporate discount notes and U.S. Treasury bills are valued at amortized cost, which approximates market value. Special holdings are valued at fair value in the opinion of the directors. In determining fair value, in the case of restricted shares, consideration is given to cost, operating and other financial data and, where applicable, subsequent private offerings or market price of the issuer's unrestricted shares (to which a 30 percent discount is applied).

b. **SHORT SALES** The Company may make short sales of securities for either speculative or hedging purposes. When the Company makes a short sale, it borrows the securities sold short from a broker; in addition, the Company places cash with that broker and securities in a segregated account with the custodian, both as collateral for the short position. The Company may be required to pay a fee to borrow the securities and may also be obligated to pay any dividends declared on the borrowed securities. The Company will realize a gain if the security price decreases and a loss if the security price increases between the date of the short sale and the date on which the Company replaces the borrowed securities.

c. **FEDERAL INCOME TAXES** The Company's policy is to fulfill the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all taxable income to its stockholders. Accordingly, no provision for Federal income taxes is required.

d. **OTHER** As customary in the investment company industry, securities transactions are recorded as of the trade date. Dividend income and distributions to stockholders are recorded as of the ex-dividend dates. Interest income, adjusted for amortization of discount and premium on investments, is earned from settlement date and is recognized on the accrual basis. Cost of short-term investments represents amortized cost.

2. CAPITAL STOCK AND DIVIDEND DISTRIBUTIONS

The authorized capital stock of the Company consists of 50,000,000 shares of Common Stock, \$1.00 par value, and 10,000,000 shares of Preferred Stock, \$1.00 par value, of which 29,797,356 shares and 8,000,000 shares, respectively, were outstanding at September 30, 2003.

On September 24, 2003, the Company issued and sold 8,000,000 shares of its 5.95% Cumulative Preferred Stock, Series B in an underwritten offering. The Preferred Shares are noncallable for 5 years and have a liquidation preference of \$25.00 per share plus an amount equal to accumulated and unpaid dividends to the date of redemption. The underwriting discount and other expenses associated with the Preferred Stock offering amounted to \$6,800,000 and were charged to paid-in capital.

On September 23, 2003, the Company redeemed all of its then outstanding 6,000,000 shares of 7.20% Tax-Advantaged Cumulative Preferred Stock, Series A, at a redemption price of \$25.00 per share. The Series A Preferred Shares were issued originally on June 19, 1998.

The Company is required to allocate distributions from long-term capital gains and other types of income proportionately among holders of shares of Common Stock and Preferred Stock. To the extent that dividends on the shares of Preferred Stock are not paid from long-term capital gains, they will be paid from ordinary income or net short-term capital gains or will represent a return of capital.

Under the Investment Company Act of 1940, the Company is required to maintain an asset coverage of at least 200% for the Preferred Stock. In addition, pursuant to the Rating Agency Guidelines, the Company is required to maintain a certain discounted asset coverage for its portfolio that equals or exceeds the Basic Maintenance Amount under the guidelines established by Moody's Investors Service, Inc. The Company has met these requirements since the issuance of the Preferred Stock. If the Company fails to meet these requirements in the future and does not cure such failure, the Company may be required to redeem in whole or in part, shares of Preferred Stock at a redemption price of \$25.00 per share plus accumulated and unpaid dividends (whether or not earned or declared). In addition, the Company's failure to meet the foregoing asset coverage requirements could restrict its ability to pay dividends on shares of Common Stock and could lead to sales of portfolio securities at inopportune times.

The holders of Preferred Stock have voting rights equivalent to those of the holders of Common Stock (one vote per share) and, generally, vote together with the holders of Common Stock as a single class.

At all times, holders of Preferred Stock will elect two members of the Company's Board of Directors and the holders of Preferred and Common Stock, voting as a single class, will elect the remaining directors. If the Company fails to pay dividends on the Preferred Stock in an amount equal to two full years' dividends, the holders of Preferred Stock will have the right to elect a majority of the directors. In addition, the Investment Company Act of 1940 requires that approval of the holders of a majority of any outstanding Preferred Shares, voting separately as a class, would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Stock and (b) take any action requiring a vote of security holders, including, among other things, changes in the Company's subclassification as a closed-end investment company or changes in its fundamental investment policies.

The Company classifies its Preferred Stock pursuant to the requirements of EITF D-98, *Classification and Measurement of Redeemable Securities*, which require that preferred stock for which its redemption is outside of the Company's control should be presented outside of net assets in the statement of assets and liabilities.

NOTES TO FINANCIAL STATEMENTS (Unaudited) - continued

General American Investors

2. CAPITAL STOCK AND DIVIDEND DISTRIBUTIONS - (Continued from bottom of previous page.)

Transactions in Common Stock during the nine months ended September 30, 2003 and the year ended December 31, 2002 were as follows:

	SHARES		AMOUNT	
	2003	2002	2003	2002
Shares issued in payment of dividends (includes 251,893 shares issued from treasury)	—	251,893	—	\$251,893
Increase in paid-in capital			—	6,158,784
Total increase			—	6,410,677
Shares purchased (at an average discount from net asset value of 9.6% and 9.1%, respectively)	764,000	922,100	(\$764,000)	(922,100)
Decrease in paid-in capital			(17,784,308)	(22,323,566)
Total decrease			(18,548,308)	(23,245,666)
Net decrease			(18,548,308)	(16,834,989)

Distributions for tax and book purposes are substantially the same.

At September 30, 2003, the Company held in its treasury 1,434,207 shares of Common Stock with an aggregate cost in the amount of \$34,825,681.

3. OFFICERS' COMPENSATION AND RETIREMENT AND THRIFT PLANS

The aggregate compensation paid by the Company during the nine months ended September 30, 2003 to its officers amounted to \$3,323,000.

The Company has non-contributory retirement plans and a contributory thrift plan which cover substantially all employees. The costs to the Company and the assets and liabilities of the plans are not material. Costs of the plans are funded currently.

4. PURCHASES AND SALES OF SECURITIES

Purchases and sales of securities and securities sold short (other than short-term securities) for the nine months ended September 30, 2003 amounted to on long transactions \$97,357,646 and \$93,611,537, respectively, and on short sale transactions \$5,283,160 and \$9,288,832, respectively.

At September 30, 2003, the cost of investments for Federal income tax purposes was the same as the cost for financial reporting purposes.

5. RESTRICTED SECURITIES

	DATE ACQUIRED	COST	VALUE (NOTE 1a)
Cytokinetics, Incorporated Series E Preferred	3/21/03	\$2,000,000	\$2,000,000
Silicon Genesis Corporation Series C Preferred	2/16/01	3,006,720	72,000
Standard MEMS, Inc. Series A Convertible Preferred	12/17/99	3,003,000	—
Total		\$8,009,720	\$2,072,000

6. OPERATING LEASE COMMITMENT

In July 1992, the Company entered into an operating lease agreement for office space which expires in 2007 and provides for future rental payments in the aggregate amount of approximately \$5.6 million. The lease agreement contains a clause whereby the Company received twenty months of free rent beginning in December 1992 and escalation clauses relating to operating costs and real property taxes.

Rental expense approximated \$251,000 for the nine months ended September 30, 2003. Minimum rental commitments under the operating lease are approximately \$505,000 per annum in 2003 through 2007.

In January 2003, the Company extended a sublease agreement (originally entered into in March 1996) which expires in 2007 and provides for future rental receipts. Minimum rental receipts under the sublease are approximately \$254,000 per annum in 2003 through 2007. The Company will also receive its proportionate share of operating expenses and real property taxes under the sublease.

Unaudited

In addition to purchases of the Company's Common Stock as set forth in Note 2 above, purchases of Common Stock may be made at such times, at such prices, in such amounts and in such manner as the Board of Directors may deem advisable.

MAJOR STOCK CHANGES* Three Months Ended September 30, 2003 (Unaudited)*General American Investors*

INCREASES	SHARES	SHARES HELD SEPTEMBER 30, 2003
NEW POSITIONS		
Applied Materials, Inc.	—	200,000 (a)
Coca-Cola Enterprises Inc.	275,000	275,000
EMC Corporation	—	300,000 (a)
VeriSign, Inc.	—	350,000 (a)
ADDITIONS		
Annaly Mortgage Management, Inc.	75,000	575,000
Baxter International Inc.	250,000	900,000
Health Net, Inc.	95,000	695,000
PartnerRe Ltd.	10,000	500,000
Pfizer Inc	75,000	1,100,000
Republic Services, Inc.	300,000	1,175,000
The TJX Companies, Inc.	75,000	2,500,000
DECREASES		
ELIMINATIONS		
Baxter International Inc. 7% Convertible Preferred Equity Units	114,500	—
Waste Management, Inc.	409,000	—
Wind River Systems, Inc.	339,500	—
REDUCTIONS		
American International Group, Inc.	40,000	335,000
The Boeing Company	180,000	20,000
Genentech, Inc.	150,000	335,000
Genta Incorporated	25,000	375,000
Golden West Financial Corporation	10,000	400,000
Max Re Capital Ltd.	50,000	110,000
OSI Pharmaceuticals, Inc.	50,000	75,000
Reinsurance Group of America, Incorporated	25,000	425,000

* Excludes transactions in Stocks - Miscellaneous - Other.

(a) Shares purchased in prior period and previously carried under Stocks - Miscellaneous - Other.

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PROXY VOTING POLICIES AND PROCEDURES (UNAUDITED)*General American Investors*

The policies and procedures used by the Company to determine how to vote proxies relating to portfolio securities are available: (1) without charge, upon request, by calling us at our toll-free telephone number (1-800-436-8401), (2) on the Company's website at <http://www.generalamericaninvestors.com> and (3) on the Securities and Exchange Commission's website at <http://www.sec.gov>.

DIRECTORS

Lawrence B. Buttenwieser, *Chairman*
Arthur G. Altschul, Jr. John D. Gordan, III
Lewis B. Cullman Sidney R. Knafel
Spencer Davidson Richard R. Pivrotto
Gerald M. Edelman Joseph T. Stewart, Jr.
Raymond S. Troubh

William O. Baker, Director Emeritus
William T. Golden, Director Emeritus

OFFICERS

Spencer Davidson, President & Chief Executive Officer
Andrew V. Vindigni, Vice-President
Eugene L. DeStaeblar, Jr., Vice-President, Administration
Peter P. Donnelly, Vice-President & Trader
Diane G. Radosti, Treasurer
Carole Anne Clementi, Secretary

SERVICE COMPANIES

COUNSEL	TRANSFER AGENT AND REGISTRAR
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INDEPENDENT AUDITORS	
Ernst & Young LLP	
CUSTODIAN	
Deutsche Bank Trust Company Americas	

GENERAL AMERICAN INVESTORS
COMPANY, INC.



THIRD QUARTER REPORT
SEPTEMBER 30, 2003

*A Closed-End Investment Company
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