



Third Canadian General
Investment Trust Limited

Tradition *and value*

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THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED

110 Yonge Street, Suite 1601

Toronto, Ontario, Canada M5C 1T4

Telephone: (416) 366-2931

Toll Free: 1-866-443-6097

Fax: (416) 366-2729

e-mail: thdfund@mmainvestments.com

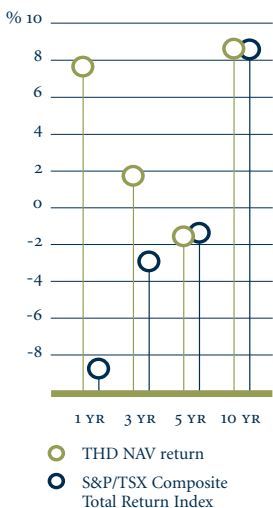
website: www.mmainvestments.com

THIRD QUARTER REPORT

September 30, 2002

NAV RETURNS* VS S&P/TSX

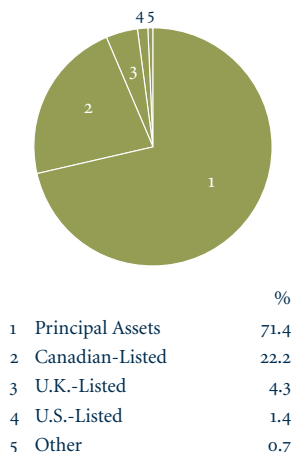
For 1, 3, 5 and 10 years to
September 30, 2002



* Compound average annual rates of return assuming reinvestment of distributions at month-end closing net asset values.

WEIGHTING OF PORTFOLIO INVESTMENTS AT MARKET

September 30, 2002



DESPITE A DEEP BEAR MARKET, IT IS PLEASING TO BE ABLE TO report that, Third Canadian General Investment Trust Limited (Third Canadian) can still claim a year-over-year appreciation in net asset value per share with distributions reinvested, up a strong 8.1% at September 30, 2002, although down 5.0% on a year-to-date basis in recent worsening conditions. Even the latter is a relatively healthy showing in a year in which, at the third quarter-end, the Toronto market's S&P/TSX Composite Total Return Index is down 18.6%, while New York's S&P 500 Total Return Index is off an enormous 28.5% in Canadian dollar terms. Moreover, most world markets are off in the 20-60% range year-to-date in Canadian dollar terms in the great purging of over-valuation.

There are two reasons why Third Canadian has been relatively successful. Firstly, the share price of the Company's key principal asset, Canadian General Investments, Limited (CGI) has declined since its strength early in the year but at a slower rate than the general market which has performed badly. Third Canadian's performance is highly levered by CGI, which constitutes about 70% of Third Canadian's portfolio. Despite CGI's small share price retreat in recent months after hitting a high of \$10.25 in May, Third Canadian's principal assets have only declined in value by 5.7% to September 30.

Secondly, much of the remaining 30% of the portfolio that is actively managed is invested in Canadian income trusts, which have stable businesses, as well as largely reliable and significant cash flows that are distributed among their unitholders. The trusts offer a high degree of tax efficiency and range in activities, including real estate, oil and gas, minerals, power generation, many service industries and manufacturing. At quarter-end, Third Canadian held twenty income funds and real estate investment trusts (REITs), with an aggregate market value of \$14.4 million.

Among income fund purchases in the current quarter were Boston Pizza Royalties Income Fund, Contrans Income Fund, Northern Property Real Estate Investment Trust and Prime Restaurants Royalty Income Fund. Additions were also made to the holdings in Enerplus Resources Fund, as well as Atlas Cold Storage Income Trust.

Also purchased for income generation purposes were a BCE Inc. preferred share issue and a debenture of Canadian Western Bank.

The substantial investment in income funds demonstrates the Manager's continued strong commitment to this expanding market sector that currently has a market capitalization in excess of \$40 billion. It is also interesting to note that the market value appreciation of Third Canadian's actively managed assets, 3.7% year-to-date and a superb 18.8% on a one-year basis, can be heavily attributable to this sector.



Vanessa L. Morgan, *Chairman*



Michael A. Smedley, *President*

MANAGEMENT'S DISCUSSION AND ANALYSIS

In bearish market conditions, Third Canadian General Investment Trust Limited's (Third Canadian) net asset value per share (NAV) with distributions reinvested was down 8.1%, but outperformed the benchmark S&P/TSX Composite Total Return Index (S&P/TSX) which declined 13.1% during the quarter. Third Canadian's relative outperformance is even stronger on a year-to-date basis, with NAV return with distributions reinvested of -5.0%, compared to -18.6% for the index.

Despite Third Canadian's share price decline in the latest quarter to \$13.50 from \$16.85, its market return with distributions reinvested for the first nine months of 2002 was still a positive 0.4%.

Financial Performance

At the end of the current quarter, Third Canadian had net assets of \$88,060,000, a decrease of 6.0% from year-end 2001 but a 5.7% increase from the end of the third quarter of 2001.

Year-to-date, Third Canadian's net investment income was \$1,692,000, down 8.8% from \$1,856,000 for the first nine months of 2001.

TOP TEN INVESTMENTS* AT MARKET

Excluding cash

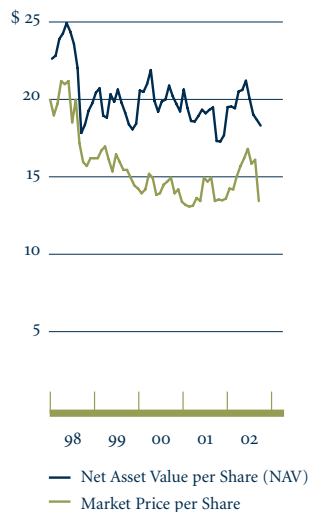
September 30, 2002

	%
Canadian General Investments, Limited	68.7
Canadian World Fund Limited	2.8
Rothmans Inc. Asset Management	1.9
Investment Company PLC	1.8
Atlas Cold Storage Income Trust	1.0
Pembina Pipeline Income Fund	0.9
Connors Bros. Income Fund	0.9
Contrans Income Fund	0.9
Enerplus Resources Fund	0.9
Retirement Residences Real Estate Investment Trust	0.9
Total	80.7

* Portfolio details on pages 8-9

COMPARISON OF MARKET PRICE TO NAV

Trend from December 31, 1997 to September 30, 2002

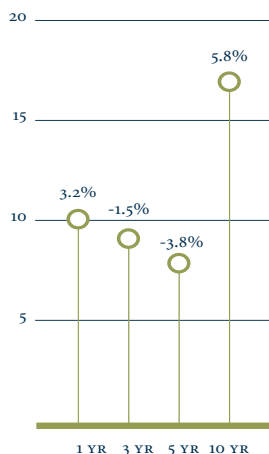


GROWTH OF A \$10,000 INVESTMENT*

For 1, 3, 5 and 10 years to

September 30, 2002

(in thousands of dollars)

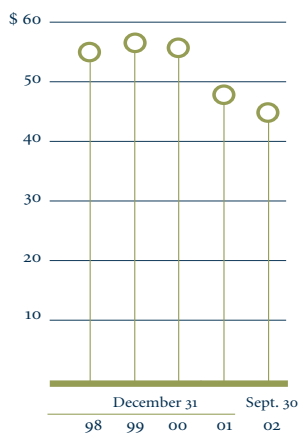


* Compound average annual rates of return assuming reinvestment of distributions at month-end closing prices.

UNREALIZED GAIN ON INVESTMENTS

(as at end of periods)

(in millions of dollars)



For the current quarter and year-to-date periods, total investment income, comprised of dividends, interest and other income, decreased by 6.1% and 7.1%, respectively, from the comparative periods in 2001. Dividends earned from its principal asset, Canadian General Investments, Limited (CGI), representing 64.4% and 63.6% of total dividend income for the current and comparative nine-month periods, respectively, continue to play a major role for Third Canadian. Income is greatly enhanced by interest and other income received from investments in income trusts, a significant component of the Canadian-listed segment of Third Canadian's portfolio for several years. The trusts, representing almost half of Third Canadian's actively managed portfolio at quarter-end, are diversified across many sectors of the Canadian economy. High cash distributions from income trusts, in both this relatively low yield environment as well as in the general uncertainty of the market place, continue to be attractive.

Although total expenses for the current quarter were at the same level as the comparative quarter of 2001, total expenses for the year-to-date period declined by 12.5% to \$1,094,000 from \$1,249,000 for the first nine months of 2001, primarily a result of lower interest costs on Third Canadian's bank borrowings used to lever the portfolio. Third Canadian's weighted average interest rate on the \$15,000,000 bank borrowing was 4.1% at September 30, 2002, compared to a rate of 5.1% at September 30, 2001. Management fees, relatively unchanged from the comparative nine-month period last year, are calculated quarterly in arrears at the annual rate of 1% of consolidated net asset value, excluding tax liabilities, bank indebtedness and the holdings of the principal assets that are subject to an administration fee of 0.2% on their market value.

The decline in portfolio values over the current quarter led to a decrease of \$8,508,000 in unrealized appreciation in value of investments, a slight improvement from the \$8,905,000 decrease experienced in the third quarter of 2001. The current year-to-date change was a decrease of \$4,950,000, thereby resulting in an unrealized gain on investments at quarter-end of \$45,034,000. Operating results for the third quarters of both this year and last year show net realized gain on investments of \$111,000. On a year-to-date basis, the net realized loss was \$914,000, compared to a net realized gain of \$451,000 in 2001.

On September 15, 2002, Third Canadian paid a regular quarterly dividend of \$0.075 per share, consistent with the corresponding third quarter of 2001. During the first nine months of both 2002 and 2001, dividend payments aggregated \$0.225 per share.

Discounts

Third Canadian's share price discount to NAV ranged from 10.4% to 26.3% during the third quarter, closing at 26.3%, narrower than the 30.0% level experienced at year-end 2001.

Third Canadian trades at a "double discount", reflecting its 26.3% discount to NAV and the discounted market prices of its principal assets, CGI and Canadian World Fund Limited (CWF), which represented 68.7% and 2.8%, respectively, of Third Canadian's portfolio at quarter-end. At the end of the current quarter, CGI and CWF were trading at discounts of 26.0% and 28.0%, respectively, which resulted in Third Canadian's "double discount" widening to 40.9% from 34.6% at June 30, 2002.

CWF, established in 1994, endeavours to provide superior long-term returns by investing globally in securities of publicly traded, primarily growth companies. CGI is an actively managed Canadian equity fund with well diversified holdings, mainly in Canadian businesses that operate in both domestic and international markets. For the current nine-month period, CGI's diluted NAV return with distributions reinvested of -11.2%, outperformed its benchmark, the S&P/TSX, which declined 18.6%.

CGI's top five S&P/TSX sectors and top five holdings as of September 30, 2002 were as follows:

<i>Canadian General Investments, Limited</i>			
<i>Top 5 Sectors</i>	<i>% at market</i>	<i>Top 5 Holdings</i>	<i>% at market</i>
Materials	18.9	Corby Distilleries Limited	2.8
Financials	17.8	Bank of Montreal	2.4
Consumer Discretionary	15.6	DuPont Canada Inc.	2.1
Consumer Staples	13.4	Quebecor World Inc.	2.1
Energy	12.6	Inco Limited	2.1
	<u>78.3</u>		<u>11.5</u>

Outlook

We expect that the volatility of the global marketplace will continue. However, Third Canadian's strategic positioning for high income and growth has enabled it to outperform for several years and this should bode well for the future.

PREMIUM/(DISCOUNT) TO NAV

Trend from December 31, 1997 to
September 30, 2002



CONSOLIDATED STATEMENTS OF NET ASSETS

<i>(in thousands of dollars, except per share amounts)</i>	As at September 30, 2002	As at December 31, 2001	As at September 30, 2001
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
	\$	\$	\$
Assets			
Investments	105,590	109,074	98,299
Cash	527	1,703	573
Receivable on securities sold	—	—	229
Accrued interest and dividends	219	329	232
Income taxes recoverable	—	1,513	1,668
	106,336	112,619	101,001
Liabilities			
Bank indebtedness	14,990	14,994	14,978
Payable on securities purchased	—	—	257
Accounts payable and accrued liabilities	45	61	48
Income taxes payable	300	—	—
	15,335	15,055	15,283
Future income taxes on unrealized net capital gains	2,941	3,866	2,405
	18,276	18,921	17,688
Net Assets	88,060	93,698	83,313
Shareholders' Equity			
Capital stock	6,504	6,504	6,504
Contributed surplus	2,681	2,681	2,681
Unrealized gain on investments	45,034	49,984	39,887
Retained earnings	33,841	34,529	34,241
	88,060	93,698	83,313
Number of shares outstanding	4,805,910	4,805,910	4,805,910
Net asset value per share	18.32	19.50	17.34

Note to Consolidated Financial Statements

The accompanying consolidated financial statements should be read in conjunction with the notes to the company's audited financial statements for the year ended December 31, 2001. These interim consolidated financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended		Nine months ended	
	Sept. 30, 2002	Sept. 30, 2001	Sept. 30, 2002	Sept. 30, 2001
(in thousands of dollars)				
	\$	\$	\$	\$
Investment income				
Dividends	757	739	2,131	2,158
Interest and other	262	346	634	818
	1,019	1,085	2,765	2,976
Expenses				
Management fees	131	127	396	388
Interest expense	176	231	516	723
Directors' fees	13	11	36	28
Other	77	28	146	110
	397	397	1,094	1,249
Investment income before income taxes	622	688	1,671	1,727
Income tax provision (recovery)	35	(10)	(21)	(129)
Net investment income	587	698	1,692	1,856
Realized and unrealized gain (loss) on investments				
Net realized gain (loss) on investments	111	111	(914)	451
Change in unrealized appreciation of investments	(8,508)	(8,905)	(4,950)	(16,969)
Net loss on investments	(8,397)	(8,794)	(5,864)	(16,518)
Decrease in net assets resulting from operations	(7,810)	(8,096)	(4,172)	(14,662)

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

(Unaudited)

	Three months ended		Nine months ended	
	Sept. 30, 2002	Sept. 30, 2001	Sept. 30, 2002	Sept. 30, 2001
(in thousands of dollars, except per share amounts)				
	\$	\$	\$	\$
Retained earnings – Beginning of period	33,509	33,792	34,529	33,015
Net investment income for the period	587	698	1,692	1,856
Net realized gain (loss) on investments	111	111	(914)	451
Dividends	(360)	(360)	(1,081)	(1,081)
Provision for refundable dividend tax on hand	(6)	–	(385)	–
Retained earnings – End of period	33,841	34,241	33,841	34,241
Dividends per share	0.075	0.075	0.225	0.225

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

<i>(Unaudited)</i>	<i>Three months ended</i>		<i>Nine months ended</i>	
<i>(in thousands of dollars)</i>	Sept. 30, 2002	Sept. 30, 2001	Sept. 30, 2002	Sept. 30, 2001
	\$	\$	\$	\$
Decrease in net assets resulting from operations	(7,810)	(8,096)	(4,172)	(14,662)
Distributions to shareholders from net investment income	(360)	(360)	(1,081)	(1,081)
Net increase in refundable dividend tax on hand	(6)	–	(385)	–
Decrease in net assets	(8,176)	(8,456)	(5,638)	(15,743)
Net assets – Beginning of period	96,236	91,769	93,698	99,056
Net assets – End of period	88,060	83,313	88,060	83,313

CONSOLIDATED STATEMENTS OF NET LOSS ON INVESTMENTS

<i>(Unaudited)</i>	<i>Three months ended</i>		<i>Nine months ended</i>	
<i>(in thousands of dollars)</i>	Sept. 30, 2002	Sept. 30, 2001	Sept. 30, 2002	Sept. 30, 2001
	\$	\$	\$	\$
Proceeds from disposition of investments	1,394	6,792	3,979	12,207
Investments at cost, beginning of period	55,020	55,110	55,224	50,376
Investments purchased during the period	3,851	7,584	7,613	17,302
Investments at cost, end of period	(57,615)	(56,007)	(57,615)	(56,007)
Cost of investments disposed of during the period	1,256	6,687	5,222	11,671
Realized gain (loss) on disposition of investments before income taxes	138	105	(1,243)	536
Income taxes on realized net taxable capital gains (recovery on allowable capital losses)	27	(6)	(329)	85
Net realized gain (loss) on investments	111	111	(914)	451
Change in unrealized appreciation of investments	(8,508)	(8,905)	(4,950)	(16,969)
Net loss on investments	(8,397)	(8,794)	(5,864)	(16,518)

CONSOLIDATED STATEMENT OF INVESTMENTS

September 30, 2002

Number of Shares or Par Value	Investment	Cost	Market Value
<i>(in thousands of dollars)</i>			
PRINCIPAL ASSETS – 71.4%			
7,629,811	Canadian General Investments, Limited	\$ 20,969	\$ 65,922
1,526,578	Canadian General Investments, Limited wts	–	6,579
1,120,211	Canadian World Fund Limited	5,601	2,913
		<u>26,570</u>	<u>75,414</u>
CANADIAN-LISTED – 22.2%			
45,000	Advanced Fiber Technologies Income Fund	435	475
50,000	AltaGas Services Inc.	469	443
70,000	ARC Energy Trust	617	896
90,000	Atlas Cold Storage Income Trust ⁺	874	1,053
30,000	BCE Inc. pfd. series Y [*]	728	718
30,000	Boston Pizza Royalties Income Fund ⁺	299	315
500,000	Canadian Western Bank conv. deb. 5.5% due March 31, 2008 [*]	501	510
50,000	Chemtrade Logistics Income Fund	545	726
75,000	Connors Bros. Income Fund	741	986
100,000	Contrans Income Fund ⁺	1,038	969
14,400	Corby Distilleries Ltd. B	484	835
60,000	Danier Leather Inc.	648	819
40,000	Davis + Henderson Income Fund	423	484
10,000	EnCana Corporation	461	480
33,950	Enerplus Resources Fund ⁺	766	967
33,600	First Capital Realty Inc.	519	376
26,880	First Capital Realty Inc. wts 8/31/08	–	32
60,000	The Keg Royalties Income Fund	600	597
60,000	Legacy Hotels Real Estate Investment Trust	499	500
30,000	North West Company Fund	454	602
33,700	Northern Property Real Estate Investment Trust [*]	414	408

Number of Shares or Par Value	Investment	Cost	Market Value
<i>(in thousands of dollars)</i>			
237,800	Novicourt Inc.	\$ 562	\$ 369
85,000	Pembina Pipeline Income Fund	841	990
52,500	Prime Restaurants Royalty Income Fund [*]	525	481
72,000	Retirement Residences Real Estate Investment Trust	781	907
70,000	RioCan Real Estate Investment Trust	835	903
60,000	Rothmans Inc.	1,310	2,025
100,000	Sceptre Investment Counsel Limited A	1,860	610
600,000	Sherritt International Corporation conv. deb. 6% due December 15, 2006	463	488
35,200	Shiningbank Energy Income Fund	119	531
70,000	TimberWest Forest Corp.	831	875
25,000	TransAlta Corporation	635	469
164,700	Viceroy Homes Limited A	889	865
95,000	Viking Energy Royalty Trust	368	730
		<u>21,534</u>	<u>23,434</u>
U.K.-LISTED – 4.3%			
800,000	Asset Management Investment Company PLC	3,262	1,932
80,000	Collins Stewart Holdings PLC	614	605
80,000	Edinburgh Fund Managers Group PLC	812	228
1,875	The Lindsell Train Investment Trust PLC	440	416
75,765	London Stock Exchange PLC	439	645
92,500	Singer & Friedlander Group PLC	680	305
235,000	UK Coal PLC	461	391
		<u>6,708</u>	<u>4,522</u>

CONSOLIDATED STATEMENT OF INVESTMENTS (continued)

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

U.S.-LISTED – 1.4%

10,000	General American Investors Company, Inc.	\$ 508	\$ 373
42,100	Morgan Stanley Dean Witter Emerging Markets Debt Fund, Inc.	467	458
40,000	Templeton Emerging Markets Income Fund, Inc.	673	667
		<u>1,648</u>	<u>1,498</u>

OTHER – 0.7%

13,000	Fleming Russia Securities Fund Ltd.	326	392
20,000	The India I.T. Fund Limited	829	330
		<u>1,155</u>	<u>722</u>

TOTAL INVESTMENTS – 100.0%

– September 30, 2002	<u>\$ 57,615</u>	<u>\$ 105,590</u>
– December 31, 2001	<u>\$ 55,224</u>	<u>\$ 109,074</u>
– September 30, 2001	<u>\$ 56,007</u>	<u>\$ 98,299</u>

Changes from June 30, 2002: * New Holdings; + Increased Holdings

CORPORATE INFORMATION

THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED

OFFICE OF THE COMPANY

110 Yonge Street, Suite 1601
Toronto, Ontario, Canada M5C 1T4
Telephone: (416) 366-2931
Toll Free: 1-866-443-6097
Fax: (416) 366-2729
e-mail: thdfund@mmainvestments.com
website: www.mmainvestments.com

MANAGER

Morgan Meighen & Associates Limited
Toronto

AUDITORS

PricewaterhouseCoopers LLP
Toronto

BANKERS

Royal Bank of Canada
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: (514) 982-7270
Toll Free: 1-800-564-6253
Fax: (416) 263-9394
e-mail: mmamail@computershare.com

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

STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading symbol: THD

STOCK DATA

September 30, 2002:

Price	\$ 13.50
Net Asset Value	\$ 18.32
Discount	26.3%

PUBLICATION

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

The Company 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 Company upon request.

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

