

GENERAL AMERICAN INVESTORS CO INC  
Form N-30B-2  
October 22, 2012

A Closed-End Investment Company  
listed on the New York Stock Exchange

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For the nine months ended September 30, 2012, the net asset value per Common Share increased 13.7%, while the investment return to our stockholders increased by 16.7%. By comparison, our benchmark, the Standard & Poor's 500 Stock Index (including income), increased 16.4%. For the twelve months ended September 30, 2012, the return on the net asset value per Common Share increased by 29.5%, and the return to our stockholders increased by 29.1%; these compare with an increase of 30.2% for the S&P 500. During both periods, the discount at which our shares traded continued to fluctuate and on September 30, 2012, it was 14.2%.

As detailed in the accompanying financial statements (unaudited), as of September 30, 2012, the net assets applicable to the Company's Common Stock were \$967,239,370 equal to \$33.86 per Common Share.

The increase in net assets resulting from operations for the nine months ended September 30, 2012 was \$113,930,774. During this period, the net realized gain on investments sold was \$58,352,743, and the increase in net unrealized appreciation was \$61,288,760. Net investment income for the

However, with China slowing and Europe in recession, top-line gains have become even more challenging, while cost saves appear to be largely exhausted. The resulting pressure on margins has led to the first decline in quarterly profit, year-over-year, since 2009 and the likelihood that results will continue to be constrained in the near-term.

Extraordinarily low interest rates may well persist for some time, due, in part, to the Federal Reserve's efforts to support the housing market by encouraging both purchases and refinancing. In consequence, equities, especially those with strong balance sheets and meaningful dividends, may continue to find favor with investors faced with maturing bond portfolios and a compelling need for the higher yields available only in riskier asset classes.

Information about the Company, including our investment objectives, operating policies and procedures, investment results, record of dividend and distribution payments, financial reports and press releases, is on our website and has been updated through September 30, 2012. It can be accessed on the internet at [www.generalamericaninvestors.com](http://www.generalamericaninvestors.com).

nine months was \$2,773,250, and distributions to Preferred Stockholders amounted to \$8,483,979.

During the nine months, 1,202,985 shares of the Company's Common Stock were repurchased for \$33,228,774 at an average discount from net asset value of 14.6%.

The market strength that characterized the first part of the year, before flagging in the second quarter, resumed strongly in the period just ended. Despite tepid revenue growth, corporate profits continued to advance, owing to record margins, which were buoyed by improved productivity and constrained capital spending.

By Order of the Board of Directors,

GENERAL AMERICAN INVESTORS COMPANY,  
INC.

Spencer Davidson  
Chairman of the Board  
and Chief Executive Officer

October 10, 2012

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Shares	COMMON STOCKS		Value (note 1a)
<b>AEROSPACE/DEFENSE (2.6%)</b>			
325,000	United Technologies Corporation	(Cost \$22,957,205)	\$25,444,250
<b>COMMUNICATIONS AND INFORMATION SERVICES (7.7%)</b>			
960,000	Cisco Systems, Inc.		18,331,200
700,000	QUALCOMM Incorporated		43,729,000
393,100	Vodafone Group Plc ADR		11,203,350
		(Cost \$49,005,585)	73,263,550
<b>COMPUTER SOFTWARE AND SYSTEMS (7.2%)</b>			
50,000	Apple Inc. (a)		33,355,250
555,000	Dell Inc.		5,469,525
795,000	Microsoft Corporation		23,659,200
100,000	Teradata Corporation (a)		7,541,000
		(Cost \$46,737,885)	70,024,975
<b>CONSUMER PRODUCTS AND SERVICES (15.7%)</b>			
350,000	Diageo plc ADR		39,455,500
1,264,063	Ford Motor Company		12,463,661
450,000	Nestle S.A.		28,448,438
250,991	PepsiCo, Inc.		17,762,633
240,998	Towers Watson & Co. Class A		12,784,944
728,845	Unilever N.V.		26,042,470
330,211	Visteon Corporation (a)		14,681,181
		(Cost \$113,971,389)	151,638,827
<b>DIVERSIFIED (1.5%)</b>			
110	Berkshire Hathaway Inc. Class A (a)	(Cost \$1,250,573)	14,597,000
<b>ENVIRONMENTAL CONTROL (INCLUDING SERVICES) (4.8%)</b>			
957,100	Republic Services, Inc.		26,329,821
630,000	Waste Management, Inc.		20,210,400
		(Cost \$39,190,474)	46,540,221
<b>FINANCE AND INSURANCE (26.1%)</b>			
<b>BANKING (4.2%)</b>			
425,000	Bond Street Holdings LLC, Class A (a) (b)		7,862,500
75,000	Bond Street Holdings LLC, Class B (a) (c)		1,318,125
520,000	JPMorgan Chase & Co.		21,049,600
110,000	M&T Bank Corporation		10,467,600
		(Cost \$31,140,007)	40,697,825
<b>INSURANCE (12.7%)</b>			
860,000	Arch Capital Group Ltd. (a)		35,810,400
240,000	Everest Re Group, Ltd.		25,670,400
53,500			12,037,500

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	Forethought Financial Group, Inc. Class A (a) (d)		
350,000	MetLife, Inc.		12,061,000
275,000	PartnerRe Ltd.		20,427,000
420,000	Platinum Underwriters Holdings, Ltd.		17,165,400
		(Cost \$59,701,102)	123,171,700
OTHER (9.2%)			
315,000	American Express Company		17,910,900
330,492	Aon Corporation		17,281,426
1,666,667	Epoch Holding Corporation		38,500,008
655,500	Nelnet, Inc.		15,561,570
		(Cost \$44,893,728)	89,253,904
		(Cost \$135,734,837)	253,123,429

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Shares	COMMON STOCKS (continued)	Value (note 1a)
<b>HEALTH CARE / PHARMACEUTICALS (4.7%)</b>		
150,000	Celgene Corporation (a)	\$11,460,000
500,000	Cytokinetics, Incorporated (a)	416,500
214,300	Gilead Sciences, Inc. (a)	14,214,519
198,479	Intercell AG (a)	464,038
755,808	Pfizer Inc.	18,781,829
	(Cost \$34,051,578)	45,336,886
<b>MACHINERY AND EQUIPMENT (3.6%)</b>		
1,200,000	ABB Ltd. ADR	22,440,000
900,000	The Manitowoc Company, Inc.	12,006,000
	(Cost \$23,703,922)	34,446,000
<b>METALS AND MINING (2.1%)</b>		
767,700	Alpha Natural Resources, Inc. (a)	5,043,789
200,000	Freeport-McMoRan Copper & Gold Inc.	7,916,000
200,000	Nucor Corporation	7,652,000
	(Cost \$33,417,741)	20,611,789
<b>MISCELLANEOUS (2.6%)</b>		
	Other (e)	(Cost \$23,702,875)
		25,377,488
<b>OIL AND NATURAL GAS (INCLUDING SERVICES) (9.7%)</b>		
296,478	Apache Corporation	25,636,452
300,000	Canadian Natural Resources Limited	9,237,000
130,062	Devon Energy Corporation	7,868,751
750,000	Halliburton Company	25,267,500
2,050,000	Weatherford International Ltd. (a)	25,994,000
	(Cost \$74,984,196)	94,003,703
<b>RETAIL TRADE (15.5%)</b>		
394,500	Costco Wholesale Corporation	39,513,120
234,050	Kohl's Corporation	11,988,041
460,000	Target Corporation	29,196,200
1,544,668	The TJX Companies, Inc.	69,185,680
	(Cost \$53,860,441)	149,883,041
<b>SEMICONDUCTORS (2.8%)</b>		
500,000	ASML Holding N.V.	(Cost \$11,701,015)
		26,840,000
<b>TECHNOLOGY (1.0%)</b>		
750,000	International Game Technology	(Cost \$8,678,620)
		9,817,500
<b>TOTAL COMMON STOCKS (107.6%)</b>		
		(Cost \$672,948,336)
		1,040,948,659
<b>BANKING (0.3%)</b>		
Warrants	WARRANT	
225,000		(Cost \$2,865,853)
		2,315,250

JPMorgan Chase & Co., expires  
10/28/2018 (a)

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			Value (note 1a)
Shares	SHORT-TERM SECURITY AND OTHER ASSETS		
124,904,638	SSgA U.S. Treasury Money Market Fund (12.9%)	(Cost \$124,904,638)	\$124,904,638
	TOTAL INVESTMENTS (f) (120.8%)	(Cost \$800,718,827)	1,168,168,547
	Liabilities in excess of cash, receivables and other assets (-1.1%)		(10,812,002 )
	PREFERRED STOCK (-19.7%)		(190,117,175 )
	NET ASSETS APPLICABLE TO COMMON STOCK (100%)		\$967,239,370

ADR - American Depository Receipt

- (a) Non-income producing security.
- (b) Level 3 fair value measurement, restricted security acquired 11/4/09, aggregate cost \$8,500,000, unit cost is \$20.00 per share and fair value is \$18.50 per share, note 2. Fair value is based upon bid and/or transaction prices provided via the NASDAQ OMX PORTAL Alliance trading and transfer system for privately placed equity securities traded in the over-the-counter market among qualified investors and an evaluation of book value per share.
- (c) Level 3 fair value measurement, restricted security acquired 05/21/12, aggregate cost \$1,500,000, unit cost is \$20.00 per share and fair value is \$17.58 per share, note 2. Fair value is based upon a judgmentally discounted bid price provided via the NASDAQ OMX PORTAL Alliance trading and transfer system for privately placed equity securities traded in the over-the-counter market among qualified investors and an evaluation of book value per share.
- (d) Level 3 fair value measurement, restricted security acquired 11/3/09, aggregate cost \$10,748,000, unit cost is \$200.90 per share and fair value is \$225.00 per share, note 2. Fair valuation is based upon a market approach using valuation metrics (market price-earnings and market price-book value multiples), and changes therein, relative to a peer group of companies established by the underwriters as well as actual transaction prices resulting from limited trading in the security. Significant increases (decreases) in the relative valuation metrics of the peer group companies may result in higher (lower) estimates of fair value.
- (e) Securities which have been held for less than one year, not previously disclosed, and not restricted.
- (f) At September 30, 2012: the cost of investments for Federal income tax purposes was the same as the cost for financial reporting purposes, aggregate gross unrealized appreciation was \$415,239,771, aggregate gross unrealized depreciation was \$47,790,051, and net unrealized appreciation was \$367,449,720.

Contracts (100 shares each)	COMMON STOCK/EXPIRATION DATE/EXERCISE PRICE		Value (note 1a)
CHEMICAL (INCLUDING INSTRUMENTATION)			
		(Premium Deposited with Broker	
	100 Universal Display Corp./December 2012/\$34.00	\$33,696)	\$36,000
METALS AND MINING			
		(Premium Deposited with Broker	
	750 Alpha Natural Resources/December 2012/\$7.00	\$87,477)	93,000

TOTAL PUT OPTIONS

(Premiums Deposited with Brokers \$121,173)

\$129,000

(see notes to unaudited financial statements)

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	SHARES TRANSACTIONED	SHARES HELD
INCREASES		
NEW POSITION		
Vodafone Group Plc ADR	15,000	393,100 (b)
ADDITIONS		
Alpha Natural Resources, Inc.	300,000	767,700
MetLife, Inc.	25,000	350,000
Microsoft Corporation	25,000	795,000
Nelnet, Inc.	10,500	655,500
Nucor Corporation	50,000	200,000
Towers Watson & Co. Class A	34,998	240,998
Visteon Corporation	54,498	330,211
DECREASES		
ELIMINATION		
Poniard Pharmaceuticals	4,883	—
REDUCTIONS		
Arch Capital Group Ltd.	15,000	860,000
ASML Holding N.V.	75,000	500,000
Cytokinetics, Incorporated	29,900	500,000
Dell Inc.	270,000	555,000
Everest Re Group, Ltd.	5,000	240,000
Intercell AG	215,231	198,479
Kohl's Corporation	50,000	234,050 (b)
PartnerRe Ltd.	10,000	275,000
PepsiCo, Inc.	54,009	250,991
Platinum Underwriters Holdings, Ltd.	15,000	420,000
Teradata Corporation	45,000	100,000
The TJX Companies, Inc.	296,040	1,544,668

(a) Common shares unless otherwise noted; excludes transactions in Common Stocks - Miscellaneous - Other.

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

The diversification of the Company's net assets applicable to its Common Stock by industry group as of September 30, 2012 is shown in the following table.

INDUSTRY CATEGORY	COST(000)	VALUE(000)	PERCENT COMMON NET ASSETS
Finance and Insurance			
Banking	\$34,006	\$43,013	4.5 %
Insurance	59,701	123,172	12.7
Other	44,894	89,254	9.2
	138,601	255,439	26.4
Consumer Products and Services	113,971	151,639	15.7

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Retail Trade	53,860	149,883	15.5
Oil and Natural Gas (Including Services)	74,984	94,004	9.7
Communications and Information Services	49,006	73,264	7.7
Computer Software and Systems	46,738	70,025	7.2
Environmental Control (Including Services)	39,190	46,540	4.8
Health Care/Pharmaceuticals	34,052	45,337	4.7
Machinery and Equipment	23,704	34,446	3.6
Semiconductors	11,701	26,840	2.8
Aerospace/Defense	22,957	25,444	2.6
Miscellaneous**	23,703	25,377	2.6
Metals and Mining	33,418	20,612	2.1
Diversified	1,250	14,597	1.5
Technology	8,679	9,817	1.0
	675,814	1,043,264	107.9
Short-Term Securities	124,905	124,905	12.9
Total Investments	\$800,719	1,168,169	120.8
Other Assets and Liabilities - Net		(10,812 )	(1.1 )
Preferred Stock		(190,117 )	(19.7 )
Net Assets Applicable to Common Stock			