

CENTRAL SECURITIES CORP

Form N-30B-2

October 30, 2018

CENTRAL SECURITIES CORPORATION

INTERIM REPORT TO STOCKHOLDERS

AS OF SEPTEMBER 30, 2018

To the Stockholders of

Central Securities Corporation:

Financial data for the period ended September 30, 2018 prepared by management without audit by our independent registered public accounting firm and other pertinent information are submitted herewith.

Comparative net assets are as follows:

| | Sept. 30, 2018 | June 30, 2018 | Dec. 31, 2017 |
|--------------------------------------|-------------------|---------------|---------------|
| Net assets | \$891,072,100 | \$845,131,777 | \$826,331,789 |
| Net assets per share of Common Stock | \$35.44 | \$33.61 | \$32.86 |
| Shares of Common Stock outstanding | 25,146,616 | 25,146,616 | 25,143,616 |

Comparative operating results are as follows:

| | Nine months ended September 30, | |
|--|------------------------------------|-------------|
| | 2018 | 2017 |
| Net investment income | \$13,541,431 | \$6,946,083 |
| Per share of Common Stock | .54 * | .28 * |
| Net realized gain on sale of investments | 20,751,765 | 13,849,772 |
| Increase in net unrealized appreciation of investments | 36,651,299 | 82,495,261 |
| Increase in net assets resulting from operations | 70,944,495 | 103,291,116 |

* Per-share data are based on the average number of Common shares outstanding during the nine-month period.

During the nine months ended September 30, 2018, the Corporation did not purchase any shares of its Common Stock. The Corporation may from time to time purchase its Common Stock in such amounts and at such prices as the Board of Directors deems advisable in the best interests of stockholders. Purchases may be made in the open market or in private transactions directly with stockholders.

Stockholders' inquiries are welcome.

Central Securities Corporation

Wilmot H. Kidd, *Chief Executive
Officer*

630 Fifth Avenue
New York, NY 10111
October 17, 2018

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PRINCIPAL PORTFOLIO CHANGES

July 1 to September 30, 2018

(Common Stock unless specified otherwise)

(unaudited)

| | Number of Shares | | Held |
|-------------------------------|------------------|---------|-----------------------|
| | Purchased | Sold | September 30, 2018 |
| Alleghany Corporation | | 2,000 | 19,000 |
| Aspen Insurance Holdings Ltd. | | 200,000 | — |
| Coherent, Inc. | 35,000 | | 350,000 |
| Kennedy-Wilson Holdings, Inc. | | 250,000 | — |

TEN LARGEST INVESTMENTS

September 30, 2018

(unaudited)

| | Cost | Value | Percent of Net Assets | Year First Acquired |
|---|------------|---------|--------------------------------|---------------------------|
| | (millions) | | | |
| The Plymouth Rock Company, Inc. | \$0.7 | \$170.5 | 19.1 % | 1982 |
| Coherent, Inc. | 13.5 | 60.3 | 6.8 | 2007 |
| Hess Corporation | 31.2 | 50.1 | 5.6 | 2017 |
| Analog Devices, Inc. | 6.2 | 41.6 | 4.7 | 1987 |
| Intel Corporation | 7.6 | 39.7 | 4.5 | 1986 |
| Motorola Solutions, Inc. | 14.1 | 39.0 | 4.4 | 2000 |
| Capital One Financial Corporation | 17.8 | 28.5 | 3.2 | 2013 |
| Amazon.com, Inc. | 3.8 | 26.0 | 2.9 | 2014 |
| Rayonier Inc. | 21.1 | 23.7 | 2.7 | 2014 |
| The Bank of New York Mellon Corporation | 8.4 | 20.4 | 2.3 | 1993 |

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BOARD OF DIRECTORS

Wilmot H. Kidd, Chairman
L. Price Blackford, Lead Independent Director
Simms C. Browning
Donald G. Calder
David C. Colander
Jay R. Inglis
Wilmot H. Kidd IV
C. Carter Walker, Jr., Director Emeritus

OFFICERS

Wilmot H. Kidd, Chief Executive Officer
John C. Hill, President
Marlene A. Krumholz, Vice President and Secretary
Andrew J. O'Neill, Vice President
Lawrence P. Vogel, Vice President and Treasurer

OFFICE

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New York, NY 10111
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www.centralsecurities.com

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.
P. O. Box 505000, Louisville, KY 40233
800-756-8200
www.computershare.com

CUSTODIAN

UMB Bank, n.a.
Kansas City, MO

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
New York, NY

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