

# 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:

	<u>Sept. 30, 2018</u>	<u>June 30, 2018</u>	<u>Dec. 31, 2017</u>
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:

	<u>Nine months ended September 30,</u>	
	<u>2018</u>	<u>2017</u>
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

## PRINCIPAL PORTFOLIO CHANGES

July 1 to September 30, 2018  
(Common Stock unless specified otherwise)  
(unaudited)

	Number of Shares		
	Purchased	Sold	Held 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

## 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

630 Fifth Avenue  
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 505000, Louisville, KY 40233  
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