

CENTRAL SECURITIES CORP

Form N-30B-2

October 27, 2016

CENTRAL SECURITIES CORPORATION

**INTERIM REPORT TO STOCKHOLDERS**

**AS OF SEPTEMBER 30, 2016**

*To the Stockholders of*

CENTRAL SECURITIES CORPORATION:

Financial data for the quarter ended September 30, 2016 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, 2016	June 30, 2016	Dec. 31, 2015
Net assets	\$640,022,719	\$596,106,152	\$582,870,527
Net assets per share of Common Stock	\$26.13	\$24.32	\$23.53
Shares of Common Stock outstanding	24,498,151	24,506,651	24,770,073

Comparative operating results are as follows:

	Nine months ended September 30,	
	2016	2015
Net investment income	\$4,642,431	\$3,746,422
Per share of Common Stock	.19	* .15
Net realized gain on sale of investments	14,785,997	43,034,547
Increase (decrease) in net unrealized appreciation of investments	47,655,206	(92,715,258)
Increase (decrease) in net assets resulting from operations	67,083,634	(45,934,289)

\* 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, 2016, the Corporation purchased 274,922 shares of its Common Stock at an average price of \$18.49 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 19, 2016

[2]

## PRINCIPAL PORTFOLIO CHANGES

July 1 to September 30, 2016

(Common Stock unless specified otherwise)

(unaudited)

	Number of Shares	
	Purchased	Sold Held September 30, 2016
Analog Devices, Inc.	50,000	450,000
The Bank of New York Mellon Corporation	200,000	400,000
Brady Corporation	100,000	500,000
California Resources Corporation	1,170	—
Coherent, Inc.	25,000	425,000
Intel Corporation	110,000	880,000
JPMorgan Chase & Co.	30,000	200,000
Liberty Global plc Class C	20,000	200,000
Liberty Global plc LiLAC Class C	70,000	170,000
Texas Instruments Inc.	20,000	—
Wells Fargo & Company	200,000	200,000

## TEN LARGEST INVESTMENTS

September 30, 2016

(unaudited)

	Cost	Value	Percent of Net Assets	Year First Acquired
	(millions)			
The Plymouth Rock Company, Inc.	\$0.7	\$119.4	18.7%	1982
Coherent, Inc.	10.7	47.0	7.3	2007
Intel Corporation	8.4	33.2	5.2	1986
Analog Devices, Inc.	6.2	29.0	4.5	1987
Motorola Solutions, Inc.	14.1	22.9	3.6	2000
Capital One Financial Corporation	16.9	20.8	3.3	2013
Medtronic plc	16.2	19.0	3.0	2009
Citigroup Inc.	19.7	18.9	3.0	2013
Rayonier Inc.	21.1	18.6	2.9	2014
Brady Corporation	1.0	17.3	2.7	1984

[3]

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  
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

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 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

[4]