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CENTRAL SECURITIES CORP
Form N-Q
October 25, 2006

United States
Securities and Exchange Commission
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-00179

Central Securities Corporation
(Exact name of registrant as specified in charter)
630 Fifth Avenue, Suite 820
New York, N.Y. 10111
(Address of principal executive offices)

Registrant's telephone number including area code: 212-698-2020

Date of fiscal year end: December 31
Date of reporting period: September 30, 2006

Item 1. Schedule of Investments.

CENTRAL SECURITIES CORPORATION
Statement of Investments
September 30, 2006
(Unaudited)

PORTFOLIO SECURITIES 91.1%
STOCKS (COMMON UNLESS SPECIFIED OTHERWISE)

Prin.Amt.
or Shares

| | | |
|-----------|--|----|
| | Banking and Finance 9.3% | |
| 875,000 | The Bank of New York Company, Inc..... | \$ |
| 300,000 | Capital One Financial Corporation..... | |
| | Business Services 0.9% | |
| 1,005,000 | Arbinet-thexchange, Inc. (a)..... | |
| | Chemicals 2.7% | |
| 100,000 | The Dow Chemical Company..... | |
| 609,000 | PolyOne Corporation (a)..... | |
| 150,000 | Rohm and Haas Company..... | |
| | Communications 0.3% | |

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| | | |
|----------------------------------|---|----|
| 400,000 | Cincinnati Bell Inc. (a)..... | |
| | Electronics 15.8 % | |
| 942,400 | Agilent Technologies, Inc. (a)..... | |
| 430,000 | Analog Devices, Inc..... | |
| 120,000 | Cirrus Logic, Inc. (a)..... | |
| 255,000 | Cypress Semiconductor Corp..... | |
| 980,000 | Intel Corporation..... | |
| 200,000 | Motorola, Inc..... | |
| 1,800,000 | Sollectron Corporation (a)..... | |
| 2,500,000 | Sonus Networks, Inc. (a)..... | |
| | Energy 10.9% | |
| 100,000 | Arch Coal, Inc..... | |
| 234,328 | Chevron Corporation..... | |
| 520,200 | McMoRan Exploration Co. (a)..... | |
| 600,000 | Murphy Oil Corporation..... | |
| 160,000 | Nexen Inc..... | |
| | Health Care 2.6% | |
| 120,000 | Abbott Laboratories..... | |
| 320,000 | IMS Health Inc. (a)..... | |
| 134,900 | Vical Inc. (a)..... | |
| Prin. Amt. or Shares ----- | Information Technology Services 13.9% | |
| 400,200 | Ceridian Corporation (a)..... | \$ |
| 1,550,000 | Convergys Corporation (a)..... | |
| 400,000 | Hewitt Associates, Inc. Class A..... | |
| 1,000,000 | Neoware Inc. (a)..... | |
| 1,150,000 | The TriZetto Group, Inc. (a)..... | |
| | Insurance 20.5% | |
| 10,000 | Erie Indemnity Co. Class A..... | |
| 70,000 | The Plymouth Rock Company, Inc. Class A (b) (c) (d)..... | 1 |
| 2,000 | White Mountains Insurance Group..... | 1 |
| | Manufacturing 13.7% | |
| 920,000 | Brady Corporation Class A..... | |
| 400,000 | Dover Corporation..... | |

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| | | |
|------------|---|-----|
| 410,000 | Roper Industries, Inc..... | |
| 400,000 | Tyco International Ltd..... | |
| | | |
| | Retail Trade 0.1% | |
| 28,751 | AeroGroup International, Inc. (a) (c) (d)..... | |
| | | |
| | Miscellaneous 0.4% | |
| | Other Investments..... | |
| | | |
| | Total Portfolio Securities | |
| | (cost \$229,477,212)..... | 5 |
| | | |
| | SHORT-TERM INVESTMENTS 9.2% | |
| | Commercial Paper 5.0% | |
| 16,349,000 | Citigroup Funding 5.1153% - 5.1465% due 10/5/06 - 11/2/06..... | |
| 9,596,000 | General Electric Capital Corp. 5.1110% - 5.1255% | |
| | due 10/12/06 - 10/26/06..... | |
| 3,828,000 | Prudential Funding 5.0027% - 5.2613% due 10/2/06 - 11/8/06..... | |
| | | |
| | U.S. Treasury Bills 4.1% | |
| 24,675,000 | U.S. Treasury Bills 4.9518% - 4.9550% | |
| | due 12/21/06 - 3/1/07..... | |
| | | |
| | Total Short-Term Investments | |
| | (cost \$53,932,030)..... | |
| | | |
| | Total Investments (cost \$283,409,242) (100.3%)..... | 5 |
| | Cash, receivables and other assets | |
| | less liabilities (0.3%)..... | |
| | | |
| | Net Assets (100%)..... | \$5 |

- (a) Non-dividend paying.
- (b) Affiliate as defined in the Investment Company Act of 1940.
- (c) Valued at estimated fair value.
- (d) Restricted security. See footnote 2.

See accompanying notes to statement of investments.

CENTRAL SECURITIES CORPORATION
NOTES TO STATEMENT OF INVESTMENTS

1. Security Valuation - Securities are valued at the last sale price or, if unavailable, at the closing bid price. Corporate discount notes are valued at amortized cost, which approximates value. Securities for which no ready market exists are valued at estimated fair value by the Board of Directors.

As of September 30, 2006, the tax cost of investments was \$283,409,242. Net unrealized appreciation was \$306,748,193 consisting of gross unrealized appreciation and gross unrealized depreciation of \$308,608,652 and \$1,860,459, respectively.

2. Restricted Securities - The Corporation has from time to time invested in securities the resale of which is restricted. On September 30, 2006, such

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investments had an aggregate value of \$119,862,530, which was equal to 20.4% of the Corporation's net assets. Investments in restricted securities at September 30, 2006 were:

| Company ----- | Shares ----- | Security ----- | Date Purchased ----- |
|---------------------------------|-----------------|----------------------|-------------------------|
| AeroGroup International, Inc. | 28,751 | Common Stock | 6/14/05 |
| The Plymouth Rock Company, Inc. | 70,000 | Class A Common Stock | 12/15/82 6/9/84 |

The Corporation does not have the right to demand registration of the restricted securities.

Item 2. Controls and Procedures.

(a) Disclosure Controls and Procedures. The Principal Executive and Financial Officers have concluded that the Registrant's Disclosure Controls and Procedures are effective based on their evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) Internal Control Over Financial Reporting. During the last fiscal quarter, there was no significant change in the Registrant's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

(a) Certifications.

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CENTRAL SECURITIES CORPORATION

By: /s/ Wilmot H. Kidd

President

Date: October 20, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Wilmot H. Kidd

President

Date: October 20, 2006

By: /s/ Charles N. Edgerton

Vice President and Treasurer

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Date: October 20, 2006