

CENTRAL SECURITIES CORP  
Form N-30B-2  
October 27, 2017

CENTRAL SECURITIES CORPORATION

**INTERIM REPORT TO STOCKHOLDERS**

**AS OF SEPTEMBER 30, 2017**

*To the Stockholders of*

Central Securities Corporation:

Financial data for the quarter ended September 30, 2017 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, 2017 | June 30, 2017 | Dec. 31, 2016 |
|--------------------------------------|----------------|---------------|---------------|
| Net assets                           | \$771,379,964  | \$741,555,535 | \$674,683,352 |
| Net assets per share of Common Stock | \$31.09        | \$29.89       | \$27.12       |
| Shares of Common Stock outstanding   | 24,811,131     | 24,810,631    | 24,881,665    |

Comparative operating results are as follows:

|  | Nine months ended September 30, |             |
|--|---------------------------------|-------------|
|  | 2017                            | 2016        |
| Net investment income                                  | \$6,946,083                     | \$4,642,431 |
| Per share of Common Stock                              | .28                             | * .19 *     |
| Net realized gain on sale of investments               | 13,849,772                      | 14,785,997  |
| Increase in net unrealized appreciation of investments | 82,495,261                      | 47,655,206  |
| Increase in net assets resulting from operations       | 103,291,116                     | 67,083,634  |

\* 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, 2017, the Corporation purchased 74,034 shares of its Common Stock at an average price of \$23.18 per share. 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, *President*

630 Fifth Avenue  
 New York, NY 10111  
 October 18, 2017

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## PRINCIPAL PORTFOLIO CHANGES

July 1 to September 30, 2017

(Common Stock unless specified otherwise)

(unaudited)

|                                  | Number of Shares |      | Held<br>September 30,<br>2017 |
|----------------------------------|------------------|------|-------------------------------|
|                                  | Purchased        | Sold |                               |
| Brady Corporation Class A        | 5,000            |      | 400,000                       |
| Coherent, Inc.                   | 5,000            |      | 355,000                       |
| Hess Corporation                 | 240,000          |      | 470,000                       |
| Murphy Oil Corporation           | 169,000          |      | 61,000                        |
| Occidental Petroleum Corporation | 125,000          |      | —                             |
| Sonus Networks, Inc.             | 255,500          |      | 1,195,500                     |

## TEN LARGEST INVESTMENTS

September 30, 2017

(unaudited)

|   | Cost       | Value   | Percent<br>of<br>Net<br>Assets | Year<br>First<br>Acquired |
|---|------------|---------|--------------------------------|---------------------------|
|   | (millions) |         |                                |                           |
| The Plymouth Rock Company, Inc.         | \$0.7      | \$132.2 | 17.1%                          | 1982                      |
| Coherent, Inc.                          | 9.2        | 83.5    | 10.8                           | 2007                      |
| Analog Devices, Inc.                    | 6.2        | 38.8    | 5.0                            | 1987                      |
| Intel Corporation                       | 8.4        | 33.5    | 4.3                            | 1986                      |
| Motorola Solutions, Inc.                | 14.1       | 25.5    | 3.3                            | 2000                      |
| Capital One Financial Corporation       | 16.9       | 24.6    | 3.2                            | 2013                      |
| Hess Corporation                        | 20.7       | 22.0    | 2.9                            | 2017                      |
| Citigroup Inc.                          | 14.6       | 21.8    | 2.8                            | 2013                      |
| The Bank of New York Mellon Corporation | 8.4        | 21.2    | 2.7                            | 1993                      |
| Rayonier Inc.                           | 21.1       | 20.2    | 2.6                            | 2014                      |

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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.

OFFICERS

Wilmot H. Kidd, President

John C. Hill, Vice 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.centalsecurities.com](http://www.centalsecurities.com)

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.

P. O. Box 30170, College Station, TX 77842-3170

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, NY

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