

CENTRAL SECURITIES CORPORATION



INTERIM REPORT TO STOCKHOLDERS

AS OF SEPTEMBER 30, 2009

To the Stockholders of

CENTRAL SECURITIES CORPORATION:

Financial data for the quarter ended September 30, 2009 prepared by management without audit by our independent registered public accounting firm and other pertinent information are submitted herewith.

Comparative market values of net assets are as follows:

	<u>Sept. 30, 2009</u>	<u>June 30, 2009</u>	<u>Dec. 31, 2008</u>
Net assets	\$476,599,083	\$429,428,422	\$397,353,061
Net assets per share of Common Stock	21.39	19.27	17.79
Shares of Common Stock outstanding	22,276,713	22,282,413	22,331,813

Comparative operating results are as follows:

	<u>Nine months ended September 30,</u>	
	<u>2009</u>	<u>2008</u>
Net investment income	\$ 6,624,597	\$ 5,421,102
Per share of Common Stock30*	.25*
Net realized gain on sale of investments	6,408,852	43,796,489
Increase (decrease) in net unrealized appreciation of investments . .	69,124,343	(111,179,937)
Increase (decrease) in net assets resulting from operations	82,157,792	(61,962,346)

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

In the quarter ended September 30, 2009 the Corporation repurchased 5,700 shares of its Common Stock at an average price of \$16.04. The Corporation may from time to time purchase Common Stock in such amounts and at such prices as the Board of Directors may deem advisable in the best interests of stockholders. Purchases may be made on NYSE Amex, or in private transactions directly with stockholders.

On another note, I wish to report that after serving for over twenty-five years, Dudley Johnson has stepped down from the Board in order to focus on his company and his foundation. Central has benefited greatly from Dudley's clear thinking, financial insight and business acumen. We will miss his thoughtful advice. He remains a valued friend.

Stockholders' inquiries are welcome.

CENTRAL SECURITIES CORPORATION

WILMOT H. KIDD, *President*

630 Fifth Avenue
New York, NY 10111
October 14, 2009

PRINCIPAL PORTFOLIO CHANGES*

July 1 to September 30, 2009
(Common Stock unless specified otherwise)
(unaudited)

	Number of Shares		
	<u>Purchased</u>	<u>Sold</u>	<u>Held September 30, 2009</u>
Abbott Laboratories	10,000		120,000
Brady Corporation		100,000	770,000
Coherent, Inc.	1,000		831,000
Intel Corporation		90,000	710,000
Murphy Oil Corporation		45,700	300,000
Nexen Inc.		40,000	200,000
Walgreen Co.	30,000		230,000
Xerox Corporation	30,000		960,000

* Excludes "Miscellaneous — Other Investments."

TEN LARGEST INVESTMENTS

(unaudited)

	September 30, 2009		% of <u>Net Assets</u>	<u>Year First Acquired</u>
	<u>Cost</u>	<u>Value</u>		
	(millions)			
The Plymouth Rock Company, Inc.	\$ 2.2	\$140.0	29.4%	1982
Agilent Technologies, Inc.	21.9	25.6	5.4	2005
Brady Corporation	2.3	22.1	4.6	1984
The Bank of New York Mellon Corporation ..	12.2	19.6	4.1	1993
Coherent, Inc.	22.9	19.4	4.1	2007
Murphy Oil Corporation	1.1	17.3	3.6	1974
Convergys Corporation	24.8	16.9	3.5	1998
Dover Corporation	13.0	15.5	3.3	2003
Intel Corporation	0.3	13.9	2.9	1986
Devon Energy Corporation	14.9	13.5	2.8	2007

BOARD OF DIRECTORS

Simms C. Browning, Chairman
Donald G. Calder
David C. Colander
Jay R. Inglis
Wilmot H. Kidd
C. Carter Walker, Jr.

OFFICERS

Wilmot H. Kidd, President
Charles N. Edgerton, Vice President and Treasurer
Marlene A. Krumholz, Secretary

OFFICE

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TRANSFER AGENT AND REGISTRAR

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CUSTODIAN

UMB Bank, N.A.
Kansas City, MO

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP, New York