

CENTRAL SECURITIES CORP
 Form N-30B-2
 May 01, 2006

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CENTRAL SECURITIES CORPORATION

INTERIM REPORT TO STOCKHOLDERS

AS OF MARCH 31, 2006

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To the Stockholders of

CENTRAL SECURITIES CORPORATION:

Financial data for the quarter ended March 31, 2006 and other pertinent information prepared by management without audit by independent auditors are submitted herewith.

Comparative net assets are as follows:

| | Mar. 31, 2006 | Dec. 31, 2005 | Mar. 31, 2005 |
|--|---------------|---------------|---------------|
| | ----- | ----- | ----- |
| Net assets | \$596,362,807 | \$573,979,905 | \$551,011,773 |
| Net assets per share of Common Stock | \$ 29.43 | \$ 27.65 | \$ 27.53 |
| Shares of Common Stock outstanding ... | 20,263,959 | 20,762,159 | 20,015,909 |

Comparative operating results are as follows:

| | Three months ended March | |
|---|--------------------------|------------|
| | 2006 | 2005 |
| | ---- | ---- |
| Net investment income | \$ 4,863,123 | \$ 3,581,3 |
| Per share of Common Stock | .24* | . |
| Net realized gain on sale of investments | 17,638,863 | 27,764,6 |
| Increase (decrease) in net unrealized appreciation of investments ... | 12,162,691 | (9,632,3 |
| Increase in net assets resulting from operations | 34,664,677 | 21,713,6 |

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

The annual meeting of stockholders of the Corporation was held on March 8,

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2006 with 89% of Common shares being represented. At the meeting the Board of Directors was reelected and the selection of KPMG LLP as auditors of the Corporation for the year 2006 was ratified. Detailed information will be published in the June 30, 2006 Semi-Annual Report.

In the quarter ended March 31, 2006 the Corporation repurchased 498,200 shares of its Common Stock at an average price per share of \$24.65. 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 the American Stock Exchange or in private transactions directly with stockholders.

Stockholders' inquiries are welcome.

CENTRAL SECURITIES CORPORATION

WILMOT H. KIDD, President

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PRINCIPAL PORTFOLIO CHANGES
January 1 to March 31, 2006
(Common Stock unless specified otherwise)

| | Number of Shares | | Held March 31 2006 |
|---|------------------|-----------|--------------------------|
| | Purchased | Sold | |
| Accenture Ltd. | | 400,000 | |
| Arbinet-thexchange, Inc. | | 140,100 | 359,9 |
| The Bank of New York Company, Inc. | 375,000 | | 875,0 |
| Brady Corporation Class A | | 10,000 | 920,0 |
| Cirrus Logic, Inc. | 100,000 | | 100,0 |
| Flextronics International Ltd. | | 1,000,000 | |
| McMoRan Exploration Co. | 180,000 | | 500,0 |
| PolyOne Corporation | | 180,000 | 970,0 |
| TransMontaigne Inc. | | 700,000 | 1,225,0 |
| Transport Corporation of America, Inc. Class B | | 531,557 | |
| Tronox Inc. Class B | 40,328 (a) | | 40,3 |
| Virage Logic Corporation | | 96,400 | |

(a) Received in a distribution from Kerr-McGee Corporation.

TEN LARGEST INVESTMENTS

| March 31, 2006 | | | |
|----------------|-------|--------------------|---------------------|
| Cost | Value | % of Net Assets | Year Fir Acquire |
| (millions) | | | |

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| | | | | |
|---|--------|---------|-------|------|
| The Plymouth Rock Company, Inc. | \$ 2.2 | \$108.5 | 18.2% | 1982 |
| Brady Corporation Class A | 3.5 | 34.5 | 5.8 | 1984 |
| The Bank of New York Company, Inc. | 15.5 | 31.5 | 5.3 | 1993 |
| Murphy Oil Corporation | 3.7 | 29.9 | 5.0 | 1974 |
| Convergys Corporation | 24.1 | 28.2 | 4.7 | 1998 |
| Agilent Technologies, Inc. | 18.1 | 28.2 | 4.7 | 2005 |
| Capital One Financial Corporation | 1.4 | 24.2 | 4.1 | 1994 |
| Roper Industries, Inc. | 9.0 | 19.9 | 3.3 | 2003 |
| Dover Corporation | 13.0 | 19.4 | 3.3 | 2003 |
| Kerr-McGee Corporation | 11.7 | 19.1 | 3.2 | 2001 |

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BOARD OF DIRECTORS

C. Carter Walker, Jr., Chairman
 Simms C. Browning
 Donald G. Calder
 Jay R. Inglis
 Dudley D. Johnson
 Wilmot H. Kidd

OFFICERS

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

OFFICE

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 New York, NY 10111
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 866-593-2507 (toll-free)
www.centalsecurities.com

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company, N.A.
 P. O. Box 43069, Providence, RI 02940-3069
 800-756-8200
www.computershare.com

CUSTODIAN

UMB Bank, N.A.
 Kansas City, MO

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
 New York, NY

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