



CGI

Canadian General Investments,  
Limited

# Long term growth and income

## CANADIAN GENERAL INVESTMENTS, LIMITED

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& ASSOCIATES

Investment Managers

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## Report to Shareholders

Ideal stock market conditions through the first nine months of 2003 continued to prevail for the bottom-up methodology of CGI's investment team. Year-to-date diluted net asset value (NAV) return, including dividends reinvested, at September 30, 2003 was 23.2%, while by comparison our customary benchmark, the S&P/TSX Composite Total Return Index, rose 13.9%. During the third quarter, CGI's NAV return was 11.7%, significantly outperforming the benchmark's 6.7% increase.

CGI's common shares, listed on the Toronto Stock Exchange and the London Stock Exchange, responded with appreciation, including dividends reinvested, of 29.1% for the nine months and 12.8% for the quarter.

In addition to CGI's common shares, CGI's warrants have moved up 47.9% to \$5.40 at September 30 and the highly sought Series 1 preference shares, P1 rated, continued to trade at a premium to issue price, closing the period at \$26.41, up 3.4%.

### Portfolio

Through 2003, the portfolio has risen to the \$400 million level at September 30 and contains nearly \$80 million in unrealized gains, while total net assets have increased by \$64.2 million year-to-date. This success is attributable to many factors and is aided by widely diversified opportunities in the present bull market on Canadian stock exchanges, resulting in over 100 companies and trusts selected for CGI on a bottom-up basis. The Manager, Morgan Meighen & Associates Limited, tends to ascribe less importance to matching index weightings, noting also that the Canadian benchmark has become more complex after revisions to introduce global standardization among indices and their sub categories.



Nevertheless, we are sensitive – once again – to the weighting and potential influence of a stock such as Nortel Networks Corporation, now our largest holding with a 2.7% weighting at September 30 compared to 3.2% in the index. We regard Nortel, still one of Canada's major corporations, as a survival and revival story, while still an earnings candidate. It is one of the market's top performing stocks this year, up 120.2%. Another holding in our

#### Top Ten Investments at Market (Excluding Cash and Short-Term Investments) – September 30, 2003

(Portfolio details on pages 9-11)

	%		%
Nortel Networks Corporation*	2.7	BCE Inc.	1.9
Corby Distilleries Limited	2.2	Home Capital Group Inc.	1.8
Bank of Montreal	2.0	TransCanada Corporation	1.8
CoolBrands International Inc.	2.0	TELUS Corporation	1.8
BMTC Group Inc.	2.0	Astral Media Inc.	1.7
		<b>Total</b>	<b>19.9</b>

\* Reflects investment in common shares, convertible debentures and preferred shares.

#### Weighting of Portfolio Investments at Market – September 30, 2003

	%
Financials	20.5
Materials	15.7
Consumer Discretionary	13.2
Energy	12.8
Consumer Staples	8.5
Telecommunication Services	6.2
Utilities	6.1
Industrials	5.8
Health Care	4.0
Other	7.2

top ten, CoolBrands International Inc., is up 174.5% on our cost. Home Capital Group Inc., up 146.5% from cost, and BMTC Group Inc., Quebec's leading home furnishings chain, which is up 102.1% from cost, both joined the top list in the latest quarter.

Twelve new names were introduced to the portfolio during the quarter. The three largest acquisitions were Bonavista Energy Trust, actually a conversion from the corporate structure, First Capital Realty Inc. and Yellow Pages Income Fund.

As world demand clearly favours more resources, in particular, gold, nickel and copper, we have added interesting exploration and development companies with positive effect on the portfolio in the latest quarter. These include: – Bema Gold Corporation, of special note for its activity in the Siberian far east, Far West Mining Ltd., aspiring to be a rich copper play in Chile and Ivanhoe Mines Ltd., widely positioned and with its biggest resource, in gold and copper, in Mongolia.

### First Quartile

As a result of the lack of comparable closed-end funds in Canada, we tend to make comparisons under the quartile measurement system used by the mutual funds sector. When compared against Canadian equity mutual funds, as reported by The Globe & Mail, CGI has maintained first-quartile status for an unbroken four quarters.

### Outlook

With three-quarters of the year's work accomplished, we expect to stay well ahead of the index and we are optimistic about the near term performance of the investment opportunities in Canada.

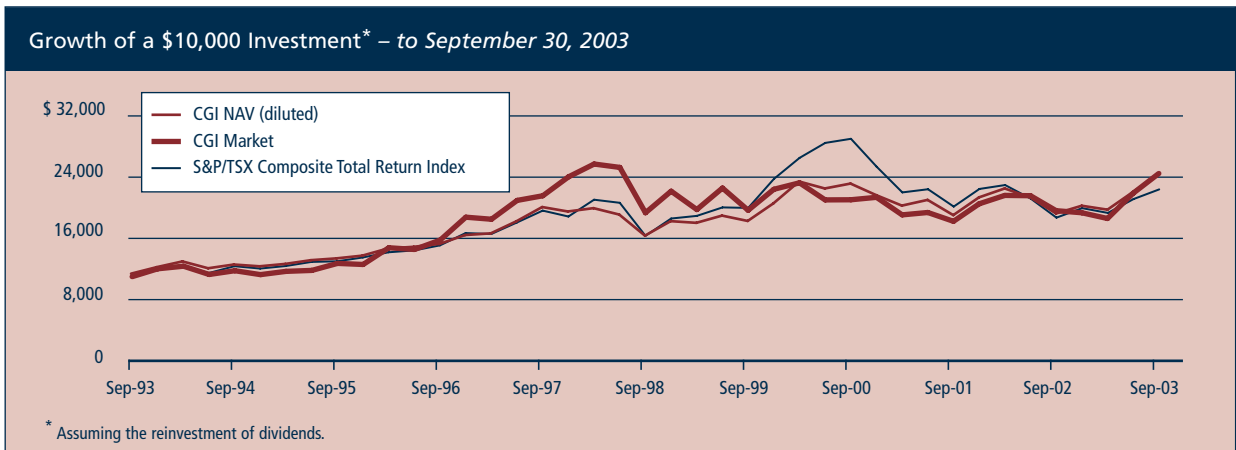
We are prepared to speculate that, for the balance of the year, there will be continuing pressure on the U.S. dollar, which should not yet give rise to a clear uptrend in interest rates in the United States. We expect economic growth and inflation to stay virtually flat, but conditions should prevail for stock appreciation among Canadian companies that perform well, or have strength associated with natural resources.



Vanessa L. Morgan,  
*Chairman*



Michael A. Smedley,  
*President*



## Management's Discussion & Analysis

For the third quarter of 2003, Canadian General Investments, Limited (CGI) continued to outperform the benchmark S&P/TSX Composite Total Return Index (S&P/TSX). CGI's total returns, expressed as diluted net asset value per share with dividends reinvested, for the three and nine months ended September 30, 2003 were 11.7% and 23.2%, respectively, compared with 6.7% and 13.9% posted by the benchmark.

### Sector Weightings

As at the end of the second quarter, the largest weightings in CGI's portfolio at September 30, 2003 were Financials (20.5%), Materials (15.7%) and Consumer Discretionary (13.2%). Throughout 2003, CGI has continued to maintain overweight positions, vis-à-vis the S&P/TSX, in Consumer Discretionary and Consumer Staples and a significantly underweight position in Financials. CGI's sector weightings can differ from those of the S&P/TSX as a result of the Manager's bottom-up investment style and outperformance objectives. Results from a broad range of stocks continues to be the main contributing factor to CGI's success.

### Financial Review

CGI's net assets were \$338,730,000 at September 30, 2003, up 12.1% from \$302,215,000 at June 30, 2003,

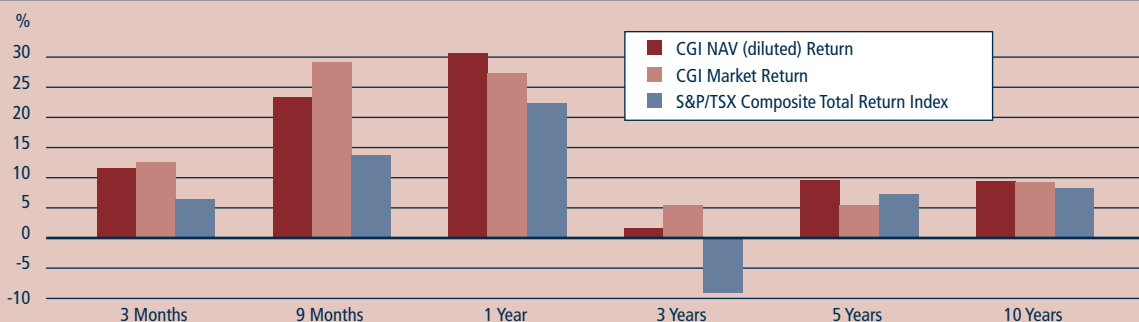
and 23.4% from the December 31, 2002 value of \$274,519,000. Diluted net asset values per share at September 30, 2003, June 30, 2003 and December 31, 2002 were \$14.99, \$13.47 and \$12.33, respectively.

At September 30, 2003, there was an unrealized gain on investments of \$79,261,000, reflecting an increase in unrealized appreciation of investments of \$31,659,000 during the third quarter and \$61,143,000 on a year-to-date basis. By comparison, there was a decrease in unrealized appreciation of investments of \$43,250,000 during the first nine months of 2002.

Net realized gain on investments for the third quarter of 2003 was \$5,576,000, resulting in a net realized gain of \$6,195,000 for the nine-month period. During the quarter, significant gains were realized on sales of securities of Metro Inc., Molson Inc. and Bonavista Petroleum Ltd. Pre-tax gains on these three securities totalled approximately \$3.2 million. Offsetting gains to some extent, the largest losses during the quarter were realized on sales of securities of La Senza Corporation, Teck Cominco Limited and Manulife Financial Corporation, with a combined pre-tax loss of approximately \$1.5 million.

For the nine months, CGI had net investment income of \$1,046,000, up substantially from the \$178,000 recorded for the same period of 2002.

NAV and Market Returns\* vs. S&P/TSX Composite Total Return Index  
For the periods to September 30, 2003



\* Compound average annual rates of return assuming reinvestment of dividends at month-end closing diluted net asset values/market prices.

Total investment income of \$6,183,000 for the nine months ended September 30, 2003, represented an 18.3% increase over the same period of 2002, as the Corporation continued its focus on income generating securities, particularly unit trusts. At September 30, 2003, 8.4% of CGI's portfolio was comprised of unit trusts having cash yields ranging from 6% to 18%. Also of note was a special dividend paid by Husky Energy Inc. during the third quarter, adding \$285,000 to CGI's dividend income.

For the nine-month period, total expenses were 1.7% lower than in the comparable period of 2002. The major expense items were management fees, which posted a decline of 6.6% on a year-to-date basis over 2002, and dividends on the 5.4% cumulative, redeemable Series 1 preference shares. The management fee is calculated quarterly in arrears at 1% per annum of the market value of CGI's portfolio assets. The issue costs associated with the October 1998 preference share issue (maturing in October 2008), expensed at \$83,000 per quarter, were fully amortized by the end of the third quarter of 2003, the date at which the shares become redeemable for cash, subject to certain conditions.

During the first three quarters of 2003, as in 2002, CGI paid three regular income dividends of \$0.06 per share to its common shareholders.

## Warrants

CGI continued to buy in its warrants pursuant to a second renewal of its Normal Course Issuer Bid for warrants,

applicable for the period April 23, 2003 to April 22, 2004. Purchase and cancellation of the warrants increases the diluted net asset value per share. During the first nine months of 2003, CGI purchased 151,200 warrants at an aggregate cost of \$553,000. By comparison, CGI purchased 171,400 warrants at an aggregate cost of \$787,000 in the same period of 2002.

As a result of the warrant buybacks during the third quarter, CGI had 3,635,864 warrants outstanding at September 30, 2003.

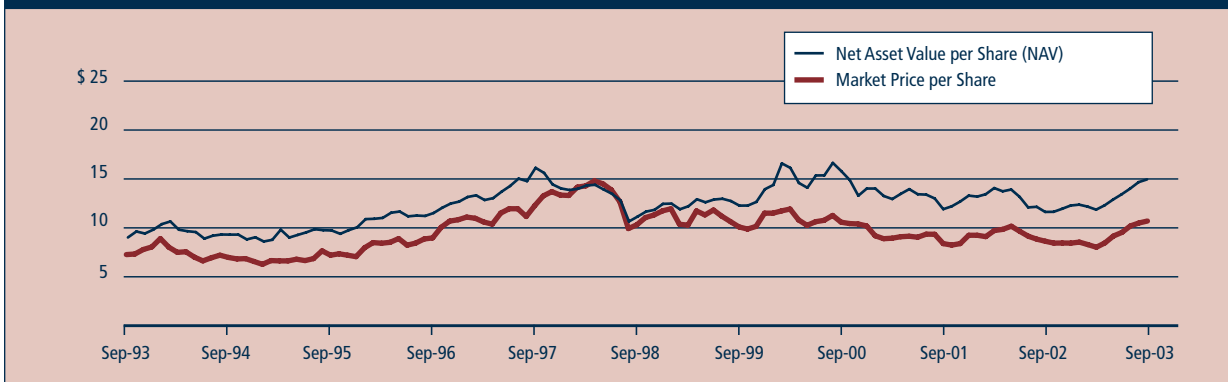
## Series 2 Preference Share Issue

Subsequent to quarter-end, CGI filed a preliminary prospectus for an issuance of up to 3,000,000 Cumulative Class A Preference Shares, Series 2 with a 4.65% coupon. The net proceeds of the expected \$75 million issue, which should close by early November 2003, will be used to augment the portfolio of the Corporation. The Corporation feels that, with interest rates at historic lows, it is an opportune time to expand the successful leverage strategy to enhance potential returns to common shareholders.

## Outlook

CGI's portfolio will continue to remain well diversified with the objective of providing stability, participating in market improvements and seeking gains in individual stock situations in the effort to maintain superior performance relative to the benchmark and most other funds.

Comparison of Market Price to NAV (diluted) – September 30, 1993 to September 30, 2003



## Statements of Net Assets

	As at September 30, 2003	As at December 31, 2002	As at September 30, 2002
<i>(in thousands of dollars, except per share amounts)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
	\$	\$	\$
<b>Assets</b>			
Investments	<b>388,806</b>	331,177	305,408
Cash and short-term investments	<b>4,213</b>	2,925	11,566
Receivable on securities sold	<b>5,596</b>	–	6,099
Accrued interest and dividends	<b>1,091</b>	746	683
Income taxes recoverable	–	256	–
Deferred financing charge	–	249	332
	<b>399,706</b>	335,353	324,088
<b>Liabilities</b>			
Payable on securities purchased	<b>343</b>	575	4,380
Accounts payable and accrued liabilities	<b>102</b>	117	89
Accrued dividends on preference shares	<b>133</b>	142	133
Income taxes payable	<b>398</b>	–	595
Preference shares	<b>60,000</b>	60,000	60,000
	<b>60,976</b>	60,834	65,197
<b>Net Assets</b>	<b>338,730</b>	274,519	258,891
<b>Shareholders' Equity</b>			
Common shares	<b>127,335</b>	127,268	127,268
Unrealized gain (loss) on investments	<b>79,261</b>	18,118	(1,793)
Retained earnings	<b>132,134</b>	129,133	133,416
	<b>338,730</b>	274,519	258,891
<b>Number of common shares outstanding</b>	<b>20,488,160</b>	20,477,598	20,477,598
<b>Number of warrants outstanding</b>	<b>3,635,864</b>	3,797,626	3,808,028
<b>Net asset value per common share – basic</b>	<b>16.53</b>	13.41	12.64
<b>Net asset value per common share – diluted</b>	<b>14.99</b>	12.33	11.68

### Note to Financial Statements

The accompanying financial statements should be read in conjunction with the notes to the company's audited financial statements for the year ended December 31, 2002. These interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

## Statements of Operations

<i>(Unaudited)</i>	Three months ended		Nine months ended	
	Sept. 30, 2003	Sept. 30, 2002	Sept. 30, 2003	Sept. 30, 2002
<i>(in thousands of dollars, except per share amounts)</i>	\$	\$	\$	\$
<b>Investment income</b>				
Dividends	1,772	1,282	4,547	3,988
Interest	650	422	1,609	1,205
Other	12	6	27	34
	<b>2,434</b>	1,710	<b>6,183</b>	5,227
<b>Expenses</b>				
Management fees	967	949	2,724	2,916
Dividends on preference shares	810	810	2,421	2,421
Amortization of deferred financing charge	83	83	249	249
Investor relations	29	37	101	88
Directors' fees	22	27	64	73
Other	66	73	313	229
	<b>1,977</b>	1,979	<b>5,872</b>	5,976
<b>Investment income (loss) before income taxes</b>	<b>457</b>	(269)	<b>311</b>	(749)
<b>Income tax recovery</b>	<b>205</b>	297	<b>735</b>	927
<b>Net investment income</b>	<b>662</b>	28	<b>1,046</b>	178
<b>Realized and unrealized gain (loss) on investments</b>				
Net realized gain on investments	5,576	5,863	6,195	7,878
Change in unrealized appreciation of investments	31,659	(42,011)	61,143	(43,250)
<b>Net gain (loss) on investments</b>	<b>37,235</b>	(36,148)	<b>67,338</b>	(35,372)
<b>Increase (decrease) in net assets resulting from operations</b>	<b>37,897</b>	(36,120)	<b>68,384</b>	(35,194)
<b>Increase (decrease) in net assets resulting from operations per common share</b>	<b>1.85</b>	(1.76)	<b>3.34</b>	(1.72)

## Statements of Retained Earnings

<i>(Unaudited)</i>	Three months ended		Nine months ended	
	Sept. 30, 2003	Sept. 30, 2002	Sept. 30, 2003	Sept. 30, 2002
<i>(in thousands of dollars, except per share amounts)</i>	\$	\$	\$	\$
<b>Retained earnings – Beginning of period</b>	<b>127,278</b>	128,754	<b>129,133</b>	129,833
Net investment income	<b>662</b>	28	<b>1,046</b>	178
Net realized gain on investments	<b>5,576</b>	5,863	<b>6,195</b>	7,878
Dividends to common shareholders				
from net investment income	<b>(1,230)</b>	(1,229)	<b>(3,687)</b>	(3,686)
Warrants repurchased	<b>(152)</b>	(135)	<b>(553)</b>	(787)
Recovery of refundable dividend tax on hand – net	–	135	–	–
<b>Retained earnings – End of period</b>	<b>132,134</b>	133,416	<b>132,134</b>	133,416
<b>Dividends per common share</b>				
Regular	<b>0.06</b>	0.06	<b>0.18</b>	0.18

## Statements of Changes in Net Assets

<i>(Unaudited)</i>	Three months ended		Nine months ended	
	Sept. 30, 2003	Sept. 30, 2002	Sept. 30, 2003	Sept. 30, 2002
<i>(in thousands of dollars)</i>	\$	\$	\$	\$
<b>Increase (decrease) in net assets resulting from operations</b>	<b>37,897</b>	(36,120)	<b>68,384</b>	(35,194)
<b>Dividends to common shareholders</b>				
From net investment income	<b>(1,230)</b>	(1,229)	<b>(3,687)</b>	(3,686)
Net decrease in refundable dividend tax on hand	–	135	–	–
	<b>(1,230)</b>	(1,094)	<b>(3,687)</b>	(3,686)
<b>Capital stock transactions</b>				
Shares issued on exercise of warrants	–	–	<b>67</b>	12
Warrants repurchased	<b>(152)</b>	(135)	<b>(553)</b>	(787)
	<b>(152)</b>	(135)	<b>(486)</b>	(775)
<b>Increase (decrease) in net assets</b>	<b>36,515</b>	(37,349)	<b>64,211</b>	(39,655)
<b>Net assets – Beginning of period</b>	<b>302,215</b>	296,240	<b>274,519</b>	298,546
<b>Net assets – End of period</b>	<b>338,730</b>	258,891	<b>338,730</b>	258,891

## Statements of Net Gain (Loss) on Investments

<i>(Unaudited)</i>	Three months ended		Nine months ended	
	Sept. 30, 2003	Sept. 30, 2002	Sept. 30, 2003	Sept. 30, 2002
<i>(in thousands of dollars)</i>	\$	\$	\$	\$
Proceeds from disposition of investments	<b>54,125</b>	49,010	<b>125,859</b>	161,580
Investments at cost, beginning of period	<b>310,938</b>	311,529	<b>313,059</b>	314,946
Investments purchased during the period	<b>45,740</b>	37,353	<b>114,577</b>	144,477
Investments at cost, end of period	<b>(309,545)</b>	(307,201)	<b>(309,545)</b>	(307,201)
<b>Cost of investments disposed of during the period</b>	<b>47,133</b>	41,681	<b>118,091</b>	152,222
<b>Realized gain on disposition of investments before income taxes</b>	<b>6,992</b>	7,329	<b>7,768</b>	9,358
Income tax provision on realized net taxable capital gains	<b>(1,416)</b>	(1,466)	<b>(1,573)</b>	(1,480)
<b>Net realized gain on investments</b>	<b>5,576</b>	5,863	<b>6,195</b>	7,878
Change in unrealized appreciation of investments	<b>31,659</b>	(42,011)	<b>61,143</b>	(43,250)
<b>Net gain (loss) on investments</b>	<b>37,235</b>	(36,148)	<b>67,338</b>	(35,372)

# Statement of Investments

September 30, 2003  
(Unaudited)

Number of Shares or Par Value	Investment – % of Total Market Value	Cost	Market Value
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(in thousands of dollars)

## Consumer Discretionary – 13.2%

### Auto Components

45,000	Magna International Inc. A*	\$ 4,168	\$ 4,388
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### Household Durables

100,000	Dorel Industries Inc. B	3,850	3,902
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### Leisure Equipment & Products

219,500	Mega Bloks Inc.+	4,376	5,059
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### Media

200,000	ACS Media Income Fund	2,000	1,940
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270,000	Astral Media Inc. A	4,824	6,753
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92,900	CHUM Limited B	5,242	4,645
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384,800	Imax Corporation	4,027	4,098
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212,800	Torstar Corporation B	4,416	5,535
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275,000	Yellow Pages Income Fund*	2,948	3,143
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### Specialty Retail

343,600	BMTC Group Inc. A	3,826	7,731
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136,300	The Forzani Group Ltd.	1,354	2,358
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700,000	HIP Interactive Corp.+	1,448	1,785
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### TOTAL CONSUMER

DISCRETIONARY		42,479	51,337
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## Consumer Staples – 8.5%

### Beverages

75,000	Corby Distilleries Limited A	3,753	4,425
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70,000	Corby Distilleries Limited B	4,416	4,025
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75,000	Cott Corporation	1,844	2,364
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### Food & Drug Retailing

490,300	CoolBrands International Inc.+	2,846	7,811
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140,000	Shoppers Drug Mart Corporation	2,520	3,773
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### Food Products

200,000	Connors Bros. Income Fund	1,972	2,740
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417,700	Stake Technology Ltd.	2,990	5,338
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### Personal Products

374,100	Concert Industries Ltd.	2,402	105
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### Tobacco

95,900	Rothmans Inc.	2,855	2,421
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TOTAL CONSUMER STAPLES		25,598	33,002
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Number of Shares or Par Value	Investment – % of Total Market Value	Cost	Market Value
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(in thousands of dollars)

## Energy – 12.8%

### Oil & Gas

120,000	Acclaim Energy Trust	\$ 1,086	\$ 1,358
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190,000	Bonavista Petroleum Ltd.+	3,000	3,194
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500,000	Bow Valley Energy Ltd.	1,486	810
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80,000	Canadian Natural Resources Limited	3,908	4,447
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50,000	Canadian Oil Sands Trust	1,700	1,960
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150,000	Cequel Energy Inc.	1,072	1,013
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20,000	EnCana Corporation	1,066	978
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285,000	Husky Energy Inc.	5,328	5,842
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65,000	Niko Resources Ltd.+	1,708	1,856
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95,000	NuVista Energy Ltd.*	599	655
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50,000	Penn West Petroleum Ltd.	2,111	2,287
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75,000	Petro-Canada	1,422	3,937
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151,000	PetroKazakhstan Inc.	2,470	4,261
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240,000	Peyto Energy Trust*	3,228	5,040
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60,000	Precision Drilling Corporation+	3,144	3,062
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65,000	Real Resources Inc.	322	296
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100,000	Shell Canada Limited	5,055	5,331
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125,000	Western Oil Sands Inc. A	3,218	3,375
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### TOTAL ENERGY

TOTAL ENERGY		41,923	49,702
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## Financials – 20.5%

### Banks

170,000	Bank of Montreal	5,964	7,937
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100,000	The Bank of Nova Scotia	4,356	6,310
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50,000	Canadian Imperial Bank of Commerce	2,482	2,765
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70,000	Royal Bank of Canada+	3,889	4,161
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125,000	The Toronto-Dominion Bank+	4,222	4,780
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### Diversified Financials

156,200	Brascan Corporation A+	4,733	5,333
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51,700	Economic Investment Trust Limited+	2,160	2,339
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229,000	Guardian Capital Group Ltd. A	1,637	2,862
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283,000	Home Capital Group Inc. B	2,916	7,188
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150,000	Livingston International Income Fund	1,906	2,168
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2,414,700	Rockwater Capital Corporation+	1,999	2,463
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228,100	SEAMARK Asset Management Ltd.	3,715	4,804
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205,900	TSX Group Inc.+	4,743	6,692
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31,600	United Corporations Limited	1,114	1,149
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# Statement of Investments *(continued)*

September 30, 2003  
(Unaudited)

<i>Number of Shares or Par Value</i>	<i>Investment – % of Total Market Value</i>	<i>Cost</i>	<i>Market Value</i>
<i>(in thousands of dollars)</i>			
<b>Insurance</b>			
135,100	Sun Life Financial Services of Canada Inc.	\$ 4,808	\$ 3,952
<b>Real Estate</b>			
202,300	BPO Properties Limited	4,281	6,245
150,100	Boardwalk Equities Inc.	2,169	2,306
78,200	Brookfield Homes Corporation*	2,017	1,957
225,000	First Capital Realty Inc., special warrants*	3,510	3,488
494,800	Genesis Land Development Corp.	1,020	1,029
<b>TOTAL FINANCIALS</b>		<b>63,641</b>	<b>79,928</b>
<b>Health Care – 4.0%</b>			
<b>Biotechnology</b>			
330,000	Neurochem Inc.*	2,353	5,379
<b>Health Care Equipment &amp; Supplies</b>			
850,000	VSM MedTech Ltd.*	2,630	5,389
<b>Pharmaceuticals</b>			
55,000	Biovail Corporation	3,058	2,764
433,000	Cardiome Pharma Corp.	1,583	2,035
<b>TOTAL HEALTH CARE</b>		<b>9,624</b>	<b>15,567</b>
<b>Industrials – 5.8%</b>			
<b>Aerospace &amp; Defense</b>			
450,000	Bombardier Inc. B	2,857	2,551
340,000	CAE Inc.*	2,104	1,724
<b>Commercial Services &amp; Supplies</b>			
200,000	Davis + Henderson Income Fund	2,058	3,060
300,000	Moore Wallace Incorporated	4,719	5,700
<b>Construction &amp; Engineering</b>			
127,800	SNC-Lavalin Group Inc.	2,797	5,566
<b>Electrical Equipment</b>			
220,000	Ballard Power Systems Inc.	3,477	3,905
<b>TOTAL INDUSTRIALS</b>		<b>18,012</b>	<b>22,506</b>

<i>Number of Shares or Par Value</i>	<i>Investment – % of Total Market Value</i>	<i>Cost</i>	<i>Market Value</i>
<i>(in thousands of dollars)</i>			
<b>Information Technology – 3.8%</b>			
<b>Communications Equipment</b>			
950,000	Nortel Networks Corporation*	\$ 5,907	\$ 5,272
2,000,000	Nortel Networks Corporation conv. deb. 144A 4.25% due September 1, 2008	3,143	2,431
65,000	Research In Motion Limited*	2,106	3,354
<b>Computer &amp; Peripherals</b>			
65,000	Cinram International Inc.*	1,577	1,622
<b>Internet Software &amp; Services</b>			
262,300	Mediagrif Interactive Technologies Inc.*	1,962	2,295
<b>TOTAL INFORMATION TECHNOLOGY</b>		<b>14,695</b>	<b>14,974</b>
<b>Materials – 15.7%</b>			
<b>Chemicals</b>			
295,700	Sun Gro Horticulture Income Fund	2,957	2,135
<b>Construction Materials</b>			
150,000	Masonite International Corporation	3,602	4,783
<b>Metals &amp; Mining</b>			
120,000	Aber Diamond Corporation	2,000	4,482
700,000	Bema Gold Corporation*	1,835	2,394
95,500	Cameco Corporation	3,420	4,490
350,000	Canico Resource Corp.	1,494	4,312
800,000	Eldorado Gold Corporation	1,658	2,824
230,000	Falconbridge Limited	4,497	5,168
100,000	Far West Mining Ltd., class A*	164	250
550,000	Far West Mining Ltd., special units*	715	1,749
125,000	Goldcorp Inc.	2,124	2,356
100,000	Inco Limited	2,740	3,748
200,000	Inco Limited wts 8/21/06	1,584	2,450
500,000	Ivanhoe Mines Ltd.*	2,428	3,850
350,000	Labrador Iron Ore Royalty Income Fund	4,090	5,845

# Statement of Investments *(continued)*

September 30, 2003  
(Unaudited)

<i>Number of Shares or Par Value</i>	<i>Investment – % of Total Market Value</i>	<i>Cost</i>	<i>Market Value</i>
<i>(in thousands of dollars)</i>			
200,000	LionOre Mining International Ltd.	\$ 1,137	\$ 1,362
38,000	Newmont Mining Corporation of Canada Limited wts	87	1,030
117,000	Placer Dome Inc.	2,059	2,172
180,000	Southwestern Resources Corp.+	2,278	2,970
<b>Paper &amp; Forest Products</b>			
270,000	Abitibi-Consolidated Inc.	3,385	2,560
<b>TOTAL MATERIALS</b>		<b>44,254</b>	<b>60,930</b>
<b>Telecommunication Services – 6.2%</b>			
<b>Diversified Telecommunication Services</b>			
100,000	Aliant Inc.	2,703	3,132
140,000	BCE Inc.	3,878	4,081
107,600	Manitoba Telecom Services Inc.	3,214	4,374
300,000	TELUS Corporation	3,431	6,921
<b>Wireless Telecommunication Services</b>			
268,600	Rogers Wireless Communications Inc. B	3,811	5,616
<b>TOTAL TELECOMMUNICATION SERVICES</b>		<b>17,037</b>	<b>24,124</b>
<b>Utilities – 6.1%</b>			
<b>Gas Utilities</b>			
130,000	Enbridge Inc.+	4,537	6,260
100,000	Terasen Inc.	3,710	4,350
283,000	TransCanada Corporation+	7,111	7,095
<b>Multi-Utilities &amp; Unregulated Power</b>			
50,000	Canadian Utilities Limited A	1,171	2,750
175,000	TransAlta Corporation	3,574	3,211
<b>TOTAL UTILITIES</b>		<b>20,103</b>	<b>23,666</b>

<i>Number of Shares or Par Value</i>	<i>Investment – % of Total Market Value</i>	<i>Cost</i>	<i>Market Value</i>
<i>(in thousands of dollars)</i>			
<b>Preferred Shares – 3.4%</b>			
120,000	BCE Inc. pfd. series Z	\$ 2,914	\$ 3,156
180,000	Bombardier Inc. pfd. series 3+	4,083	3,944
47,600	IPSCO Inc., pfd. series 1*	1,188	1,183
150,000	Nortel Networks Corporation pfd. A series 5	2,151	2,812
80,000	Quebecor World Inc. pfd. series 3	1,843	1,975
<b>TOTAL PREFERRED SHARES</b>		<b>12,179</b>	<b>13,070</b>
<b>Total Investments</b>			
– September 30, 2003		\$ 309,545	\$ 388,806
– December 31, 2002		\$ 313,059	\$ 331,177
– September 30, 2002		\$ 307,201	\$ 305,408

*Changes from June 30, 2003: \* New Holdings; + Increased Holdings*

# Corporate Information

## CANADIAN GENERAL INVESTMENTS, LIMITED

### OFFICE OF THE COMPANY

110 Yonge Street, Suite 1601  
Toronto, Ontario, Canada M5C 1T4  
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Fax: (416) 366-2729  
e-mail: [cgifund@mmainvestments.com](mailto:cgifund@mmainvestments.com)  
website: [www.mmainvestments.com](http://www.mmainvestments.com)

### MANAGER

Morgan Meighen & Associates Limited  
Toronto

### AUDITORS

PricewaterhouseCoopers LLP  
Toronto

### BANKERS

Bank of Montreal  
Toronto

### SOLICITORS

Blake, Cassels & Graydon LLP  
Toronto

### CANADIAN REGISTRAR AND TRANSFER AGENT

Computershare Trust  
Company of Canada  
100 University Avenue, 9th Floor  
Toronto, Ontario, Canada M5J 2Y1  
Telephone: (416) 981-9633  
Toll Free: 1-800-564-6253  
Fax: (416) 263-9524  
Toll Free: 1-866-249-7775  
e-mail: [mmamail@computershare.com](mailto:mmamail@computershare.com)

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

### U.K. TRANSFER AGENT

CIBC Mellon Trust Company  
Balfour House  
390 High Road  
Ilford, Essex IG1 1NQ  
Telephone: 020 8478 1888

### U.K. STOCKBROKER

Theather & Greenwood Limited  
15 St. Botolph Street  
London EC3A 7QR  
Telephone: 020 7426 9000  
Fax: 020 7426 9595

*The Corporation is a founding member of the Closed-End Fund Association ('CEFA') in North America.*

### STOCK EXCHANGE LISTING

The Toronto Stock Exchange

*Trading Symbols:*

Common Shares	CGI
Preference Shares	CGI.PR.A
Warrants	CGI.WT

The London Stock Exchange

*Reuters Symbols:*

Common Shares	CGIq.L
Warrants	CGI <sup>®</sup> q.L

### STOCK DATA

September 30, 2003

Price	\$	10.70
Net Asset Value	\$	14.99
Discount		28.6%

### PUBLICATION

Diluted net asset value per share (NAV) and/or market price, market return, and discount information are published daily/weekly in various media in Canada, the United States and the United Kingdom. These include: Globe and Mail, National Post, New York Times, Wall Street Journal, Barron's, Financial Times, and Daily Telegraph.

The Corporation posts ongoing top 10 portfolio investments (priced at market), together with current discount and market return information on its website. Similar information is available directly from the Corporation upon request.

### DIVIDEND REINVESTMENT AND SHARE PURCHASE PLAN

The Plan, administered by the Corporation's Canadian Transfer Agent, offers an efficient method of acquiring additional shares. As well as with reinvested dividends, shareholders may purchase additional shares for cash (minimum \$100 – maximum \$5,000) every quarter. Shares are purchased on the open market, with participants paying the average cost while the Corporation pays all administrative charges, including commissions. The Plan may be used for self-directed RRSPs. Also, a number of Canadian brokers offer dividend reinvestment plans to CGI shareholders. Note: U.S. shareholders are eligible for the dividend reinvestment segment of the plan only.

