

CENTRAL SECURITIES CORP
 Form N-30B-2
 October 25, 2004

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CENTRAL SECURITIES CORPORATION

INTERIM REPORT TO STOCKHOLDERS

AS OF SEPTEMBER 30, 2004

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To the Stockholders of

CENTRAL SECURITIES CORPORATION:

Financial data for the quarter ended September 30, 2004 prepared by management without audit by independent auditors and other pertinent information are submitted herewith.

Comparative market values of net assets are as follows:

| | Sept. 30, 2004 | June 30, 2004 | Dec. 31, 2003 |
|--|----------------|---------------|---------------|
| | ----- | ----- | ----- |
| Net assets | \$507,270,691 | \$526,780,137 | \$478,959,218 |
| Net assets per share of Common Stock | 25.93 | 26.87 | 24.32 |
| Shares of Common Stock outstanding .. | 19,562,777 | 19,606,477 | 19,692,777 |

Comparative operating results are as follows:

| | Nine months ended September 30, | |
|--|---------------------------------|--------------|
| | 2004 | 2003 |
| | ---- | ---- |
| Net investment income | \$ 2,139,984 | \$ 1,737,273 |
| Per share of Common Stock | .11* | .09* |
| Net realized gain on sale of investments | 21,786,174 | 20,595,780 |
| Increase in net unrealized appreciation of investments ... | 10,135,449 | 59,380,203 |
| Increase in net assets resulting from operations | 34,061,607 | 81,713,256 |

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

In the quarter ended September 30, 2004 the Corporation repurchased 43,700 shares of its Common Stock at an average price of \$21.64. These shares were purchased on the American Stock Exchange. The Corporation may from time to time

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purchase Common Stock in such amounts and at such prices as the Board of Directors may deem advisable in the best interests of stockholders.

Stockholders' inquiries are welcome.

CENTRAL SECURITIES CORPORATION

WILMOT H. KIDD, President

630 Fifth Avenue
New York, NY 10111
October 20, 2004

[2]

PRINCIPAL PORTFOLIO CHANGES
July 1 to September 30, 2004
(Common Stock unless specified otherwise)

| | Number of Shares | | Held September 30, 2004 |
|---|------------------|---------|-------------------------------|
| | Purchased | Sold | |
| Ceridian Corporation | 190,000 | | 400,000 |
| Convergys Corporation | 410,000 | | 1,630,000 |
| Fifth Third Bancorp | 85,000 | | 285,000 |
| Impath Inc. | | 490,000 | -- |
| Ingram Micro Inc. | | 180,000 | -- |
| Laboratory Corporation of America Holdings .. | | 100,000 | -- |
| McMoRan Exploration Co. | 267,000 | | 267,000 |
| Merck & Co., Inc. | 50,000 | | 150,000 |
| Primus Guaranty, Ltd. | 250,000 | | 250,000 |
| Roper Industries, Inc. | 40,300 | | 165,000 |
| The TriZetto Group, Inc. | 137,000 | | 1,137,000 |
| Unocal Corporation | 150,000 | | 400,000 |
| Wind River Systems, Inc. | | 113,000 | 327,000 |

TEN LARGEST INVESTMENTS

| | September 30, 2004 | | | Year First Acquired |
|--|--------------------|--------|--------------------|------------------------|
| | Cost | Value | % of Net Assets | |
| | (millions) | | | |
| The Plymouth Rock Company, Inc. | \$ 2.2 | \$93.0 | 18.3% | 1982 |
| Capital One Financial Corporation | 1.8 | 27.0 | 5.3 | 1994 |
| Murphy Oil Corporation | 3.7 | 26.0 | 5.1 | 1974 |
| Brady Corporation | 2.3 | 25.1 | 5.0 | 1984 |
| Convergys Corporation | 27.4 | 21.9 | 4.3 | 1998 |
| Intel Corporation | .4 | 19.7 | 3.9 | 1986 |

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|-------------------------------------|------|------|-----|------|
| Unocal Corporation | 14.7 | 17.2 | 3.4 | 2004 |
| Analog Devices, Inc. | .5 | 16.7 | 3.3 | 1987 |
| Flextronics International Ltd. | 3.8 | 16.0 | 3.2 | 1996 |
| Bank of New York Company, Inc. | 3.3 | 14.6 | 2.9 | 1993 |

[3]

BOARD OF DIRECTORS

DONALD G. CALDER

President
G. L. Ohrstrom & Co., Inc.
New York, NY

DUDLEY D. JOHNSON

President
Young & Franklin Inc.
Liverpool, NY

JAY R. INGLIS

Executive Vice President
National Marine Underwriters, Inc.
Annapolis, MD

WILMOT H. KIDD

President

C. CARTER WALKER, JR.

Washington, CT

OFFICERS

WILMOT H. KIDD, President

CHARLES N. EDGERTON, Vice President and Treasurer

MARLENE A. KRUMHOLZ, Secretary

OFFICE

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CUSTODIAN

UMB Bank, N.A.

P.O. Box 419226, Kansas City, MO 64141-6226

TRANSFER AGENT AND REGISTRAR

EquiServe Trust Company, N.A.

P. O. Box 43069, Providence, RI 02940-3069

781-575-2754

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INDEPENDENT AUDITORS

KPMG LLP

757 Third Avenue, New York, NY 10017

[4]