

CANADIAN GENERAL  
INVESTMENTS, LIMITED

## CORPORATE INFORMATION

**OFFICE OF THE COMPANY**  
110 Yonge Street,  
Suite 1601, Toronto,  
Ontario, Canada M5C 1T4  
Telephone (416) 366-2931  
1-800-207-0067  
Fax (416) 366-2729  
e-mail:  
cgifund@mma-investmgr.com  
website:  
www.mma-investmgr.com

**CANADIAN REGISTRAR AND TRANSFER AGENT**  
Montreal Trust Company  
of Canada  
151 Front Street W.  
8th Floor  
Toronto, Ontario, Canada  
M5J 2N1  
Tel: (416) 981-9633  
Fax: (416) 981-9800  
e-mail:  
mmamail@montrealtrust.com

STOCK EXCHANGE  
LISTINGS

The Toronto Stock Exchange  
Trading Symbols:  
Common shares CGI  
Preferred shares CGL.PRA  
Warrants CGLWT

The London Stock Exchange  
Reuters Symbols:  
Common shares CGLq.L  
Warrants CGL%q.L

Representative U.K. Broker:  
Teather & Greenwood  
Limited

**U.K. TRANSFER AGENT**  
CIBC Mellon Trust Company  
Balfour House  
390 High Road  
Ilford, Essex  
IG1 1NQ  
Tel: 020-8478-1888

To change your address,  
eliminate multiple mailings, or  
for other shareholder account  
inquiries, please contact  
transfer agent as applicable.

**The Corporation calculates and releases its net asset value per share (NAV) on a daily basis. The NAV is published in various media in Canada, the United States and the United Kingdom.**

**The Corporation will provide a list of its weekly top 10 portfolio holdings (priced at market), together with current discount and market return information to any interested party upon request.**

DIVIDEND REINVESTMENT AND  
SHARE PURCHASE PLAN

**This Plan offers a unique low-cost opportunity for shareholders to increase their holdings in the Corporation, one of Canada's largest closed-end funds. Please contact the Plan administrator Montreal Trust Company of Canada for details.**

STATEMENT OF INVESTMENTS  
March 31, 2000

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
<b>Communications &amp; Media</b>		
100,000	CTV Inc. \$ 2,318	\$ 3,840
50,000	Cogeco Cable Inc.	1,544 2,148
80,000	Quebecor Inc. B	2,341 3,040
100,000	Rogers Communications Inc. B	2,675 4,300
65,000	The Seagram Company Ltd.	1,536 5,596
200,000	SHAW Communications Inc. B	1,122 7,800
	<u>11,536</u>	<u>26,724</u>
<b>Consumer Products</b>		
40,000	Biovail Corporation *	3,111 2,520
70,000	Corby Distilleries Limited B	4,416 3,290
227,900	Forbes Medi-Tech Inc.	3,969 2,963
200,000	Maple Leaf Foods Inc.	2,524 2,050
	<u>14,020</u>	<u>10,823</u>
<b>Financial Services</b>		
27,100	Bissett & Associates Investment Management Ltd.*	435 447
300,000	Canada Life Financial Corporation	6,115 6,645
200,000	Desjardins-Laurentian Financial Corporation A	4,786 2,450
225,000	Manulife Financial Corporation	4,050 4,793
75,000	Royal Bank of Canada	4,234 5,100
200,000	TD Waterhouse Group, Inc.	6,433 7,267
240,000	The Toronto Dominion Bank	6,895 9,216
	<u>32,948</u>	<u>35,918</u>
<b>Forest Products</b>		
200,000	Alliance Forest Products Inc.	5,499 3,400
200,000	Domtar Inc.*	3,678 3,000
250,000	Nexfor Inc.	2,386 2,100
100,000	St. Laurent Paperboard Inc.	2,185 2,775
	<u>13,748</u>	<u>11,275</u>
<b>Golds &amp; Precious Metals</b>		
98,850	Dia Met Minerals Ltd. A	1,265 1,873
214,600	Dia Met Minerals Ltd. B	4,466 4,217
38,000	Franco-Nevada Mining Corporation Limited wts	87 332
	<u>5,818</u>	<u>6,422</u>

STATEMENT OF INVESTMENTS  
March 31, 2000 (cont'd)

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
<b>Industrial Products</b>		
30,000	724 Solutions Inc.*	\$ 2,992 \$ 5,400
250,000	ATI Technologies Inc.	3,815 6,438
250,000	BAE Systems Canada Inc.	3,829 4,063
70,000	Ballard Power Systems Inc.*	4,442 7,770
120,000	BCE Emergis Inc.	2,602 12,240
250,000	Bombardier Inc. B	2,549 9,113
350,000	Burntsand Inc.*	4,482 2,940
124,000	Celestica Inc.	6,273 9,467
60,000	Certicom Corporation+	3,975 8,763
180,000	CGI Group Inc. A+	4,857 3,672
50,000	Cognos, Inc.*	4,309 4,550
60,000	Creo Products Inc.*	3,847 3,780
30,000	Delano Technology Corporation *	2,153 978
88,000	DuPont Canada Inc. A	3,211 3,617
40,000	Hummingbird Communications Ltd.*	3,215 2,484
100,000	Intertape Polymer Group Inc.	3,400 1,630
160,000	JDS Uniphase Canada Ltd. exch. shares	7,453 27,680
400,000	LINMOR Inc.	1,295 840
74,000	Newbridge Networks Corporation	3,017 3,404
165,000	Nortel Networks Corporation+	13,485 30,046
100,600	NOVA Chemicals Corporation	3,377 2,676
95,000	Open Text Corporation	2,256 4,099
80,000	PMC-Sierra, Inc.	5,785 23,685
55,000	Potash Corporation of Saskatchewan Inc.	5,401 3,968
60,000	Research in Motion Limited	874 9,120
107,500	Ritchie Bros. Auctioneers Inc.	4,162 3,984
2,000,000	Vengold Inc.*	4,543 5,700
	<u>111,599</u>	<u>202,107</u>
<b>Merchandising</b>		
125,000	Canadian Tire Corporation, Limited A+	4,052 2,375
108,900	Sears Canada Inc.	4,052 3,708
	<u>8,104</u>	<u>6,083</u>

STATEMENT OF INVESTMENTS  
March 31, 2000 (cont'd)

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
<b>Metals &amp; Minerals</b>		
75,000	Alcan Aluminium Limited	\$ 3,434 \$ 3,641
150,000	Cominco Ltd.	4,090 3,165
200,000	Falconbridge Limited+	3,680 4,320
61,750	Inco Limited pfd. series E	3,826 3,456
220,000	Labrador Iron Ore Royalty Income Fund	2,246 2,068
201,800	Novicourt Inc.	1,009 383
1,000,000	Teck Corporation due April 30, 2024 exch. deb.	<u>1,000 998</u>
	<u>19,285</u>	<u>18,031</u>
<b>Oil &amp; Gas</b>		
400,000	Baytex Energy Ltd. A	2,650 4,680
100,000	Canadian Occidental Petroleum Ltd.	1,949 3,325
90,000	Imperial Oil Limited	1,457 2,700
225,000	PanCanadian Petroleum Limited	3,629 5,625
80,000	Penn West Petroleum Ltd.	2,599 2,824
200,000	Petro-Canada	3,153 4,830
350,000	Prudential Steel Ltd.+	3,261 5,005
160,000	Rio Alto Exploration Ltd.+	1,955 4,088
115,000	Suncor Energy, Inc.	2,386 7,228
	<u>23,039</u>	<u>40,305</u>
<b>Pipelines</b>		
110,000	Enbridge Inc.+	3,532 3,239
263,000	TransCanada PipeLines Ltd.	6,603 2,801
	<u>10,135</u>	<u>6,040</u>
<b>Utilities</b>		
215,000	BCE, Inc.+	13,573 38,915
100,000	Canadian Utilities Limited A	2,342 3,340
75,000	Teleglobe Inc.	2,909 2,963
75,000	Telesystem International Wireless Inc.*	3,904 3,956
125,000	TransAlta Corporation	2,591 1,744
	<u>25,319</u>	<u>50,918</u>

STATEMENT OF INVESTMENTS  
March 31, 2000 (cont'd)

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
<b>Preferred Shares</b>		
155,000	Falconbridge Limited pfd. series 2	\$ 3,404 \$ 3,271
36,400	Genra Inc. pfd. series G	741 511
175,000	Gulf Canada Resources Limited pfd. series A	<u>399 516</u>
	<u>4,544</u>	<u>4,298</u>
<b>Total Investments</b>		
<b>- March 31, 2000</b>	<u>\$280,095</u>	<u>\$418,944</u>
<b>Total Investments</b>		
<b>- March 31, 1999</b>	<u>\$269,935</u>	<u>\$313,488</u>

Changes from December 31, 1999  
\* New Holdings  
+ Increased Holdings

INVESTMENT PORTFOLIO  
TEN LARGEST INVESTMENTS  
March 31, 2000

Company	Market Value (000's)	% of Market Value of Total Investment Portfolio
BCE, Inc.	\$ 38,915	9.3
Nortel Networks Corporation	30,046	7.2
JDS Uniphase Canada Ltd.	27,680	6.6
PMC-Sierra, Inc.	23,685	5.6
BCE Emergis Inc.	12,240	2.9
Celestica Inc.	9,467	2.2
The Toronto Dominion Bank	9,216	2.2
Research in Motion Limited	9,120	2.2
Bombardier Inc.	9,113	2.2
Certicom Corporation	8,763	2.1
<b>Totals</b>	<u>\$178,245</u>	<u>42.5</u>

CANADIAN  
GENERAL  
INVESTMENTS,  
LIMITED

1

MARCH 31, 2000  
FIRST QUARTER  
REPORT

**REPORT TO SHAREHOLDERS**

During the first quarter of 2000, net assets increased by 17.6% to \$364,618,000 from \$310,127,000 at year-end 1999. On a per share basis, basic net asset value was \$19.38 or \$17.56 fully diluted. This growth, combined with the strong fourth quarter of 1999, saw a 29.8% growth in portfolio assets to \$421 million from \$324 million at September 30, 1999.

Part of the impressive strength resulted from reallocation of funds to capture the momentum in leading communications businesses and other technology companies. Examples of these are companies such as BCE, Inc., Nortel Networks Corporation, PMC-Sierra, Inc., JDS Uniphase Canada Ltd., and the long established world leader in fuel cell development, Ballard Power Systems Inc.

The 24.9% reduction in investment income, from \$1,560,000 to \$1,172,000, for the three months ended March 31, 2000 reflected the emphasis on growth stocks.

**TRADITIONAL HOLDINGS**

The list of successes extended beyond technology into more traditional holdings like Bombardier Inc. and The Seagram Company Ltd. Senior oil companies were strong and the portfolio benefited from takeovers in the forest products sector and big moves in the cable entertainment group.

An interesting recent purchase is Creo Products Inc., a company involved in new printing processes with worldwide sales. This relatively little known company has rapidly moved to the \$150 million level in revenues and has increased revenues and earnings by as much as 30% a quarter.

Negative performers included Intertape Polymer Group Inc., which fell on news of computer system problems in the first quarter. We expect this excellent company to solve its problems.

**PERFORMANCE**

The advance in the portfolio pushed the NAV up by 29.8% before market corrections reduced growth to 17.6% by quarter-end, still well ahead of the 12.5% achieved by the TSE 300 Composite Index.

CGI's twelve month net asset improvement was 36.2%, probably unmatched historically but appropriate for a Canada with strong GDP growth, low interest rates and moderate inflation.

As a closed-end fund trading on the Toronto and London stock exchanges, CGI's stock price is dictated by market supply and demand, often lagging the moves of the underlying portfolio. Year-to-date at March 31, CGI's

market return, with dividends reinvested, was 4.1%, gaining 19.3% over twelve months. Wide trading discounts around 30%, not unusual when closed-end fund portfolios show success, confirm the value of the stock price, assuming portfolio performance stays at a high level.

Research by Lipper Analytical Services has shown that until recently the powerful U.S. mutual funds had been net sellers of Canadian equities for years. CGI has in the past experienced strong price performance when U.S. money has been attracted by the Canadian resources sectors. This was clearly not an ingredient in market activity in the quarter, or through 1999.

**DIVIDENDS**

A regular quarterly dividend of \$0.06 per common share was declared payable on June 15 to all common shareholders of record on May 31. The Board of Directors monitors and distributes portfolio realized capital gains through special dividends. Last year's total yield in the form of cash and stock amounted to 5.5%, based on the year-end closing price.

**OUTLOOK**

Our investment approach is to try to pace the momentum of this unusually volatile market and to create more investor awareness of long term growth in a portfolio diversified against high risk. Cash was being raised after the period under review in order to protect gains in technology-linked stocks.

**INVESTOR RELATIONS**

Portfolio Managers of MMA Investment Managers Limited (the "Manager"), have been presenting the CGI story at conferences in Canada and the United States, at investment shows and in visits to the branches of broking firms in Canada and the U.K. The current strengths of Canada - high growth, low inflation and interest rates and a stable currency should appeal to international investors.

The Manager is making improvements to the website (www.mma-investmgr.com) which is linked with others in the closed-end fund world including that of the Closed-End Fund Association (www.cefa.com). This medium is proving to be extremely powerful in getting information out to investors. Our NAV and market price is reported daily in the financial press.

*E. Louise Morgan*  
E. Louise Morgan  
Chairman

*Michael A. Smedley*  
Michael A. Smedley  
President

**STATEMENT OF NET ASSETS**  
(Unaudited)

As at March 31,	2000	1999
	(000's)	
<b>Assets</b>		
Investments	\$418,944	\$313,488
Cash and short-term investments	5,076	2,747
Receivable on securities sold	808	-
Accrued interest and dividends	390	561
Income taxes recoverable	2,061	9,663
Deferred financing charge	1,163	1,495
	<b>428,442</b>	<b>327,954</b>
<b>Liabilities</b>		
Payable on securities purchased	3,575	-
Accounts payable and accrued liabilities	107	103
Accrued dividends on preference shares	142	142
Preference shares	60,000	60,000
	<b>63,824</b>	<b>60,245</b>
<b>Net Assets</b>	<b>\$364,618</b>	<b>\$267,709</b>
<b>Shareholders' Equity</b>		
Common shares	\$100,661	\$ 95,122
Unrealized gain on investments	138,849	43,553
Retained earnings	125,108	129,034
	<b>\$364,618</b>	<b>\$267,709</b>
Number of common shares outstanding	18,812,617	18,812,617
Net asset value per common share		
- basic	\$19.38	\$14.23
Net asset value per common share		
- fully diluted	\$17.56	\$13.32

**STATEMENT OF NET GAIN (LOSS) ON INVESTMENTS**  
(Unaudited)

Three months ended March 31,	2000	1999
	(000's)	
Proceeds from disposition of investments	\$ 58,887	\$ 34,589
Investments at cost, beginning of period	278,617	262,876
Investments purchased during the period	60,304	37,920
Investments at cost, end of period	(280,095)	(269,935)
Cost of investments disposed of during the period	58,826	30,861
Realized gain on disposition of investments before income taxes	61	3,728
Income taxes on realized net taxable capital gains	236	1,216
Net realized gain (loss) on investments	(175)	2,512
Change in unrealized appreciation of investments	56,071	(5,125)
Net gain (loss) on investments	\$ 55,896	\$ (2,613)

**STATEMENT OF OPERATIONS**  
(Unaudited)

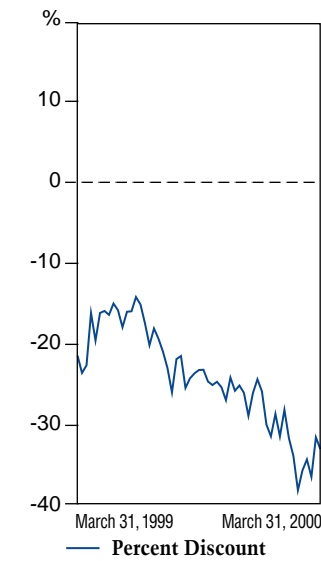
Three months ended March 31,	2000	1999
	(000's)	
<b>Investment income</b>		
Dividends	\$ 1,055	\$ 1,405
Interest	108	141
Other	9	14
	<b>1,172</b>	<b>1,560</b>
<b>Expenses</b>		
Management fees	971	854
Dividends on preference shares	810	810
Amortization of deferred financing charge	83	83
Directors' fees	29	30
Other	112	139
	<b>2,005</b>	<b>1,916</b>
Investment loss before income taxes	(833)	(356)
Income tax recovery	469	414
Net investment income (loss)	(364)	58
Realized and unrealized gain (loss) on investments		
Net realized gain (loss) on investments	(175)	2,512
Change in unrealized appreciation of investments	56,071	(5,125)
Net gain (loss) on investments	55,896	(2,613)
Increase (decrease) in net assets resulting from operations	\$ 55,532	\$ (2,555)

**STATEMENT OF CHANGES IN NET ASSETS**  
(Unaudited)

Three months ended March 31,	2000	1999
	(000's)	
Increase (decrease) in net assets resulting from operations	\$ 55,532	\$ (2,555)
Distributions to common shareholders		
Net investment income	(1,129)	(1,383)
Net decrease in refundable dividend tax on hand	88	79
	<b>(1,041)</b>	<b>(1,304)</b>
Increase (decrease) in net assets	54,491	(3,859)
Net assets - Beginning of period	310,127	271,568
Net assets - End of period	<b>\$364,618</b>	<b>\$267,709</b>
Dividends per common share		
Regular	\$0.060	\$0.075

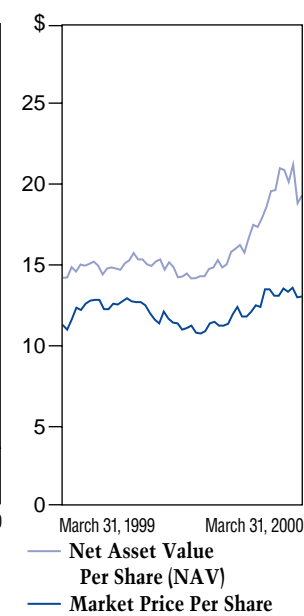
**DISCOUNT TO NAV**

Twelve months ended Mar. 31, 2000



**COMPARISON OF MARKET PRICE TO BASIC NAV**

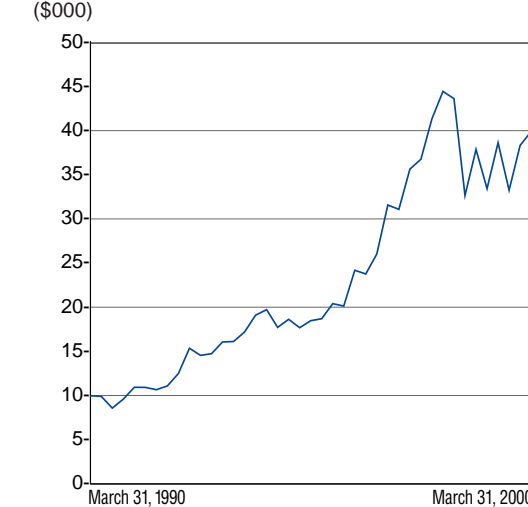
Twelve months ended Mar. 31, 2000



**\*RATES OF RETURN**

For periods ended March 31, 2000  
1YR 3YR 5YR 10YR  
19.3% 8.7% 16.6% 14.9%

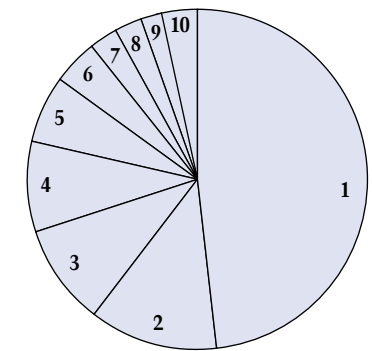
**\*GROWTH OF A \$10,000 INVESTMENT OVER 10 YEARS**



\*An investment in the Corporation's common shares, assuming reinvestment of distributions at month-end closing prices.

**WEIGHTING OF PORTFOLIO INVESTMENTS SECTOR ANALYSIS**

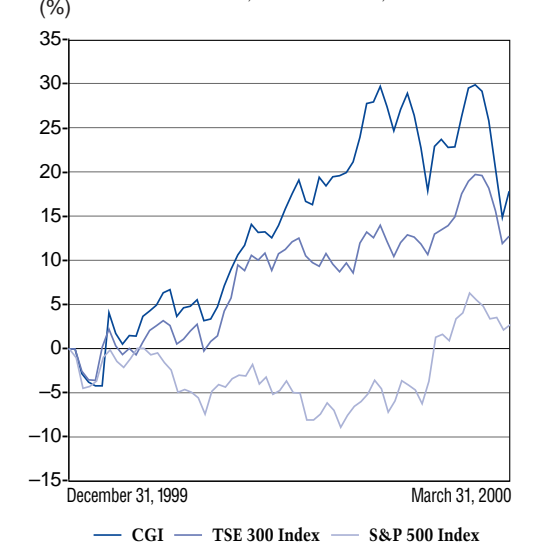
March 31, 2000



	% at Market	% at Market
1 Industrial Products		48.2
2 Utilities		12.2
3 Oil & Gas		9.6
4 Financial Services		8.6
5 Communications & Media		6.4
6 Metals & Minerals		4.3
7 Forest Products		2.7
8 Consumer Products		2.6
9 Golds & Precious Metals		1.5
10 Other Sectors		3.9

**FIRST QUARTER NAV GROWTH\***

December 31, 1999 to March 31, 2000



\*Illustrates the growth of CGI's NAV relative to the TSE 300 Total Return and the S&P 500 Index (expressed in Canadian dollars).