

# 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:

	<u>Sept. 30, 2017</u>	<u>June 30, 2017</u>	<u>Dec. 31, 2016</u>
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:

	<u>Nine months ended September 30,</u>	
	<u>2017</u>	<u>2016</u>
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

## PRINCIPAL PORTFOLIO CHANGES

July 1 to September 30, 2017  
(Common Stock unless specified otherwise)  
(unaudited)

	Number of Shares		
	Purchased	Sold	Held September 30, 2017
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 of Net Assets	Year First 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

## 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  
212-698-2020  
866-593-2507 (toll free)  
[www.centralsecurities.com](http://www.centralsecurities.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