

**CONSOLIDATED STATEMENT OF INVESTMENTS**  
March 31, 2000

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
<b>Principal Assets</b>		
7,020,469 Canadian General Investments, Limited	\$ 18,179	\$ 90,915
1,404,613 Canadian General Investments, Limited wts	-	8,639
1,120,211 Canadian World Fund Limited	5,601	6,441
	<u>23,780</u>	<u>105,995</u>
<b>Canadian-Listed</b>		
40,000 AEC Pipelines, L.P.	318	264
40,000 Amalgamated Income Limited Partnership	410	270
33,600 Centrefund Realty Corporation	519	287
14,400 Corby Distilleries Ltd. B	484	677
25,000 Direct Energy	489	549
90,000 EnerMark Income Fund	337	315
75,176 The First Asia Income Fund	620	353
50,000 The First Asia Income Fund wts	30	1
40,950 First Australia Prime Income Investment Company Limited	546	313
4,550 First Australia Prime Income Investment Company Limited wts	1	-
100,000 Gulf Canada Resources Limited pfd. series A	441	295
92,200 Rogers Sugar Income Fund	880	507
94,200 Shiningbank Energy Income Fund	508	989
500,000 Telesystem International Wireless Inc.		
7% February 15, 2002 conv. deb.	500	565
30,000 TimberWest Forest Corp.	331	278
80,000 Viking Energy Royalty Trust	426	556
40,000 Viking Energy Royalty Trust wts	10	15
49,900 Westshore Terminals Income Fund	471	155
	<u>7,321</u>	<u>6,389</u>
<b>U.K.-Listed</b>		
70,000 3i Bioscience Investment Trust PLC*	606	706
17,000 Atlantis Korean Smaller Companies Fund	359	414
45,000 Atlantis Kosdaq Fund PLC*	674	640
300,000 Baring Emerging Europe Trust PLC	412	1,138
16,000 Biotechnology Investments Limited, Preference shares*	232	231
116,570 Dartmoor Investment Trust PLC	306	383
750,000 The European Technology & Income Company Limited, Capital shares*	413	369
343,000 Finsbury Life Sciences Investment Trust PLC	625	1,310
1,500,000 Framlington NetNet, Inc. PLC*	462	451
495,000 Second St. David Investment Trust PLC Capital shares	331	163
170,000 The Technology and Income Trust Limited	594	919
100,000 Undervalued Assets Trust PLC*	446	477
	<u>5,460</u>	<u>7,201</u>

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

NUMBER OF SHARES OR PAR VALUE	COST	MARKET VALUE
	(000's)	
<b>U.S.-Listed</b>		
5 Berkshire Hathaway Inc. A*	\$ 400	\$ 416
20,000 The European Warrant Fund, Inc.	563	505
20,000 The Gabelli Global Multimedia Trust Inc.	513	512
10,000 General American Investors Company, Inc.	508	572
15,000 The Germany Fund, Inc.	359	353
20,400 INVESCO Global Health Sciences Fund	521	506
3,000 The Internet HOLDRs Trust	764	725
25,000 JAPAN OTC Equity Fund, Inc.	427	393
14,200 LCM Internet Growth Fund, Inc.	273	257
10,700 Morgan Stanley Dean Witter Russia & New Europe Fund	185	297
42,100 Morgan Stanley Emerging Markets Debt Fund, Inc.	467	467
58,000 The Pakistan Investment Fund, Inc.	201	269
22,500 The Spain Fund Inc.	639	480
66,300 Templeton Emerging Markets Income Fund, Inc.	1,116	916
35,100 Templeton Russia Fund, Inc.+	808	953
	<u>7,744</u>	<u>7,621</u>
<b>Other</b>		
722,700 CBD Property Fund	405	281
787,000 Centrecity Property Fund Ltd.	414	385
105,540 City of London Investment Group PLC*	2,716	2,716
13,000 Fleming Russia Securities Fund Ltd.	326	236
10,000 The India I.T. Fund Limited	829	1,337
218,762,205 Mesbla S.A.	1,071	-
80,566 Robert Fleming Holdings Limited*	2,365	2,365
31,000 The Taiwan Opportunities Fund Ltd.	585	855
	<u>8,711</u>	<u>8,175</u>
<b>Total Investments - March 31, 2000</b>	<b>\$ 53,016</b>	<b>\$ 135,381</b>
<b>Total Investments - March 31, 1999</b>	<b>\$ 54,754</b>	<b>\$ 118,186</b>

Changes from December 31, 1999:  
\* New Holdings  
+ Increased Holdings  
\* Non-quoted Investment

**INVESTMENT PORTFOLIO TEN LARGEST INVESTMENTS**  
March 31, 2000

Company	Market Value (000's)	% of Market Value of Total Investment Portfolio
Canadian General Investments, Limited	\$ 99,554	73.5
Canadian World Fund Limited	6,441	4.8
City of London Investment Group PLC	2,716	2.0
Robert Fleming Holdings Limited	2,365	1.8
The India I.T. Fund Limited	1,337	1.0
Finsbury Life Sciences Investment Trust PLC	1,310	1.0
Baring Emerging Europe Trust PLC	1,138	0.8
Shiningbank Energy Income Fund	989	0.7
Templeton Russia Fund, Inc.	953	0.7
The Technology and Income Trust Limited	919	0.7
<b>Totals</b>	<b>\$117,722</b>	<b>87.0</b>

**WEIGHTING OF INVESTMENT PORTFOLIO**  
March 31, 2000

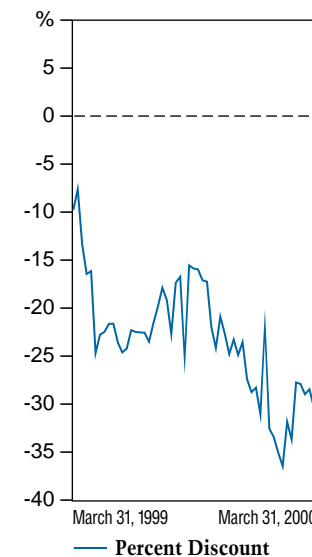
	Market Value (\$000's)	% at Market
Principal Assets	105,995	78.3
Other	8,175	6.1
U.S.-Listed	7,621	5.6
U.K.-Listed	7,201	5.3
Canadian-Listed	6,389	4.7
	<u>135,381</u>	<u>100.0</u>

**HIGH INCOME SECTOR PORTFOLIO YIELD (%)\***  
Twelve months ended March 31, 2000

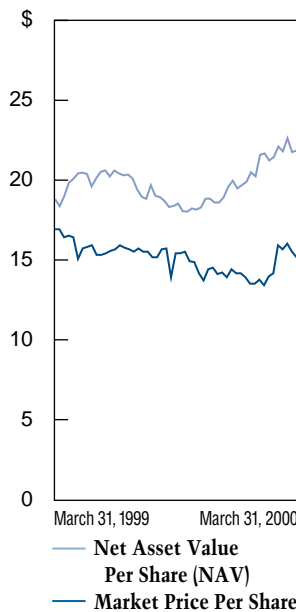
Canadian-Listed	12.7
U.K.-Listed	1.2
U.S.-Listed	9.3

\*Represents total distributions as a percent of the period-end market price.

**DISCOUNT TO NAV**  
Twelve months ended Mar. 31, 2000



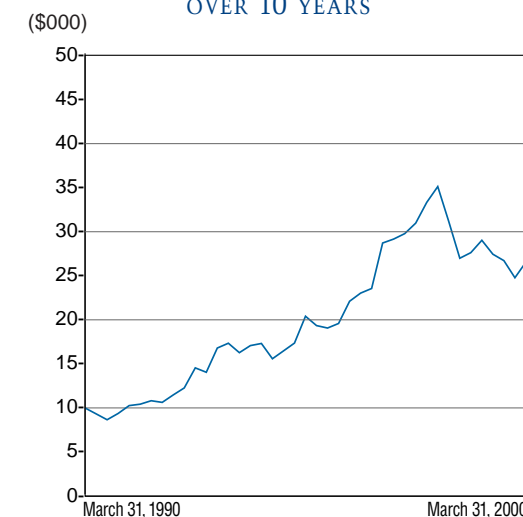
**COMPARISON OF MARKET PRICE TO NAV**  
Twelve months ended Mar. 31, 2000



**\* RATES OF RETURN**  
For periods ended March 31, 2000

1YR	3YR	5YR	10YR
-8.5%	-3.1%	5.4%	10.3%

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



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

**THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED**



**MARCH 31, 2000 FIRST QUARTER REPORT**

## REPORT TO SHAREHOLDERS

Third Canadian's portfolio growth resulted in a 6.3% increase in net asset value to \$104,997,000 from \$98,782,000 for the quarter or \$21.85 from \$20.55 on a per share basis. Year-over-year, net assets per share grew from \$18.82 to \$21.85, a 16.1% increase. Most of the advance for the quarter was generated by gains in the market price of the Company's principal assets. Canadian General Investments, Limited ("CGI"), approximately 73% of Third's portfolio, had stock and warrant price increases of 3.6% and 19.4% respectively. Third's other principal holding, Canadian World Fund Limited ("CWF"), moved up 10.6% and has experienced substantial gains from its global holdings.

Non-principal assets increased by approximately \$1,329,000 in the latest quarter. These assets consist mainly of funds publicly quoted in Toronto, New York and London, the largest geographical segment being New York listed securities. "Other investments" actually represented the highest dollar commitment among the non-principal sections of the portfolio. In this category, a sizeable gain on the position in Robert Fleming Holdings Limited is expected to be realized upon the completion of the recently announced purchase of this private investment manager by Chase Manhattan Corporation. Pursuant to the Company's accounting policies with respect to non-quoted investments, Robert Fleming Holdings is recorded at cost in the portfolio.

On a year-over-year comparative, investment income for the first quarter has declined by 34.6% to \$801,000 from \$1,224,000. The decrease was largely due to late 1999 dispositions of high yielding U.K. trusts in favour of capital growth opportunities.

### PORTFOLIO YIELD

Depressed Canadian income funds showed a slight improvement through the quarter and an annualized yield at market of 12.7%. The current yield on Third Canadian's U.S. listed funds was running at 9.3% with prospective yield unknown as this group has the potential to deliver substantial capital gains dividends at year end. The yield on U.K. listed stocks in the portfolio has moved to the very low level of 1.2% following a significant move out of high income shares into growth oriented and emerging market funds. New London listed investments in technology and biosciences are in turn invested in companies located in Europe, the U.K. and the U.S. These themes are scarcely represented among

New York and Toronto listed closed-end funds. Investment has recently been increased in the high growth Indian technology sector and the Korean KOSDAQ market which previously was not easily accessed.

### DOUBLE DISCOUNT

The Company's shares, which traded at a discount of 30.2% at quarter-end, effectively traded at a "double discount" because of the significant underlying discounts among its holdings. CGI's discount at quarter end was at the 33% level. The average discount on funds in New York is approximately 20%. London discounts are close to the 15% level despite a massive buying in of shares over the past year which has not clearly influenced the spread between market prices and net asset values.

### OUTLOOK

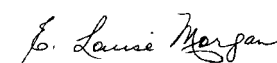
Income shares have been out of favour globally in recent times. Potential now appears to exist for a better investment climate for Canadian royalty and income funds. The vagaries of commodity pricing have impact on such assets but we believe that Canadian investors may be realizing that many funds in this sector are reliable in throwing off very large distributions and consequently could experience market appreciation.

An upward move in the market price of CGI would clearly be the major benefit for Third Canadian.

### MESSAGE TO INVESTORS

Portfolio Managers of MMA Investment Managers Limited (the "Manager"), have been presenting the Third Canadian 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](http://www.mma-investmgr.com)) which is linked with others in the closed-end fund world including that of the Closed-End Fund Association (CEFA). This medium is proving to be extremely powerful in getting information out to investors.



E. Louise Morgan  
Chairman



Michael A. Smedley  
President

## CONSOLIDATED STATEMENT OF NET ASSETS

(Unaudited)

As at March 31,	2000	1999
	(000's)	
<b>Assets</b>		
Investments	\$135,381	\$118,186
Cash	1,715	–
Accrued interest and dividends	169	422
Income taxes recoverable	1,460	1,356
	<b>138,725</b>	<b>119,964</b>
<b>Liabilities</b>		
Bank indebtedness	14,969	14,898
Payable on securities purchased	537	–
Accounts payable and accrued liabilities	47	48
	<b>15,553</b>	<b>14,946</b>
Future income taxes on unrealized net capital gains	18,175	14,572
	<b>33,728</b>	<b>29,518</b>
<b>Net Assets</b>	<b>\$104,997</b>	<b>\$ 90,446</b>
<b>Shareholders' Equity</b>		
Capital stock	\$ 6,504	\$ 6,504
Contributed surplus	2,681	2,681
Unrealized gain on investments	64,190	48,860
Retained earnings	31,622	32,401
	<b>\$104,997</b>	<b>\$ 90,446</b>
Number of common shares outstanding	4,805,910	4,805,910
Net asset value per share	<b>\$21.85</b>	<b>\$18.82</b>

## CONSOLIDATED STATEMENT OF NET GAIN (LOSS) ON INVESTMENTS

(Unaudited)

Three months ended March 31,	2000	1999
	(000's)	
Proceeds from disposition of investments	\$ 3,954	\$ 1,399
Investments at cost, beginning of period	54,003	53,215
Investments purchased during the period	3,437	3,546
Investments at cost, end of period	(53,016)	(54,754)
Cost of investments disposed of during the period	4,424	2,007
Realized loss on disposition of investments before income taxes	(470)	(608)
Income tax recovery on allowable capital losses	(162)	(203)
Net realized loss on investments	(308)	(405)
Change in unrealized appreciation of investments	6,443	(7,604)
Net gain (loss) on investments	\$ 6,135	\$ (8,009)

## CONSOLIDATED STATEMENT OF OPERATIONS

(Unaudited)

Three months ended March 31,	2000	1999
	(000's)	
<b>Investment income</b>		
Dividends	\$ 709	\$ 1,146
Interest	92	78
	<b>801</b>	<b>1,224</b>
<b>Expenses</b>		
Management fees	137	136
Interest	219	208
Directors' fees	9	9
Other	42	50
	<b>407</b>	<b>403</b>
Investment income before income taxes	394	821
Income tax provision (recovery)	(46)	102
Net investment income	<b>440</b>	<b>719</b>
<b>Realized and unrealized gain (loss) on investments</b>		
Net realized loss on investments	(308)	(405)
Change in unrealized appreciation of investments	6,443	(7,604)
Net gain (loss) on investments	<b>6,135</b>	<b>(8,009)</b>
Increase (decrease) in net assets resulting from operations	\$ 6,575	\$ (7,290)

## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

Three months ended March 31,	2000	1999
	(000's)	
Increase (decrease) in net assets resulting from operations	\$ 6,575	\$ (7,290)
Distributions to shareholders from net investment income	(360)	(360)
Increase (decrease) in net assets	6,215	(7,650)
Net assets – Beginning of period	98,782	98,096
Net assets – End of period	<b>\$104,997</b>	<b>\$90,446</b>
Dividends per share	<b>\$0.075</b>	<b>\$0.075</b>

## THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED

### CORPORATE INFORMATION

#### OFFICE OF THE COMPANY

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M5J 2N1  
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Fax: (416) 981-9800  
e-mail:  
[mmamail@montrealtrust.com](mailto:mmamail@montrealtrust.com)

#### STOCK EXCHANGE LISTING

The Toronto Stock Exchange  
Trading Symbol: THD

To change your address, eliminate multiple mailings, or for other shareholder account inquiries, please contact Montreal Trust at the above address.

The Company prices its portfolio on a weekly basis, and its resultant Net Asset Value per share is released and published in various media in Canada and in the United States.

The Company 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.