

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

**GENERAL AMERICAN INVESTORS ANNOUNCES ACTIONS TAKEN BY THE BOARD OF DIRECTORS AT ITS MEETING HELD ON JULY 13, 2005:**

**OFFICER RETIREMENT AND APPOINTMENT OF VICE-PRESIDENT, ADMINISTRATION;  
QUARTERLY DIVIDEND ON 5.95% PREFERRED STOCK; and  
EXTENSION OF REPURCHASE PROGRAM FOR ADDITIONAL 500,000 OUTSTANDING  
SHARES OF COMMON STOCK**

On July 13, 2005, the Board of Directors of General American Investors Company acknowledged the retirement of Eugene L. DeStaebler, Jr., as Vice-President, Administration, effective June 30, 2005, and expressed their deep appreciation for his thirty years of distinguished and dedicated service to the Company. Mr. DeStaebler, pursuant to a consulting agreement, will continue in his capacity as Chief Compliance Officer through the end of 2005, providing further support for the transition of administrative responsibilities to Eugene S. Stark, who was appointed Vice-President, Administration, at the meeting.

The Board of Directors also declared a dividend of \$0.371875 per share on the Company's 5.95% cumulative preferred stock, series B, payable in cash on September 26, 2005, to holders of record on September 7, 2005. This quarterly distribution represents a payment for the accrual period from June 24, 2005 through September 23, 2005. Preferred shareholders will be informed in early 2006 of the portions of the distribution which represent long-term capital gains and ordinary income, respectively.

Finally, the Board of Directors authorized the repurchase of up to an additional 500,000 outstanding shares of common stock when the shares are trading at a discount to the underlying net asset value of at least 8%. This continues a repurchase program which began in March 1995. During the past 10<sup>1/4</sup> years (except for the period from April 2002 through March 2003 when its shares were trading above

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the threshold mentioned above), the Company has repurchased over 11.6 million shares of Common Stock for \$311.3 million at an average discount of 11.9%. Included in these totals is year-to-date activity through June 2005, during which the Company repurchased 636,000 shares for approximately \$19.7 million at an average discount of 12.7%.

Spencer Davidson, President and Chief Executive Officer, commenting on the announcement, stated, “This program should continue to enhance shareholder value by increasing the net asset value of the Company’s shares. In addition, the repurchases may influence the market price of the common shares, serve to reduce the discount, and improve the liquidity of the Company’s shares. We expect the repurchase program to continue as long as we believe that it contributes to the enhancement of share value.”

General American Investors (NYSE symbol GAM), a closed-end investment company 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 has net assets of approximately \$1.07 billion applicable to its 28.7 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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