GENERAL AMERICAN INVESTORS CO INC
Form N-30B-2
April 27, 2007

GENERAL AMERICAN INVESTORS COMPANY, INC.

FIRST QUARTER REPORT
MARCH 31, 2007

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

450 LEXINGTON AVENUE
NEW YORK, NY 10017
212-916-8400 1-800-436-8401
E-mail: InvestorRelations@gainv.com
www.generalamericaninvestors.com

TO THE STOCKHOLDERS

For the three months ended March 31, 2007, the net asset value per common share increased by 1.2%. The return to our stockholders was negative by 0.8%, however, reflecting a slight increase in the discount at which our shares traded to their net asset value. By comparison, the rate of return (including income) for our benchmark, the Standard & Poor's 500 Stock Index, was 0.6%. For the twelve months ended March 31, 2007, the return on the net asset value per Common Share was 8.3%, and the return to our stockholders was 5.4%; these compare with a return of 11.7% for the S&P 500. During each period, the discount at which our shares traded continued to fluctuate and on March 31, 2007, it was 10.1%.

As set forth in the accompanying financial statements (unaudited), as of March 31, 2007, the net assets applicable to the Company's Common Stock were $1,211,207,548, equal to $41.00 per Common Share.

The increase in net assets resulting from operations for the three months ended March 31, 2007 was $13,335,178. During this period, the net realized gain on securities sold was $40,355,722, and the decrease in net unrealized appreciation was $27,429,687. Net investment income for the three months was $3,384,143, and distributions to Preferred Stockholders amounted to $2,975,000.

During the three months, 44,900 shares of the Company's Common Stock were repurchased for $1,673,704 at an average discount from net asset value of 10.1%.

The stock market ended the most recent quarter on a modestly positive note. But volatility has risen and share prices were buffeted by competing trends. Growth in the U.S. economy has become more measured reflecting the slowdown in housing, higher energy prices, and flagging productivity in the face of rising wage pressures. Meanwhile, global growth remains robust with ample liquidity and interest rates that continue to facilitate a broad range of financial transactions.

From a portfolio perspective, we had an active and productive quarter. Meaningful capital gains were realized from the sale of securities, while significant new positions were added, which should inure to the benefit of our shareholders in the years to come.

We are pleased to report that on April 11, 2007, at the Company's annual meeting, the Stockholders (1) elected nine directors, including two directors who were elected by the holders of the Company's Preferred Stock, and (2) ratified the selection of Ernst & Young LLP as auditors of the Company for the year 2007. At the Board of Directors meeting on the same day, Spencer Davidson, President and Chief Executive Officer of the Company, was elected Chairman of the Board of Directors upon the retirement of Lawrence B. Buttenwieser, our Chairman for the last 12 years and a Director of the Company for 40 years. His wisdom and judgment have been invaluable to the Board. We express our gratitude and deepest appreciation for his long and distinguished service to the Company.

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 March 31, 2007. 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

Chairman of the Board
President and Chief Executive Officer
April 11, 2007

2 STATEMENT OF ASSETS AND LIABILITIES March 31, 2007 (Unaudited)

General American Investors

ASSETS		
INVESTMENTS, AT VALUE (NOTE 1a)		
Common and preferred stocks (cost $766,332,806)		$1,
Corporate note (cost $28,991,038)		
Money market fund (cost $3,780,151)		
Total investments (cost $799,103,995)		1,
CASH, RECEIVABLES AND OTHER ASSETS		
Cash	$5,241,266	
Receivable for securities sold	1,781,690	
Dividends, interest and other receivables	2,386,224	
Pension asset, excess funded	8,790,864	
Prepaid expenses and other assets	160,613	
TOTAL ASSETS		1,
Liabilities		
Payable for securities purchased	1,615,809	
Preferred dividend accrued but not yet declared	231,389	
Pension benefit liability	3,344,310	
Accrued thrift plan expense	2,969,975	
Accrued expenses and other liabilities	1,510,910	
TOTAL LIABILITIES		
5.95% CUMULATIVE PREFERRED STOCK, SERIES B -		

8,000,000 shares at a liquidation value of $25 per share (note 2)

NET ASSETS APPLICABLE TO COMMON STOCK - 29,544,298 shares (note 2)		$1,
NET ASSET VALUE PER COMMON SHARE		

NET ASSETS APPLICABLE TO COMMON STOCK

Common Stock, 29,544,298 shares at par value (note 2)	$29,544,298	
Additional paid-in capital (note 2)	536,465,072	
Undistributed realized gain on investments	38,640,673	
Undistributed net investment income	5,603,060	
Accumulated other comprehensive income (note 5)	745,545	
Unallocated distributions on Preferred Stock	(3,206,389)	
Unrealized appreciation on investments	603,415,289	
NET ASSETS APPLICABLE TO COMMON STOCK		$1,

(see notes to financial statements)

3 STATEMENT OF OPERATIONS Three Months Ended March 31, 2007 (Unaudited)

General American Investors

INCOME

Dividends (net of foreign withholding taxes of $95,623)	$5,627,127	
Interest	785,792	$6,

EXPENSES

Investment research	1,926,545	
Administration and operations	752,792	
Office space and general	136,571	
Directors' fees and expenses	68,082	
Auditing and legal fees	45,000	
Transfer agent, custodian and registrar fees and expenses	39,121	
Stockholders' meeting and reports	33,526	
Miscellaneous taxes	27,139	3,
NET INVESTMENT INCOME		3,

REALIZED GAIN AND CHANGE IN UNREALIZED APPRECIATION ON INVESTMENTS (NOTES 1d AND 4)

Net realized gain on investments (long-term, except for $2,775,237)	40,355,722	
Net decrease in unrealized appreciation	(27,429,687)	
NET GAIN ON INVESTMENTS		12,
DISTRIBUTIONS TO PREFERRED STOCKHOLDERS		(2,
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		$13,

(see notes to financial statements)

STATEMENT OF CHANGES IN NET ASSETS

General American Investors

	Three Months Ended March 31, 2007 (Unaudited)	D
OPERATIONS		
Net investment income	$3,384,143	$10
Net realized gain on investments	40,355,722	86
Net increase (decrease) in unrealized appreciation	(27,429,687)	51
	16,310,178	147
Distributions to Preferred Stockholders:		
From net income	-	(1
From short-term capital gains	-	
From long-term capital gains	-	(10
Unallocated distributions	(2,975,000)	
Decrease in net assets from Preferred distributions	(2,975,000)	(11
INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	13,335,178	135
OTHER COMPREHENSIVE INCOME	92,986	
DISTRIBUTIONS TO COMMON STOCKHOLDERS		
From net income	-	(8
From short-term capital gains	-	(1
From long-term capital gains	-	(79
DECREASE IN NET ASSETS FROM COMMON DISTRIBUTIONS	-	(89
CAPITAL SHARE TRANSACTIONS (NOTE 2)		
Value of Common Shares issued in payment of distributions	-	48
Cost of Common Shares purchased	(1,673,704)	(29
INCREASE (DECREASE) IN NET ASSETS - CAPITAL TRANSACTIONS	(1,673,704)	19
NET INCREASE IN NET ASSETS	11,754,460	66
NET ASSETS APPLICABLE TO COMMON STOCK		
BEGINNING OF PERIOD	1,199,453,088	1,132
END OF PERIOD (including undistributed net investment income of $5,603,060 and $2,218,917, respectively)	$1,211,207,548	$1,199

(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 three months ended March 31, 2007 and for each year in the five-year period ended December 31, 2006. This information has been derived from information contained in the financial statements and market price data for the Company's shares.

	Three Months Ended March 31, 2007 (Unaudited)	Year Ended Decembe			
		2006	2005	2004	200
PER SHARE OPERATING PERFORMANCE					
Net asset value, beginning of period	$40.54	$39.00	$35.49	$33.11	$26
Net investment income	.12	.34	.19	.32	
Net gain (loss) on securities - realized and unrealized	.44	4.72	5.85	3.48	7
Other comprehensive income	-	.03	-	-	
Less distributions on Preferred Stock:					
Dividends from net investment income	-	(.04)	(.03)	(.09)	(
Distributions from net short-term capital gains	-	(.01)	(.08)	-	
Distributions from net long-term capital gains	-	(.36)	(.30)	(.32)	(
Unallocated	(.10)	-	-	-	
	(.10)	(.41)	(.41)	(.41)	(
Total from investment operations	.46	4.68	5.63	3.39	7
Distributions on Common Stock:					
Dividends from net investment income	-	(.29)	(.15)	(.23)	(
Distributions from net short-term capital gains	-	(.04)	(.44)	-	
Distributions from net long-term capital gains	-	(2.81)	(1.53)	(.78)	(
	-	(3.14)	(2.12)	(1.01)	(
Capital Stock transaction - effect of Preferred Stock offering	-	-	-	-	(
Net asset value, end of period	$41.00	$40.54	$39.00	$35.49	$33
Per share market value, end of period	$36.84	$37.12	$34.54	$31.32	$29
TOTAL INVESTMENT RETURN - Stockholder return, based on market price per share	(0.75)%*	16.78%	17.40%	8.79%	27

RATIOS AND SUPPLEMENTAL DATA					
Net assets applicable to Common Stock, end of period (000's omitted)	$1,211,208	$1,199,453	$1,132,942	$1,036,393	$986,
Ratio of expenses to average net assets applicable to Common Stock	1.01%**	1.06%	1.25%	1.15%	1
Ratio of net income to average net assets applicable to Common Stock	1.12%**	0.86%	0.51%	0.94%	0
Portfolio turnover rate	9.59%*	19.10%	20.41%	16.71%	18
PREFERRED STOCK					
Liquidation value, end of period (000's omitted)	$200,000	$200,000	$200,000	$200,000	$200,
Asset coverage	706%	700%	666%	618%	
Liquidation preference per share	$25.00	$25.00	$25.00	$25.00	$25
Market value per share	$24.96	$25.44	$24.07	$24.97	$25

*Not annualized
**Annualized

General American Investors

Shares	COMMON AND PREFERRED STOCKS	
AEROSPACE/DEFENSE (1.9%		
250,000	Textron Inc.	(COST $24,399,743)
BUILDING AND REAL ESTATE (6.0%)		
2,225,862	CEMEX, S.A. de C.V. ADR	(COST $29,518,057)
COMMUNICATIONS AND INFORMATION SERVICES (8.2%)		
100,000	American Tower Corporation (a)	
900,000	Cisco Systems, Inc. (a)	
324,100	Lamar Advertising Company Class A (a)	
700,000	QUALCOMM Incorporated	
1,185,000	Sprint Nextel Corporation	
		(COST $74,880,765)
COMPUTER SOFTWARE AND SYSTEMS (6.1%)		
700,000	Activision, Inc. (a)	
1,051,000	Dell Inc. (a)	
720,000	Microsoft Corporation	
55,000	Nintendo Co., Ltd.	
		(COST $68,567,277)
CONSUMER PRODUCTS AND SERVICES (4.9%)		

350,000	Diageo plc ADR	
300,000	Heineken N. V.	
235,000	PepsiCo, Inc.	
		(COST $41,172,775)

ENVIRONMENTAL CONTROL (INCLUDING SERVICES) (4.1%)

1,762,500	Republic Services, Inc.	(COST $26,227,380)

FINANCE AND INSURANCE (27.1%)

BANKING (7.9%)

270,000	Bank of America Corporation	
300,000	M&T Bank Corporation	
160,000	SunTrust Banks, Inc.	
614,864	Wachovia Corporation	
		(COST $17,145,406)

INSURANCE (16.8%)

285,000	The Allstate Corporation	
335,000	American International Group, Inc.	
275,000	Annuity and Life Re (Holdings), Ltd. (a)	
335,000	Arch Capital Group Ltd. (a)	
400,000	AXIS Capital Holdings Limited	
275	Berkshire Hathaway Inc. Class A (a)	
470,000	Everest Re Group, Ltd.	
275,000	MetLife, Inc.	
315,000	PartnerRe Ltd.	
205,000	Transatlantic Holdings, Inc.	
		(COST $82,979,972)

OTHER (2.4%)

10,000	Epoch Holding Corporation Series A Convertible Preferred 4.6% (d)	
925,000	MFA Mortgage Investments, Inc.	
		(COST $16,936,916)
		(COST $117,062,294)

Shares	COMMON AND PREFERRED STOCKS (continued)

HEALTH CARE (8.0%)

PHARMACEUTICALS (7.0%)			
100,000	Alkermes, Inc. (a)		
170,000	Biogen Idec Inc. (a)		
50,000	Cephalon, Inc. (a)		
604,900	Cytokinetics, Incorporated (a)		
200,000	Genentech, Inc. (a)		
355,000	MedImmune, Inc. (a)		
275,000	Novo Nordisk B		
528,000	Pfizer Inc		
		(COST $43,828,096)	
MEDICAL INSTRUMENTS AND DEVICES (1.0%)			
240,000	Medtronic, Inc.	(COST $761,084)	
		(COST $44,589,180)	
MACHINERY AND EQUIPMENT (1.6%)			
1,150,000	ABB Ltd. ADR	(COST $12,430,211)	
MINING (1.2%)			
65,000	Rio Tinto plc ADR	(COST $13,420,905)	
MISCELLANEOUS (4.8%)			
	Other (b)	(COST $55,946,999)	
OIL & NATURAL GAS (INCLUDING SERVICES) (17.8%)			
825,000	Apache Corporation		
850,000	Halliburton Company		
1,000,000	Patterson-UTI Energy, Inc.		
3,000,000	Talisman Energy Inc.		
1,220,000	Weatherford International Ltd. (a)		
		(COST $148,725,073)	
RETAIL TRADE (18.2%)			
700,000	Costco Wholesale Corporation		
1,975,000	Dollar General Corporation		
1,570,000	The Home Depot, Inc. (c)		
2,100,000	The TJX Companies, Inc.		
575,000	Wal-Mart Stores, Inc.		
		(COST $77,709,438)	
TECHNOLOGY (3.1%)			
2,250,000	Xerox Corporation (a)	(COST $31,682,709)	
TOTAL COMMON AND PREFERRED STOCKS (113.0%)		(COST $766,332,806)	1

Principal Amount	CORPORATE NOTE		
CONSUMER PRODUCTS AND SERVICES (2.5 %)			
$30,000,000	General Motors Nova Scotia Finance Company 6.85% Guaranteed Notes due 10/15/08	(COST $28,991,038)	

 STATEMENT OF INVESTMENTS March 31, 2007 (Unaudited) - continued

General American Investors

Shares	SHORT-TERM SECURITY AND OTHER ASSETS		
3,780,151	SSgA Prime Money Market Fund (0.3%)	(COST $3,780,151)	
TOTAL INVESTMENTS (e) (115.8%)		(COST $799,103,995)	1
	Cash, receivables and other assets less liabilities (0.7%)		
PREFERRED STOCK (-16.5%)			
NET ASSETS APPLICABLE TO COMMON STOCK (100%)			$1

PORTFOLIO DIVERSIFICATION March 31, 2007 (Unaudited)

General American Investors

The diversification of the Company's net assets applicable to its Common Stock by industry group as of March 31, 2007 and 2006 is shown in the following table.

	March 31, 2007		Percent Common March
Industry Category	Cost(000)	Value(000)	2007
Finance and Insurance			
Banking	$17,145	$95,659	7.9%
Insurance	82,980	203,659	16.8
Other	16,937	29,208	2.4
	117,062	328,526	27.1
Retail Trade	77,710	220,753	18.2
Oil and Natural Gas (Including Services)	148,725	215,449	17.8
Communications and Information Services	74,881	99,610	8.2
Health Care			
Pharmaceuticals	43,828	84,707	7.0
Medical Instruments and Devices	761	11,774	1.0
	44,589	96,481	8.0

Consumer Products and Services	70,164	88,713	7.4
Computer Software and Systems	68,567	73,779	6.1
Building and Real Estate	29,518	72,897	6.0
Miscellaneous**	55,947	58,480	4.8
Environmental Control (Including Services)	26,227	49,033	4.1
Technology	31,683	38,003	3.1
Aerospace/Defense	24,400	22,450	1.9
Machinery & Equipment	12,430	19,757	1.6
Mining	13,421	14,808	1.2
Electronics	-	-	-
Semiconductors	-	-	-
Special Holdings	-	-	-
	795,324	1,398,739	115.5
Short-Term Securities	3,780	3,780	0.3
Total Investments	$799,104	1,402,519	115.8
Other Assets and Liabilities - Net		8,689	0.7
Preferred Stock		(200,000)	(16.5)
Net Assets Applicable to Common Stock		$1,211,208	100.0%

NOTES TO FINANCIAL STATEMENTS (Unaudited)

General American Investors

1. 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 a national securities exchange are valued at the last reported sales price on the last business day of the period. Securities reported on the NASDAQ national market are valued at the official closing price on that day. 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 on the valuation date. Securities traded primarily in foreign markets are generally valued at the preceding closing price of such securities on their respective exchanges or markets. If, after the close of the foreign market, conditions change significantly, the price of certain foreign securities may be adjusted to reflect fair value as of the time of the valuation of the portfolio. Investments in money market funds are valued at their net asset value. The restricted security is valued at par value (cost), divided by the conversion price $6.00 multiplied by the last reported sales price of the publicly traded common stock of the corporation.

b. 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.

c. INDEMNIFICATIONS In the ordinary course of business, the Company enters into contracts that contain a variety of indemnifications. The Company's maximum exposure under these arrangements is unknown. However, the Company has not had prior claims or losses pursuant to these indemnification provisions and expects the risk of loss thereunder to be remote.

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 29,544,298 shares and 8,000,000 shares, respectively, were outstanding at March 31, 2007.

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 $6,700,000 and were charged to paid-in capital.

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.

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

Transactions in Common Stock during the three months ended March 31, 2007 and the year ended December 31, 2006 were as follows:

	SHARES		AMOUNT	
	2007	2006	2007	
Treasury shares issued in payment of dividends and distributions	-	1,326,499	-	$1
Increase in paid-in capital			-	47
Total increase			-	48
Shares purchased (at an average discount from net asset value of 10.1% and 9.0%, respectively)	44,900	787,700	($44,900)	
Decrease in paid-in capital			(1,628,804)	(28
Total decrease			(1,673,704)	(29
Net increase (decrease)			($1,673,704)	$19

At March 31, 2007, the Company held in its treasury 1,687,265 shares of Common Stock with an aggregate cost in the amount of $59,161,476. Distributions for tax and book purposes are substantially the same.

3. OFFICERS' COMPENSATION - The aggregate compensation paid by the Company during the three months ended March 31, 2007 to its officers (identified on back cover) amounted to $1,818,125.

4. PURCHASES AND SALES OF SECURITIES - Purchases and sales of securities (other than short-term securities) for the three months ended March 31, 2007 amounted to $133,930,225 and $142,608,490.

5. BENEFIT PLANS - The Company has funded and unfunded defined contribution thrift plans that are available to its employees. The aggregate cost of such plans for the three months ended March 31, 2007 were:

Service cost	$78,836
Interest cost	177,622
Expected return on plan assets	(313,593)
Amortization of:	
Prior service cost	8,774
Recognized net actuarial loss (gain)	14,344

Net periodic benefit cost (income)	($34,017)

The Company also has both a funded (Qualified) and an unfunded (Supplemental) noncontributory defined benefit pension plans that cover its employees. The plans provide defined benefits based on years of service and final average salary with an offset for a portion of social security covered compensation. The aggregate cost of such plans for the three months ended March 31, 2007 was $76,689. The unfunded liability at March 31, 2007 was $2,969,975.

Effective December 31, 2006, the Company adopted the recognition provisions of Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards No. 158 "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans" ("FAS158") which was released on September 2006. FAS 158 improves financial reporting by requiring employers to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in the statement of assets and liabilities and to recognize changes in funded status in the year in which the changes occur through other comprehensive income.

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 $97,400 for the three months ended March 31, 2007. Minimum rental commitments under the operating lease are approximately $505,000 per annum in 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 2007. The Company will also be charged its proportionate share of operating expenses and real property taxes under the sublease.

7. RECENT ACCOUNTING PRONOUNCEMENTS - On July 13, 2006, the FASB released FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" ("FIN48"). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Adoption of FIN 48 is required for fiscal years beginning after June 29, 2007 and is to be applied to all open tax years as of the effective date. Management does not believe that the application of this standard will have a material impact on the financial statements of the Company.

On September 20, 2006, the FASB released Statement of Financial Accounting Standards No. 157 "Fair Value Measurements" ("FAS 157"). FAS 157 establishes an authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair-value measurements. The application of FAS 157 is required for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. Management does not believe that the application of this standard will have a material impact on the financial statements of the Company.

11 MAJOR STOCK CHANGES* Three Months Ended March 31, 2007 (Unaudited)

General American Investors

INCREASES	SHARES	SHAR MARCH
NEW POSITIONS		
Activision, Inc.	-	70
Dell Inc.	1,051,000	1,05
Heineken N.V.	300,000	30
Nintendo Co., Ltd.	55,000	5
Sprint Nextel Corporation	450,000	1,18
Textron Inc.	250,000	25
ADDITIONS		
The Allstate Corporation	10,000	28
Novo Nordisk B	95,000	27
PepsiCo, Inc.	10,000	23
DECREASES		
ELIMINATIONS		
Annaly Capital Management, Inc.	550,000	
Constellation Brands, Inc.	325,000	
EMC Corporation	300,000	
Molex Incorporated Class A	550,000	
VeriSign, Inc.	113,500	
REDUCTIONS		
Alkermes, Inc.	75,000	10
American International Group, Inc.	25,000	33
American Tower Corporation	675,000	10
Arch Capital Group Ltd.	15,000	33
Berkshire Hathaway Inc. Class A	25	
CEMEX, S.A. de C.V. ADR	125,000	2,22
Cephalon, Inc.	100,000	5
Dollar General Corporation	525,000	1,97
Everest Re Group, Ltd.	30,000	47
General Motors Nova Scotia Finance Company 6.85% Guaranteed Notes Due 10/15/08	$5,000,000	$30,00
Lamar Advertising Company - Class A	25,900	32
M&T Bank Corporation	10,000	30
MedImmune, Inc.	25,000	35
Medtronic, Inc.	210,000	24
MetLife, Inc.	10,000	27
PartnerRe Ltd.	20,000	31
Pfizer Inc	819,900	52
SunTrust Banks, Inc.	10,000	16
Transatlantic Holdings, Inc.	25,000	20

OTHER MATTERS (Unaudited)

General American Investors

In addition to purchases of the Company's Common Stock as set forth in Note 2 on page 10, 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.

The policies and procedures used by the Company to determine how to vote proxies relating to portfolio securities and the Company's proxy voting record for the twelve-month period ended June 30, 2006 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 www.generalamericaninvestors.com and (3) on the Securities and Exchange Commission's website at www.sec.gov.

In addition to distributing financial statements as of the end of each quarter, General American Investors files a Quarterly Schedule of Portfolio Holdings (Form N-Q) with the Securities and Exchange Commission (SEC) as of the end of the first and third calendar quarters. The Company's Forms N-Q are available at www.generalamericaninvestors.com and on the SEC's website: www.sec.gov. Also, Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. A copy of the Company's Form N-Q may also be obtained by calling us at 1-800-436-8401.

On May 2, 2006, the Company submitted a CEO annual certification to the New York Stock Exchange ("NYSE") on which the Company's principal executive officer certified that he was not aware, as of that date, of any violation by the Company of the NYSE's Corporate Governance listing standards. In addition, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and related SEC rules, the Company's principal executive and principal financial officer made quarterly certifications, included in filings with the SEC on Forms N-CSR and N-Q relating to, among other things, the Company's disclosure controls and procedures and internal control over financial reporting, as applicable.

SERVICE COMPANIES

COUNSEL
Sullivan & Cromwell LLP

INDEPENDENT AUDITORS
Ernst & Young LLP

CUSTODIAN
State Street Bank and Trust Company

TRANSFER AGENT AND REGISTRAR
American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038
1-800-413-5499
www.amstock.com

RESULTS OF THE ANNUAL MEETING OF STOCKHOLDERS

The votes cast by stockholders at the Company's annual meeting held on April 11, 2007 were as follows:

	FOR	WITHHELD
Election of Directors:		
Lewis B. Cullman	32,088,065	467,325
Spencer Davidson	32,028,790	526,600
Gerald M. Edelman	32,134,767	420,623
John D. Gordan, III	32,227,580	327,810
D. Ellen Shuman	32,218,952	336,438
Joseph T. Stewart, Jr.	32,112,258	443,132
Raymond S. Troubh	32,128,083	427,307
Elected by holders of Preferred Stock:		
Arthur G. Altschul, Jr.	7,370,437	83,205
Sidney R. Knafel	7,362,742	90,900

Ratification of the selection of Ernst & Young LLP as auditors of the Company for the year 2007:

For - 32,298,866; Against - 104,589; Abstain - 151,933