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CENTRAL SECURITIES CORP
Form N-CSR
February 05, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act File Number 811-179

Name of registrant as specified in charter: Central Securities Corporation

Address of principal executive offices:

630 Fifth Avenue
Suite 820
New York, New York 10111

Name and address of agent for service:

Central Securities Corporation, Wilmot H. Kidd, President
630 Fifth Avenue
Suite 820
New York, New York 10111

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

Date of fiscal year end: December 31, 2007

Date of reporting period: December 31, 2007

Item 1. Reports to Stockholders.

=====
CENTRAL SECURITIES CORPORATION

SEVENTY-NINTH ANNUAL REPORT

2007
=====

SIGNS OF THE TIMES

"Think about what is happening in Asia today, centered on China but followed by India. At a growth rate of per capita living standards of six and a half percent which is less than the average of the last ten years for China, living standards don't double in a single human life span, they don't rise five fold in a human life span, they rise 100 fold within a single human life span. They rise more than living standards have increased in the United States since

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my country gained independence in 1776. This is not an isolated event affecting a few people, in a niche in the world, this is an event affecting a third or more of humanity, if one takes into account China and India and looks to the remainder of Asia.

"Living standards rising as much as a 100 fold in a single human life span in places where a third of humanity resides, this is an economic event, in the last millennium that exceeds very substantially the impact of either the Renaissance or the Industrial revolution. I would dare to suggest to you that when historians record the history of our time, 300 years from now, the end of the Cold War, that fifty year struggle will be at most a third story in that history. All that is happening in the Middle East, with all that the region needs, will be the second story. What happens in Asia, the changes in the lives of so many people, so quickly and its ramifications for the global system will be the most important story when the history of our times is written." (Lawrence Summers, Charles W. Eliot University Professor, Harvard University, Welcoming Dinner Address, Beijing Friendship Hotel, January 14, 2007)

"The collapse of communism in Europe was a key event in the creation of a more growth-oriented global economy. In one fell swoop, 240 million working-age people in the former USSR and its satellites were catapulted into the global traded goods system. China had already embarked on steps toward a more market-oriented economy, but this accelerated in the 1990s. Meanwhile, the dramatic growth in China encouraged India to start retreating from its heavy-handed state control of the economy. In total, the global labor force potentially involved in the market system doubled by the inclusion of all these 'new' entrants. If each country's labor force is weighted by its export-to-GDP ratio, the IMF calculates that the effective labor supply involved in the global trading system has doubled in the past 20 years." (Martin H. Barnes, The Bank Credit Analyst, May 2007)

"As I see it, the role that quants play in the financial world is analogous to the role that batfish play in keeping coral reefs tidy. Batfish do not construct the reef, but they are essential to its health. Quants do not create the structure on which the markets depend, but they maintain the conditions which make financial markets function."

"By scrutinizing financial data, quants spot arbitrage opportunities and alert their firms to act before those opportunities disappear."

"Most of the time, they have no idea what, if anything, is produced by the companies with whose stocks they deal. Their mission is to blindly keep those stocks moving, not to pass judgment on a stock's value, either to the buyer or society. Thus, I find it completely appropriate that quants now prefer the euphemism 'financial engineer.' They are certainly not 'financial architects.' Nor are they responsible for the mess in which the financial world finds itself at the moment. Quants may have greased the rails, but others were supposed to be manning the brakes." (Daniel Stroock, MIT TechReview, November 2007)

[2]

SIGNS OF THE TIMES

"Last week the Congressional Budget Office joined the IRS in releasing tax numbers for 2005, and part of the news is that the richest 1% paid about 39% of all income taxes that year. The richest 5% paid a tad less than 60%, and the

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richest 10% paid 70%. These tax shares are all up substantially since 1990, and even somewhat since 2000. Meanwhile, Americans with an income below the median - half of all households - paid a mere 3% of all income taxes in 2005. The richest 1.3 million tax-filers - those Americans with adjusted gross incomes of more than \$365,000 in 2005 - paid more than all of the 66 million American tax filers below the median income. Ten times more. (Wall Street Journal, December 17, 2007)

The Rich Pay More

Shares of income earned by all taxpayers compared to share of income taxes paid in the U.S.

	Share of total	
	Income	Taxes Paid
Richest 1%		
1990.....	14%	25%
2000.....	21%	37%
2005.....	21%	39%
Richest 5%		
1990.....	27%	44%
2000.....	35%	56%
2005.....	36%	60%

Source: Treasury Department, October 2007.

"In 1986, President Ronald Reagan in tandem with the Democratic House and Republican Senate reformed and simplified the tax code, reducing the number of brackets, closing loopholes and lowering individual and corporate rates. The U.S. moved from a country with above-average corporate tax rates to one with below-average rates. The Reagan tax reforms set the stage for 20 years of remarkable economic performance in the U. S. and around the world, what Ronald Reagan called the 'American Miracle.'

"Twenty years later, after much of the world has followed our lead, the U.S. is once again a high corporate tax country. We now have, on average, the second-highest statutory corporate tax rate (including state corporate taxes), 39%, compared with an average rate of 31% for our top competitors-the democratic, market-oriented nations that form the Organisation of Economic Cooperation and Development (OECD)." (Henry M. Paulson, Jr. Wall Street Journal, July 19, 2007)

"A record eight million Americans moved from one state to another last year. Where is everyone going, and why? The answer has little to do with the climate: California has arguably the nicest climate of any state in the nation - yet in this decade more Americans have left the Golden State than entered it. Migration patterns instead reveal which states have the most dynamic and desirable economies, and which are 'has-been' states. The winners in this contest for the most valuable resource on the globe - human capital - are generally the states with the lowest tax, spending and regulatory burdens. The biggest losers are almost all congregated in the Northeast and Midwest. (Arthur Laffer and Stephen Moore, Wall Street Journal, December 10, 2007)

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"Because of lax lending standards in the past few years, many homeowners never amassed much equity in their homes. Sizable down payments became a rarity, as many buyers borrowed close to 100% of the purchase price through a blend of first mortgages and home-equity lines of credit. Others kept refinancing their mortgages as property prices climbed, taking on bigger loans and draining the equity value of their homes.

"As a result, there is a new class of homeowners in name only. Because these people never put up much of their own money, they don't act like owners, committed to their property for the long haul. They behave more like renters, ducking out of an onerous lease in the midst of a housing slump." (George Anders, Wall Street Journal, December 19, 2007)

[3]

CENTRAL SECURITIES CORPORATION:

(Organized on October 1, 1929 as an investment company, registered as such with the Securities and Exchange Commission under the provisions of the Investment Company Act of 1940.)

TEN YEAR HISTORICAL DATA

Year	Total net assets	Convertible Preference Stock (A)	Per Share of Common Stock			
			Net asset value	Net investment income (B)	Dividends (C)	Distributions (C)
1997	\$434,423,053	\$9,040,850	\$29.97			
1998	476,463,575	8,986,125	31.43	\$.29	\$.29	\$1.65
1999	590,655,679	--	35.05	.26	.26	2.34
2000	596,289,086	--	32.94	.32	.32	4.03
2001	539,839,060	--	28.54	.18	.22	1.58*
2002	361,942,568	--	18.72	.14	.14	1.11
2003	478,959,218	--	24.32	.09	.11	1.29
2004	529,468,675	--	26.44	.11	.11	1.21
2005	573,979,905	--	27.65	.28	.28	1.72
2006	617,167,026	--	30.05	.36	.58	1.64
2007	644,822,724	--	30.15	.38	.52	1.88

A - At liquidation preference.

B - Excluding gains or losses realized on sale of investments and the dividend requirement on the Convertible Preference Stock which was redeemed August 1, 1999.

C - Computed on the basis of the Corporation's status as a "regulated investment company" for Federal income tax purposes. Dividends are from ordinary income. Distributions are from long-term investment gains.

* Includes a non-taxable return of capital of \$.55.

The Common Stock is listed on the American Stock Exchange under the symbol

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CET. On December 31, 2007 the market quotations were: \$26.06 low, \$26.96 high and \$26.84 last sale.

Central's results to December 31, 2007 versus the S&P 500:

Average Annual Total Return	Central's NAV Return	Central's Market Return	Standard & Poor's 500
One Year.....	9.4%	9.9%	5.5%
Five Year.....	18.8%	19.3%	12.8%
Ten Year.....	9.6%	7.8%	5.9%
Fifteen Year.....	14.8%	15.4%	10.5%
Twenty Year.....	14.7%	16.2%	11.8%

[4]

To the Stockholders of

CENTRAL SECURITIES CORPORATION:

Financial statements for the year 2007, as reported upon by our independent registered public accounting firm, and other pertinent information are submitted herewith.

Comparative net assets are as follows:

	December 31, 2007	December 31, 2006
Net assets.....	\$644,822,724	\$617,167,020
Net assets per share of Common Stock.....	30.15	30.00
Shares of Common Stock outstanding.....	21,385,882	20,538,190

Comparative operating results are as follows:

	Year 2007	Year 2006
Net investment income.....	\$ 7,817,245	\$ 7,269,690
Per share of Common Stock.....	.38*	.33
Net realized gain on sale of investments.....	42,124,417	36,468,010
Increase in net unrealized appreciation of investments.....	4,626,767	49,542,950
Increase in net assets resulting from operations.....	54,568,429	93,280,660

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

The Corporation made two distributions to holders of Common Stock in 2007, a cash dividend of \$.20 per share paid on June 22 and an optional distribution of \$2.20 per share in cash, or one share of Common Stock for each 12 shares held, paid on December 27. For Federal income tax purposes, of the \$2.40 paid in 2007, \$.52 represents ordinary income and \$1.88 represents long-term capital gains. Separate tax notices have been mailed to stockholders. With respect to

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state and local taxes, the character of distributions may vary. Stockholders should consult with their tax advisors on this matter.

In the optional distribution paid in December, the holders of 50% of the outstanding shares of Common Stock elected stock, and they received 847,687 Common shares.

During 2007 the Corporation did not repurchase any shares of its Common Stock. 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.

[5]

Central's net asset value, adjusted for the reinvestment of distributions, increased by 9.4% last year. The S&P 500 and Russell 2000, an index composed of smaller companies, returned 5.5% and a negative 1.6%, respectively. Interestingly, the Russell had outperformed the S&P for seven of the previous eight years. Last year, however, market uncertainty had a greater impact on the prices of smaller companies, which are presumed to be more vulnerable to slowing economic growth than larger ones. Plymouth Rock, Murphy Oil, Bank of New York Mellon, Intel, Berry Petroleum and Roper Industries were the major contributors to Central's gain. Capital One Financial, Convergys and Geomet detracted the most.

Our trading activity as measured by turnover increased from 18% to 20%. Over the year eight investments were added and fourteen sold. The largest new investments were Coherent, Devon Energy, Radisys and A.S.V. The largest eliminations were Neoware, Chevron, Ceridian, Hewitt Associates and SLM Corp. We ended the year with thirty-three holdings. The ten largest, shown on page eight, accounted for 63% of Central's net assets.

Plymouth Rock did not repeat its record earnings performance of 2006 in 2007. Since this letter precedes its annual report, audited results for last year are not yet available. (The Plymouth Rock annual report will be placed on the company's website at www.prac.com in early April.) The \$54 million earned in 2006, it may be remembered, was boosted by a \$10 million reduction of reserves from prior years and Plymouth Rock Assurance Corp., along with other Massachusetts insurers, experienced an unexpected rise in its loss ratio in 2007. Management has taken aggressive action to address the issue. The New Jersey subsidiaries, Palisades and High Point, are both benefiting from recent acquisitions. These companies, it should be noted, are management companies which derive their income from servicing fees as opposed to underwriting.

Complicating the future in Massachusetts, the state insurance department is in the process of implementing regulatory changes designed to conform Massachusetts regulation with that of other states in order to bring more insurance providers into the state, much as occurred in New Jersey a few years ago. It is unclear how the market will develop, but we hope the experience Plymouth Rock gained in NJ will help as it contends with the changes.

It has been 25 years since Central made its initial investment in Plymouth Rock. Since then the company has grown to the point where last year it had approximately \$1 billion in written and managed premiums. Central has received dividends over the last 10 years of more than \$15 million. Based on the current valuation our investment has increased at an annual rate of 20% for the 25 year period. Looking forward, when I reflect on Central's investment in Plymouth Rock, the team Jim Stone has assembled and the leadership he is able to provide, I think the company should continue to be able to provide attractive long-term

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shareholder returns. Much of the company's growth has come from acquisitions, and opportunities may arise in the coming years if companies not committed to the increasingly complex auto business decide to exit.

Plymouth Rock is not publicly traded and its value is determined by Central's Board of Directors based on an independent appraisal obtained by Plymouth Rock. We evaluate the appraisal, considering, among other things, management, corporate governance, valuations of comparable publicly traded companies, the company and industry outlooks, marketability and recent private transactions. We currently apply a liquidity discount of 32.5%, resulting in a value of \$2120 per share.

[6]

In last year's annual report we noted that the market seemed to have an abundance of confidence. That changed abruptly this past summer when it became apparent that many so called "structured" securities backed by mortgages and other loans had lost much of their value. Confidence evaporated quickly as a number of large American and European financial institutions announced write offs which strained their capital bases. To remedy the situation they have been trooping "hat in hand" to the Middle East and East Asia to raise capital from wealthy sovereign investment funds. Fortunately, capital has been available, but it has been costly for shareholders. In a larger sense, as pointed out by the historian Niall Ferguson, economic power is shifting. In the past such shifts have had political implications as well as financial ones. Against this backdrop the stock market was mixed last year. For example, bank stocks declined by more than 28%. In contrast, energy stocks increased by 31% as investors focused on demand from China and hedged against the weak dollar. Looking forward, the Federal Reserve is faced with the problem of stabilizing the banking system and mitigating an economic slowdown while avoiding inflation in the process. Success in this endeavor will require deft management on the part of the regulators.

It is our belief that there is no one "correct" way to invest and Central uses a number of investment strategies. Our investing activities, however, continue to be based on a few basic principles: we pay attention to price in relation to assets, earnings, and intrinsic or franchise value. We take a long-term view, looking out three to five years. Many investors are forced to have a shorter time horizon, and we believe the ability to take a long-term view has been an advantage for Central shareholders. We try to avoid over diversification. Our long-standing practice has been to keep about one half of our assets invested in a small number of companies. We often invest in less liquid securities or go contrary to general opinion on the theory that such situations are not as efficiently priced. Finally, integrity is important. We want to own companies whose managements are working in the shareholder's interest.

It is our goal to provide shareholders with results that will be judged superior in the long run. We continue to believe that under reasonably favorable economic conditions our investment approach will provide satisfactory results.

Shareholder inquiries are welcome.

CENTRAL SECURITIES CORPORATION

Wilmot H. Kidd, President

630 Fifth Avenue
New York, NY 10111
January 22, 2008

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[7]

TEN LARGEST INVESTMENTS

December 31, 2007
(unaudited)

	Cost	Value	% of Net Assets	Year First Acquired
	-----	-----	-----	-----
	(millions)			
The Plymouth Rock Company, Inc.....	\$ 2.2	\$148.4	23.0%	1982
Murphy Oil Corporation.....	2.6	44.5	6.9	1974
The Bank of New York Mellon Corporation.....	15.5	40.3	6.2	1993
Agilent Technologies, Inc.....	22.5	34.6	5.4	2005
Brady Corporation.....	2.5	30.7	4.8	1984
Convergys Corporation.....	25.1	28.2	4.4	1998
Intel Corporation.....	0.4	24.0	3.7	1986
Roper Industries, Inc.....	7.2	21.9	3.4	2003
Dover Corporation.....	13.0	18.4	2.9	2003
Devon Energy Corporation.....	14.9	17.8	2.8	2007

PRINCIPAL PORTFOLIO CHANGES

October 1 to December 31, 2007
(Common Stock unless specified otherwise)
(unaudited)

	Number of Shares		
	Purchased	Sold	Held December 31
	-----	-----	-----
A.S.V., Inc.....	120,000		800,000
Carlisle Companies Inc.....	10,000		150,000
Coherent, Inc.....	600,000		700,000
Covidien Ltd.....		100,000	
Flextronics Ltd.....	630,000 (a)		630,000
GeoMet, Inc.....	850,000		1,850,000
IMS Health, Inc.....		80,000	
McMoRan Exploration Corporation.....	45,000		600,000
Meritage Homes Corporation.....		90,000	
Murphy Oil Corporation.....		25,000	525,000
Roper Industries, Inc.....		60,000	350,000
Tyco Electronics Ltd.....		90,000	
Verigy Ltd.....		60,000	
Vical Inc.....	35,100		170,000
Walgreen Co.....	200,000		200,000

(a) 550,600 shares received in exchange for 1,800,000 shares of Solectron Corporation.

[8]

DIVERSIFICATION OF INVESTMENTS

December 31, 2007
(unaudited)

	Issues	Cost	Value	Percent of Net Asset December	
	-----	-----	-----	2007	2006
Common Stocks:					
Insurance.....	3	\$ 3,633,747	\$149,947,000	23.3%	20.3
Electronics.....	8	79,307,574	130,984,576	20.3	14.2
Energy.....	6	54,002,897	106,792,150	16.6	8.7
Manufacturing.....	6	45,437,863	91,649,304	14.2	7.1
Banking and Finance.....	2	20,552,122	56,318,561	8.7	4.6
Information Technology.....	2	31,307,626	45,438,368	7.1	5.2
Other.....	6	20,227,100	29,890,364	4.6	
Short-Term Investments.....	3	33,713,125	33,713,125	5.2	

FINANCIAL HIGHLIGHTS

	2007	2006	2005
	----	----	----
Per Share Operating Performance:			
Net asset value, beginning of year	\$ 30.05	\$ 27.65	\$ 26.65
Net investment income*38	.36	.36
Net realized and unrealized gain on securities*	2.12	4.26	2.12
	-----	-----	-----
Total from investment operations	2.50	4.62	3.60
Less:			
Dividends from net investment income37	.36	.36
Distributions from capital gains	2.03	1.86	1.86
	-----	-----	-----
Total distributions	2.40	2.22	2.22
	-----	-----	-----
Net asset value, end of year	\$ 30.15	\$ 30.05	\$ 27.65
	=====	=====	=====
Per share market value, end of year	\$ 26.84	\$ 26.65	\$ 23.11
Total return based on market(%)	9.86	21.31	14.28
Total return based on NAV(%)	9.35	18.55	13.00
Ratios/Supplemental Data:			
Net assets, end of year(000)	\$644,823	\$617,167	\$573,900
Ratio of expenses to average net assets(%)59	.53	.53
Ratio of net investment income to average net assets(%)	1.21	1.23	1.23
Portfolio turnover rate(%)	19.58	17.55	15.00

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 * Based on the average number of shares outstanding during the year.

See accompanying notes to financial statements.

[9]

STATEMENT OF INVESTMENTS

December 31, 2007

PORTFOLIO SECURITIES 94.8%
 STOCKS (COMMON UNLESS SPECIFIED OTHERWISE)

Prin. Amt. or Shares -----		Value -----
	Banking and Finance 8.7%	
825,475	The Bank of New York Mellon Corporation.....	\$ 40,250,161
340,000	Capital One Financial Corporation.....	16,068,400

		56,318,561

	Chemicals 1.2%	
150,000	Rohm and Haas Company.....	7,960,500

	Communications 0.9%	
1,005,000	Arbinet-thexchange, Inc. (a).....	6,080,250

	Electronics 20.3%	
942,400	Agilent Technologies, Inc. (a).....	34,623,776
430,000	Analog Devices, Inc.....	13,631,000
700,000	Coherent, Inc. (a).....	17,549,000
630,000	Flextronics International Ltd. (a).....	7,597,800
900,000	Intel Corporation.....	23,994,000
350,000	Motorola, Inc.....	5,614,000
1,000,000	Radisys Corporation (a).....	13,400,000
2,500,000	Sonus Networks, Inc. (a).....	14,575,000

		130,984,576

	Energy 16.6%	
375,000	Berry Petroleum Company Class A.....	16,668,750
200,000	Devon Energy Corporation.....	17,782,000
1,850,000	GeoMet, Inc. (a).....	9,620,000
600,000	McMoRan Exploration Co. (a).....	7,854,000
525,000	Murphy Oil Corporation.....	44,541,000
320,000	Nexen Inc.....	10,326,400

		106,792,150

	Health Care 1.2%	
120,000	Abbott Laboratories.....	6,738,000
170,000	Vical Inc. (a).....	722,500

		7,460,500

	Information Technology Services 7.1%	
1,715,800	Convergys Corporation (a).....	28,242,068
990,000	The TriZetto Group, Inc. (a).....	17,196,300

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45,438,368

[10]

Prin. Amt. or Shares -----		Value -----
	Insurance 23.3%	
10,000	Erie Indemnity Co. Class A.....	\$ 518,900
70,000	The Plymouth Rock Company, Inc. Class A (b) (c).....	148,400,000
2,000	White Mountains Insurance Group, Ltd.....	1,028,100
		----- 149,947,000 -----
	Manufacturing 14.2%	
800,000	A.S.V., Inc. (a).....	11,080,000
875,600	Brady Corporation Class A.....	30,724,804
150,000	Carlisle Companies Inc.....	5,554,500
400,000	Dover Corporation.....	18,436,000
350,000	Roper Industries, Inc.....	21,889,000
100,000	Tyco International Ltd.....	3,965,000
		----- 91,649,304 -----
	Retailing 1.3%	
28,751	Aerogroup International, Inc. (a) (c).....	773,114
200,000	Walgreen Co.....	7,616,000
		----- 8,389,114 -----
	Total Portfolio Securities (cost \$254,468,929) (d).....	611,020,323
	SHORT-TERM INVESTMENTS 5.2%	
	Commercial Paper 1.4%	
3,374,000	American Express 4.31%, due 1/9/08.....	3,370,783
5,533,000	General Electric Capital Corporation 4.17%, due 1/16/08.....	5,523,433
		----- 8,894,216 -----
	U.S. Treasury Bills 3.8%	
25,040,000	U.S. Treasury Bills 2.65% - 3.04% due 1/3/08 - 5/18/08.....	24,818,909

	Total Short-Term Investments (cost \$33,713,125) (d).....	33,713,125

	Total Investments (100.0%).....	644,733,448
	Cash, receivables and other assets less liabilities (0.0%).....	89,276

	Net Assets (100%).....	\$644,822,724 =====

(a) Non-dividend paying.

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- (b) Affiliate as defined in the Investment Company Act of 1940.
- (c) Valued at estimated fair value.
- (d) Aggregate cost for Federal tax purposes is substantially the same.

See accompanying notes to financial statements.

[11]

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2007

ASSETS:		
Investments:		
General portfolio securities at market value (cost \$252,268,943) (Note 1).....	\$462,620,323	
Securities of affiliated company (cost \$2,199,986) (Notes 1, 5 and 6).....	148,400,000	
Short-term investments (cost \$33,713,125)...	33,713,125	\$644,733,448

Cash, receivables and other assets:		
Cash.....	22,590	
Dividends and interest receivable.....	42,053	
Office equipment and leasehold improvements, net.....	310,908	
Other assets.....	80,808	456,359
	-----	-----
Total Assets.....		645,189,807
LIABILITIES:		
Accrued expenses and reserves.....	367,083	

Total Liabilities.....		367,083

NET ASSETS.....		\$644,822,724
		=====
NET ASSETS are represented by:		
Common Stock \$1 par value: authorized 30,000,000 shares; issued 21,385,882 (Note 2).....		\$ 21,385,882
Surplus:		
Paid-in.....	\$265,306,327	
Undistributed net realized gain on sale of investments.....	1,087,512	
Undistributed net investment income.....	491,609	266,885,448

Net unrealized appreciation of investments.....		356,551,394

NET ASSETS.....		\$644,822,724
		=====
NET ASSET VALUE PER COMMON SHARE		
(21,385,882 shares outstanding).....		\$30.15
		=====

See accompanying notes to financial statements.

[12]

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STATEMENT OF OPERATIONS

For the year ended December 31, 2007

INVESTMENT INCOME

Income:

Dividends (net of foreign withholding taxes of \$4,545).....	\$ 9,200,619	
Interest.....	2,441,736	\$11,642,355

Expenses:

Investment research.....	1,293,750	
Administration and operations.....	957,250	
Occupancy costs.....	461,828	
Employees' retirement plans.....	165,400	
Franchise and miscellaneous taxes.....	162,746	
Insurance.....	150,141	
Directors' fees.....	135,500	
Stationery, supplies, printing and postage.....	106,196	
Listing, software and sundry fees.....	103,417	
Legal, auditing and tax fees.....	94,501	
Travel and telephone.....	58,546	
Custodian fees.....	37,945	
Transfer agent and registrar fees and expenses...	28,794	
Publications and miscellaneous.....	69,096	3,825,110

Net investment income.....	7,817,245
----------------------------	-----------

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS

Net realized gain from investment transactions.....	42,124,417	
Net increase in unrealized appreciation of investments.....	4,626,767	
Net gain on investments.....		46,751,184

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....	\$54,568,429

See accompanying notes to financial statements.

[13]

STATEMENTS OF CHANGES IN NET ASSETS

For the years ended December 31, 2007 and 2006

	2007	2006
FROM OPERATIONS:		
Net investment income.....	\$ 7,817,245	\$ 7,269,692
Net realized gain on investments.....	42,124,417	36,468,013
Net increase in unrealized appreciation of investments.....	4,626,767	49,542,956
Increase in net assets resulting from operations.....	54,568,429	93,280,661

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DISTRIBUTIONS TO STOCKHOLDERS FROM:		
Net investment income.....	(7,557,915)	(7,185,071)
Net realized gain from investment transactions..	(41,733,753)	(36,564,651)

Decrease in net assets from distributions.....	(49,291,668)	(43,749,722)

FROM CAPITAL SHARE TRANSACTIONS: (Note 2)		
Distribution to stockholders reinvested in		
Common Stock.....	22,378,937	21,444,764
Cost of shares of Common Stock repurchased.....	--	(27,788,582)

Increase (decrease) in net assets from capital share transactions.....	22,378,937	(6,343,818)

Total increase in net assets.....	27,655,698	43,187,121
NET ASSETS:		
Beginning of year.....	617,167,026	573,979,905

End of year (including undistributed net investment income of \$491,609 and \$226,873, respectively).....	\$644,822,724	\$617,167,026
=====		

See accompanying notes to financial statements.

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STATEMENT OF CASH FLOWS

For the year ended December 31, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net increase in net assets from operations.....		\$ 54,568,429
Adjustments to net increase in net assets from operations:		
Purchase of securities.....	(\$117,657,301)	
Proceeds from securities sold.....	148,405,422	
Net purchase of short-term investments.....	(12,240,069)	
Net realized gain from investments.....	(42,124,417)	
Increase in unrealized appreciation.....	(4,626,767)	
Depreciation and amortization.....	81,110	
Changes in operating assets and liabilities:		
Decrease in dividends and interest receivable.....	59,895	
Decrease in receivable for securities sold.	364,849	
Increase in office equipment and leasehold improvements.....	(6,356)	
Increase in other assets.....	(742)	
Increase in accrued expenses and reserves..	30,925	

Total adjustments.....		(27,713,451)

Net cash provided by operating activities.....		26,854,978
Cash flows from financing activities:		
Dividends and distributions paid.....	(26,912,731)	

Cash flows used in financing activities.....		(26,912,731)

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Net decrease in cash.....	(57,753)
Cash at beginning of year.....	80,343
Cash at end of year.....	\$ 22,590

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Non-cash financing activities not included herein consist of:

Reinvestment of dividends and distributions to stockholders.... \$ 22,378,937

See accompanying notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies--Central Securities Corporation (the "Corporation") is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company. The following is a summary of the significant accounting policies consistently followed by the Corporation in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles.

Security Valuation--Securities are valued at the last or closing sale price or, if unavailable, at the closing bid price. Corporate discount notes and U.S. Treasury Bills are valued at amortized cost, which approximates market value. Securities for which no ready market exists, including The Plymouth Rock Company, Inc. Class A Common Stock, are valued at estimated fair value by the Board of Directors.

Federal Income Taxes--It is the Corporation's policy to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its stockholders. Therefore, no Federal income taxes have been accrued.

Use of Estimates--The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported. Actual results may differ from those estimates.

Other--Security transactions are accounted for as of the trade date, and cost of securities sold is determined by specific identification. Dividend income and distributions to stockholders are recorded on the ex-dividend date. Interest income is accrued daily. Certain prior year amounts have been reclassified to conform with current year presentation.

New Accounting Pronouncements--In September 2006, the FASB issued Statement 157 ("SFAS 157"), "Fair Value Measurements". This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. SFAS 157 will be effective at the beginning of the Corporation's 2008 fiscal year. Management is currently assessing the effect of this pronouncement on our financial statements. During the year ended December 31, 2007, the Corporation adopted Financial Accounting Standards Board Interpretation 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"). Management has determined that the implementation of FIN 48 had no impact in the financial statements.

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2. Common Stock and Dividend Distributions--The Corporation did not repurchase any shares of its Common Stock in 2007. It 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 the stockholders. Purchases will only be made at less than net asset value per share, thereby increasing the net asset value of shares held by the remaining stockholders. Shares so acquired may be held as treasury stock and available for optional stock distributions, or may be retired.

The Corporation made two distributions to holders of Common Stock in 2007, a cash dividend of \$.20 per share paid on June 22 and an optional distribution of \$2.20 per share in cash, or one share of Common Stock for each 12 shares held, paid on December 27. In the optional distribution, 282,664 shares of Common Stock held as treasury shares by the Corporation were distributed, and 565,023 common shares were issued.

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NOTES TO FINANCIAL STATEMENTS -- Continued

The tax character of dividends and distributions paid during the year was ordinary income, \$10,597,383 and long-term capital gain, \$38,694,285; for 2006 they were \$11,563,375 and \$32,186,347, respectively. As of December 31, 2007, for tax purposes, undistributed ordinary income was \$563,215 and undistributed long-term realized capital gain was \$1,089,288. Dividends and distributions are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. Financial statements are adjusted for permanent book-tax differences; however, such adjustments were not material for the year ended December 31, 2007.

3. Investment Transactions--The aggregate cost of securities purchased and the aggregate proceeds of securities sold during the year ended December 31, 2007, excluding short-term investments, were \$117,657,301 and \$148,405,422 respectively.

As of December 31, 2007, based on cost for Federal income tax purposes, the aggregate gross unrealized appreciation and depreciation for all securities were \$367,281,929 and \$10,730,535, respectively.

4. Operating Expenses--The aggregate remuneration paid during the year ended December 31, 2007 to officers and directors amounted to \$2,230,500, of which \$135,500 was paid as fees to directors who were not officers. Benefits to employees are provided through a profit sharing retirement plan. Contributions to the plan are made at the discretion of the Board of Directors, and each participant's benefits vest after three years of employment. The amount contributed for the year ended December 31, 2007 was \$158,400.

5. Affiliates--During the year ended December 31, 2007, The Plymouth Rock Company, Inc. and Neoware Inc. were affiliates as defined in the Investment Company Act of 1940. The Corporation received dividends of \$5,039,300 from Plymouth Rock and earned a net realized gain of \$5,202,192 from the sale of all of its shares of Neoware during the year ended December 31, 2007. Unrealized appreciation related to affiliates increased by \$14,274,469 for the year 2007 to \$146,200,014. The President of the Corporation is a director of Plymouth Rock.

6. Restricted Securities--The Corporation from time to time invests in securities the resale of which is restricted. On December 31, 2007 such investments had an aggregate value of \$149,173,114, which was equal to 23.1% of the Corporation's net assets. Investments in restricted securities at December

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31, 2007, including acquisition dates and cost, were:

Company	Shares	Security	Date Acquired	Cost
Aerogroup International, Inc.	28,751	Common Stock	6/14/05	\$ 17,200
The Plymouth Rock Company, Inc.	60,000	Class A Stock	12/15/82	1,500,000
The Plymouth Rock Company, Inc.	10,000	Class A Stock	6/9/84	699,980

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

7. Operating Lease Commitment--The Corporation has entered into an operating lease for office space which expires in 2014 and provides for future minimum rental payments in the aggregate amount of approximately \$2.4 million. The lease agreement contains escalation clauses relating to operating costs and real property taxes. Future minimum rental commitments under the lease are \$314,241 per year through 2008, \$329,172 for 2009 and \$341,806 annually thereafter.

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REPORT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF
CENTRAL SECURITIES CORPORATION

We have audited the accompanying statement of assets and liabilities, including the statement of investments, of Central Securities Corporation (the "Corporation") as of December 31, 2007, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended. These financial statements and financial highlights are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2007 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Central Securities Corporation as of December 31, 2007 and the results of its operations and its cash flows for the year then ended, the changes in its net

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assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended in conformity with U.S. generally accepted accounting principles.

KPMG LLP

New York, NY
January 25, 2008

Quarterly Portfolio Information

The Corporation files its complete schedule of portfolio holdings with the SEC for the first quarter and the third quarter of each fiscal year on Form N-Q. The Corporation's Form N-Q filings are available on the SEC's website at www.sec.gov. Those forms may be reviewed and copied at the SEC's Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

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BOARD OF DIRECTORS AND OFFICERS

Independent Directors	Age	Principal Occupations (last five years) and Position with the Corporation (if any)
SIMMS C. BROWNING Director since 2005	67	Retired since 2003; Vice President, Neuberger Berman, LLC (asset management) prior thereto
DONALD G. CALDER Director since 1982	70	President, G.L. Ohrstrom & Co. Inc. (private investment firm); Director of Brown-Forman Corporation, Carlisle Companies Incorporated and Roper Industries, Inc. (manufacturing companies), Chairman of Central Securities Corporation
JAY R. INGLIS Director since 1973	73	Vice President and General Counsel, International Claims Management, Inc. since 2006; Executive Vice President, National Marine Underwriters (insurance management company) prior thereto
DUDLEY D. JOHNSON Director since 1984	68	Chairman, Young & Franklin Inc. (private manufacturing company)
C. CARTER WALKER, JR. Director since 1974	73	Private investor
Interested Director		
WILMOT H. KIDD Director since 1972	66	Investment and research--President, Central Securities Corporation
CHARLES N. EDGERTON	63	Vice President and Treasurer,

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Central Securities Corporation

WILLIAM E. SHEELINE	52	Vice President, Central Securities Corporation since 2007; President, Houqua Capital LLC from 2004-2006; Research Analyst, Train Babcock Advisors LLC from 2003-2004; Vice Chairman, Knowlton Brothers prior thereto
MARLENE A. KRUMHOLZ	44	Secretary, Central Securities Corporation

The address of each Director and Officer is c/o Central Securities Corporation, 630 Fifth Avenue, New York, New York 10111.

Proxy Voting Policies and Procedures

The policies and procedures used by the Corporation to determine how to vote proxies relating to portfolio securities and the Corporation's proxy voting record for the twelve-month period ended June 30, 2007 are available: (1) without charge, upon request, by calling us at our toll-free telephone number (1-866-593-2507), (2) on the Corporation's website at www.centalsecurities.com and (3) on the Securities and Exchange Commission's website at www.sec.gov.

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BOARD OF DIRECTORS

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

OFFICERS

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

OFFICE

630 Fifth Avenue
New York, NY 10111
212-698-2020
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

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CUSTODIAN

UMB Bank, N.A.
Kansas City, MO

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
New York, NY

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Item 2. Code of Ethics. The Registrant has adopted a code of ethics that applies to its principal executive officer and principal financial officer. This code of ethics is filed as an attachment on this form.

Item 3. Audit Committee Financial Experts. The Board of Directors of the Corporation has determined that none of the members of its Audit Committee (the "Committee") meet the definition of "Audit Committee Financial Expert" as the term has been defined by the Securities and Exchange Commission ("SEC"). The Board of Directors considered the possibility of adding a member that would qualify as an Audit Committee Financial Expert, but has determined that the Committee has sufficient expertise to perform its duties. In addition, the Committee's charter authorizes the Committee to engage a financial expert should it determine that such assistance is required.

Item 4. Principal Accountant Fees and Services.

	2007	2006
Audit fees	\$51,500 (1)	\$45,500 (1)
Audit-related fees	0	0
Tax fees	16,100 (2)	15,400 (2)
All other fees	0	0
Total fees	\$67,600	\$60,900

(1) Includes fees for review of the semi-annual report to stockholders and audit of the annual report to stockholders.

(2) Includes fees for services performed with respect to tax compliance and tax planning.

Pursuant to its charter, the Audit Committee is responsible for recommending the selection, approving compensation and overseeing the independence, qualifications and performance of the independent accountants. The Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by the independent accountants. In assessing requests for services by the independent accountants, the Audit Committee considers whether such services are consistent with the auditor's independence; whether the independent accountants are likely to provide the most effective and efficient service based upon their familiarity with the Corporation; and whether the service could enhance the Corporation's ability to manage or control risk or improve audit quality. The Audit Committee may delegate pre-approval authority to one or more of its members. Any pre-approvals by a member under this

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delegation are to be reported to the Audit Committee at its next scheduled meeting.

All of the audit and tax services provided by KPMG LLP in fiscal year 2007 (described in the footnotes to the table above) and related fees were approved in advance by the Audit Committee.

Item 5. Audit Committee of Listed Registrants. The registrant has a separately-designated standing audit committee. Its members are: Simms C. Browning, Donald G. Calder, Jay R. Inglis, Dudley D. Johnson and C. Carter Walker, Jr.

Item 6. Schedule of Investments. Schedule is included as a part of the report to shareholders filed under Item 1 of this Form.

Item 7. Disclose Proxy Voting Policies and Procedures for Closed-End Management Companies.

CENTRAL SECURITIES CORPORATION PROXY VOTING GUIDELINES

Central Securities Corporation is involved in many matters of corporate governance through the proxy voting process. We exercise our voting responsibilities with the primary goal of maximizing the long-term value of our investments. Our consideration of proxy issues is focused on the investment implications of each proposal.

Our management evaluates and votes each proxy ballot that we receive. We do not use a proxy voting service. Our Board of Directors has approved guidelines in evaluating how to vote a particular proxy ballot. We recognize that a company's management is entrusted with the day-to-day operations of the company, as well as longer term strategic planning, subject to the oversight of the company's board of directors. Our guidelines are based on the belief that a company's shareholders have a responsibility to evaluate company performance and to exercise the rights and duties pertaining to ownership.

When determining whether to invest in a particular company, one of the key factors we consider is the ability and integrity of its management. As a result, we believe that recommendations of management on any issue, particularly routine issues, should be given substantial weight in determining how proxies should be voted. Thus, on most issues, our votes are cast in accordance with the company's recommendations. When we believe management's recommendation is not in the best interests of our stockholders, we will vote against management's recommendation.

Due to the nature of our business and our size, it is unlikely that conflicts of interest will arise in our voting of proxies of public companies. We do not engage in investment banking nor do we have private advisory clients or any other businesses. In the unlikely event that we determine that a conflict does arise on a proxy voting issue, we will defer that proxy vote to our independent directors.

We have listed the following, specific examples of voting decisions for the types of proposals that are frequently presented. We generally vote according to these guidelines.

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We may, on occasion, vote otherwise when we believe it to be in the best interest of our stockholders:

Election of Directors - We believe that good governance starts with an independent board, unfettered by significant ties to management, in which all members are elected annually. In addition, key board committees should be entirely independent.

- o We support the election of directors that result in a board made up of a majority of independent directors who do not appear to have been remiss in the performance of their oversight responsibilities.
- o We will withhold votes for non-independent directors who serve on the audit, compensation or nominating committees of the board.
- o We consider withholding votes for directors who missed more than one-fourth of the scheduled board meetings without good reason in the previous year.
- o We generally oppose the establishment of classified boards of directors and will support proposals that directors stand for election annually.
- o We generally oppose limits to the tenure of directors or requirements that candidates for directorships own large amounts of stock before being eligible for election.

Compensation - We believe that appropriately designed equity-based compensation plans can be an effective way to align the interests of long-term shareholders and the interests of management, employees, and directors. We are opposed to plans that substantially dilute our ownership interest in the company, provide participants with excessive awards, or have inherently objectionable structural features without offsetting advantages to the company's stockholders.

We evaluate proposals related to compensation on a case-by case basis.

- o We generally support stock option plans that are incentive based and not excessive.
- o We generally oppose the ability to re-price options without compensating factors when the underlying stock has fallen in value.
- o We support measures intended to increase the long-term stock ownership by executives including requiring stock acquired through option exercise to be held for a substantial period of time.
- o We generally support stock purchase plans to increase company stock ownership by employees, provided that shares purchased under the plan are acquired for not less than 85% of their market value.
- o We generally oppose change-in-control provisions in non-salary compensation plans, employment contracts, and severance agreements which benefit management and would be costly to shareholders if triggered.

Corporate Structure and Shareholder Rights - We generally oppose anti-takeover measures and other proposals designed to limit the ability of shareholders to act on possible transactions. We support proposals when management can demonstrate that there are sound financial or business reasons.

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- o We generally support proposals to remove super-majority voting requirements and oppose amendments to bylaws which would require a super-majority of shareholder votes to pass or repeal certain provisions.
- o We will evaluate proposals regarding shareholders rights plans ("poison pills") on a case-by-case basis considering issues such as the term of the arrangement and the level of review by independent directors.
- o We will review proposals for changes in corporate structure such as changes in the state of incorporation or mergers individually. We generally oppose proposals where management does not offer an appropriate rationale.
- o We generally support share repurchase programs.
- o We generally support the general updating of or corrective amendments to corporate charters and by-laws.
- o We generally oppose the elimination of the rights of shareholders to call special meetings.

Approval of Independent Auditors - We believe that the relationship between the company and its auditors should be limited primarily to the audit engagement and closely related activities that do not, in the aggregate, raise the appearance of impaired independence.

- o We generally support management's proposals regarding the approval of independent auditors.
- o We evaluate on a case-by-case basis instances in which the audit firm appears to have a substantial non-audit relationship with the company or companies affiliated with it.

Social and Corporate Responsibility Issues - We believe that ordinary business matters are primarily the responsibility of management and should be approved solely by the corporation's board of directors. Proposals in this category, initiated primarily by shareholders, typically request that the company disclose or amend certain business practices. We generally vote with management on these types of proposals, although we may make exceptions in certain instances where we believe a proposal has substantial economic implications.

- o We generally oppose shareholder proposals which apply restrictions related to social, political, or special interest issues which affect the ability of the company to do business or be competitive and which have significant financial impact.
- o We generally oppose proposals which require that the company provide costly, duplicative, or redundant reports, or reports of a non-business nature.

Item 8. Portfolio Managers of Closed-End Management Investment Companies. Mr. Wilmot H. Kidd is the President and portfolio manager of the Corporation and has served in that capacity since 1973. He manages no other accounts and accordingly, the Registrant is not aware of any material conflicts with his management of the

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Corporation's investments. Mr. Kidd's compensation consists primarily of a fixed base salary and a bonus. His compensation is reviewed and approved by the Board of Directors annually. His compensation may be adjusted from year to year based on the Board of Directors perception of overall performance and his management responsibilities. As of December 31, 2007, Mr. Kidd's investment in Central Securities common stock exceeded \$1 million.

Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Approximate Value (Units) Purchased Plan
Month #1 (July 1 through July 31)	0	NA	NA	
Month #2 (August 1 through August 31)	0	NA	NA	
Month #3 (September 1 through September 30)	0	NA	NA	
Month #4 (October 1 through October 31)	0	NA	NA	
Month #5 (November 1 through November 30)	0	NA	NA	
Month #6 (December 1 through December 31)	0	NA	NA	
Total	0	NA	NA	

Item 10. Submission of Matters to a Vote of Security Holders. There have been no changes to the procedures by which shareholders may recommend nominees to the registrant's board of directors since such procedures were last described in the Corporation's proxy statement dated February 5, 2008.

Item 11. Controls and Procedures.

(a) The Principal Executive Officer and Principal Financial Officer of Central Securities Corporation (the "Corporation") have concluded that the Corporation's Disclosure Controls and Procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940) 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.

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(b) There have been no changes in the Corporation's internal control over financial reporting (as defined in Rule 30a-3(d)) under the Investment Company Act of 1940 that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Item 12. Exhibits. (a) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit. Attached hereto.

(b) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2 under the Act. Attached hereto.

(c) Any written solicitation to purchase securities under Rule 23c-1 under the Act sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons. Not Applicable.

SIGNATURES

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

Wilmot H. Kidd
President

February 5, 2008

Date

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 capabilities and on the dates indicated.

By: /s/ Wilmot H. Kidd

Wilmot H. Kidd
President

February 5, 2008

Date

By: /s/ Charles N. Edgerton

Charles N. Edgerton
Treasurer

February 5, 2008

Date