

CENTRAL SECURITIES CORP

Form N-30B-2

April 26, 2018

CENTRAL SECURITIES CORPORATION

**INTERIM REPORT TO STOCKHOLDERS**

**MARCH 31, 2018**

*To the Stockholders of*

CENTRAL SECURITIES CORPORATION:

Financial data for the quarter ended March 31, 2018 and other pertinent information prepared by management without audit by independent auditors are submitted herewith.

Comparative net assets are as follows:

	Mar. 31, 2018	Dec. 31, 2017	Mar. 31, 2017
Net assets	\$819,741,488	\$826,331,789	\$725,517,540
Net assets per share of Common Stock	\$32.60	\$32.86	\$29.22
Shares of Common Stock outstanding	25,146,616	25,143,616	24,826,518

Comparative operating results are as follows:

	Three months ended March 31,	
	2018	2017
Net investment income	\$6,165,409	\$3,005,018
Per share of Common Stock	.25	* .12 *
Net realized gain on sale of investments	14,276,708	9,667,451
Increase (decrease) in net unrealized appreciation of investments	(27,114,888)	39,426,501
Increase (decrease) in net assets resulting from operations	(6,672,771 )	52,098,970

\* Per-share data are based on the average number of Common shares outstanding during the three-month period.

We are pleased to report that at the Corporation's annual meeting on March 21, 2018, the stockholders elected seven directors and ratified the selection of KPMG LLP as auditors of the Corporation for the year 2018. Following the annual meeting, the Board of Directors elected John C. Hill, President and Wilmot H. Kidd, Chairman and Chief Executive Officer of the Corporation. In addition, the Board of Directors accorded C. Carter Walker Jr. the honorary position of Director Emeritus. Mr. Walker had served as a director of the Corporation for 44 years and chose not to stand for election this year.

In the quarter ended March 31, 2018, the Corporation did not repurchase any shares of its Common Stock. The Corporation may from time to time purchase 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  
April 18, 2018

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## PRINCIPAL PORTFOLIO CHANGES

January 1 to March 31, 2018

(Common Stock unless specified otherwise)

(unaudited)

	Number of Shares		Held March 31, 2018
	Purchased	Sold	
Alphabet Inc. Class A	2,000		12,000
Aspen Insurance Holdings Ltd.	200,000		200,000
Cable One, Inc.		17,000	—
Coherent, Inc.		25,400	315,000
Encore Capital Group, Inc.		100,000	—
General Electric Company	193,000		500,000
Hess Corporation	140,000		700,000
Kennedy-Wilson Holdings, Inc.	140,000		250,000
Ribbon Communications Inc.	171,600		1,387,100
Roper Technologies, Inc.		5,000	65,000
Tiffany & Co.		20,000	80,000
Wells Fargo & Company	50,000		270,000

## TEN LARGEST INVESTMENTS

March 31, 2018

(unaudited)

	Cost	Value	Percent of Net Assets	Year First Acquired
	(millions)			
The Plymouth Rock Company, Inc.	\$0.7	\$149.2	18.2 %	1982
Coherent, Inc.	7.7	59.0	7.2	2007
Intel Corporation	7.6	43.7	5.3	1986
Analog Devices, Inc.	6.2	41.0	5.0	1987
Hess Corporation	31.2	35.4	4.3	2017
Motorola Solutions, Inc.	14.1	31.6	3.9	2000
Capital One Financial Corporation	16.9	27.8	3.4	2013
Rayonier Inc.	21.1	24.6	3.0	2014
The Bank of New York Mellon Corporation	8.4	20.6	2.5	1993
Medtronic plc	18.4	20.1	2.4	2009

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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., 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/investor](http://www.computershare.com/investor)

CUSTODIAN

UMB Bank, n.a.  
Kansas City, MO

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP  
New York, NY

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