

CENTRAL SECURITIES CORP  
 Form N-30B-2  
 October 21, 2008

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CENTRAL SECURITIES CORPORATION

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INTERIM REPORT TO STOCKHOLDERS  
 AS OF SEPTEMBER 30, 2008

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To the Stockholders of

CENTRAL SECURITIES CORPORATION:

Financial data for the quarter ended September 30, 2008 prepared by management without audit by our independent registered public accounting firm and other pertinent information are submitted herewith.

Comparative market values of net assets are as follows:

|   | Sept. 30, 2008<br>----- | June 30, 2008<br>----- | Dec. 31, 2007<br>----- |
|---|-------------------------|------------------------|------------------------|
| Net assets.....                           | \$574,601,495           | \$638,415,329          | \$644,822,700          |
| Net assets per share of Common Stock..... | 27.08                   | 29.86                  | 30.00                  |
| Shares of Common Stock outstanding.....   | 21,219,382              | 21,376,782             | 21,385,800             |

Comparative operating results are as follows:

|  | Nine months ended September 30,<br>----- |              |
|--|--|--------------|
|  | 2008<br>----                             | 2007<br>---- |
| Net investment income.....   | \$ 5,421,102                             | \$ 7,704,000 |
| Per share of Common Stock.....                                       | .25*                                     | .25*         |
| Net realized gain on sale of investments.....                        | 43,796,489                               | 37,419,000   |
| Increase (decrease) in net unrealized appreciation of investments... | (111,179,937)                            | 13,242,000   |
| Increase (decrease) in net assets resulting from operations.....     | (61,962,346)                             | 58,367,000   |

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\* Per-share data are based on the average number of Common shares

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outstanding during the nine-month period.

In the quarter ended September 30, 2008 the Corporation repurchased 157,400 shares of its Common Stock at an average price of \$23.84. The Corporation may from time to time purchase Common Stock in such amounts and at such prices as the Board of Directors may deem advisable in the best interests of stockholders. Purchases may be made on NYSE Alternext, the successor to the American Stock Exchange, or in transactions directly with stockholders.

Stockholders' inquiries are welcome.

Central Securities Corporation

WILMOT H. KIDD, PRESIDENT

630 Fifth Avenue  
New York, NY 10111  
October 15, 2008

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PRINCIPAL PORTFOLIO CHANGES  
July 1 to September 30, 2008

(Common Stock unless specified otherwise)  
(unaudited)

|  | Number of Shares |             |                               |
|--|------------------|-------------|-------------------------------|
|  | Purchased        | Sold        | Held<br>September 30,<br>2008 |
| Abbott Laboratories.....                 |                  | 10,000      | 100,000                       |
| American International Group, Inc.....   | 30,000           | 230,000     | --                            |
| Analog Devices, Inc.....                 |                  | 40,000      | 390,000                       |
| Brady Corporation.....                   |                  | 5,600       | 870,000                       |
| Capital One Financial Corporation.....   |                  | 90,000      | 250,000                       |
| Intel Corporation.....                   |                  | 90,400      | 809,600                       |
| Maxim Integrated Products, Inc.....      | 310,000          |             | 310,000                       |
| McMoRan Exploration Corporation.....     | 20,000           |             | 670,000                       |
| Murphy Oil Corporation.....              |                  | 36,700      | 363,300                       |
| Precision Castparts Corporation.....     | 8,900            |             | 100,000                       |
| Rohm and Haas Company.....               |                  | 140,000 (a) | --                            |
| Roper Industries, Inc.....               |                  | 50,000      | 300,000                       |
| RSC Holdings Inc.....                    | 70,000           |             | 70,000                        |
| Sonus Networks, Inc.....                 | 230,000          |             | 3,230,000                     |
| The TriZetto Group, Inc.....             |                  | 240,000 (a) | --                            |
| White Mountains Insurance Group, Ltd.... |                  | 2,000       | --                            |
| Xerox Corporation.....                   | 30,000           |             | 930,000                       |

(a) Merger.

TEN LARGEST INVESTMENTS  
(unaudited)

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|  | September 30, 2008 |         |            |          |
|--|--------------------|---------|------------|----------|
|  | Cost               | Value   | % of       | Year Fir |
|  | -----              | -----   | Net Assets | Acquire  |
|  | (millions)         |         | -----      | -----    |
| The Plymouth Rock Company, Inc.....          | \$ 2.2             | \$140.0 | 24.4%      | 1982     |
| Brady Corporation.....                       | 2.5                | 30.7    | 5.3        | 1984     |
| Coherent, Inc.....                           | 23.6               | 30.2    | 5.3        | 2007     |
| Agilent Technologies, Inc.....               | 22.5               | 28.0    | 4.9        | 2005     |
| The Bank of New York Mellon Corporation..... | 15.5               | 26.9    | 4.7        | 1993     |
| Convergys Corporation.....                   | 25.3               | 25.6    | 4.5        | 1998     |
| Murphy Oil Corporation.....                  | 1.5                | 23.3    | 4.1        | 1974     |
| Devon Energy Corporation.....                | 14.9               | 18.2    | 3.2        | 2007     |
| Roper Industries, Inc.....                   | 6.4                | 17.1    | 3.0        | 2003     |
| Dover Corporation.....                       | 13.0               | 16.2    | 2.8        | 2003     |

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BOARD OF DIRECTORS

Dudley D. Johnson, Chairman  
 Simms C. Browning  
 Donald G. Calder  
 Jay R. Inglis  
 Wilmot H. Kidd  
 C. Carter Walker, Jr.

OFFICERS

Wilmot H. Kidd, President  
 Charles N. Edgerton, Vice President and Treasurer  
 William E. Sheeline, Vice President  
 Marlene A. Krumholz, Secretary

OFFICE

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[www.centralsecurities.com](http://www.centralsecurities.com)

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.  
 P. O. Box 43069, Providence, RI 02940-3069  
 800-756-8200  
[www.computershare.com](http://www.computershare.com)

CUSTODIAN

UMB Bank, N.A.  
 Kansas City, MO

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP, New York

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