

CENTRAL SECURITIES CORPORATION
375 Park Avenue, New York, NY 10152

IMPORTANT

SAVE THIS NOTICE FOR PREPARING YOUR 2001 FEDERAL INCOME TAX RETURN

The following is a record of distributions paid on stock of Central Securities Corporation during the year 2001:

	Amount paid per share	Taxable as ordinary income (a)		Taxable as long-term capital gains		Non-taxable return of capital (c)	
		<u>Amt.</u>	<u>%</u>	<u>Amt.</u>	<u>%</u>	<u>Amt.</u>	<u>%</u>
June 22	\$.35	\$0.016581	4.737%	\$0.304839	87.097%	\$0.028580	8.166%
December 26.....	<u>1.45(b)</u>	<u>0.202411</u>	13.959%	<u>0.727533 (d)</u>	50.175%	<u>0.520056</u>	35.866%
	<u>\$1.80</u>	<u>\$0.218992</u>		<u>\$1.032372</u>		<u>\$0.548636</u>	

(a) 100% of dividends taxable as ordinary income qualify for the dividends received deduction available to certain corporate shareholders.

(b) Optional at rate of 1 share of Common Stock for every 15 shares owned, or cash of \$1.45 per share, based upon a value of \$21.75 per share of Common Stock.

(c) The amount received as a non-taxable return of capital should be applied to reduce the tax cost of your Central Securities Corporation Common Stock. If the amount of the non-taxable portion exceeds your tax basis, the excess will be taxable as a capital gain.

(d) 100% taxable as "Qualified Five-Year Gains".

CHARLES N. EDGERTON
Treasurer