

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

TRI-CONTINENTAL CORP  
Form N-Q  
November 25, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act File Number 811-00266

TRI-CONTINENTAL CORPORATION  
(Exact name of registrant as specified in charter)

50606 Ameriprise Financial Center, Minneapolis, Minnesota 55474  
(Address of principal executive offices) (Zip code)

Scott R. Plummer - 5228 Ameriprise Financial Center, Minneapolis, MN 55474  
(Name and address of agent for service)

Registrant's telephone number, including area code: (612) 671-1947

Date of fiscal year end: 12/31

Date of reporting period: 9/30

PORTFOLIO OF INVESTMENTS -----

SEPT. 30, 2009 (UNAUDITED)  
(Percentages represent value of investments compared to net assets)

INVESTMENTS IN SECURITIES

COMMON STOCKS (99.6%)

ISSUER	SHARES	VALUE (a)
AEROSPACE & DEFENSE (2.2%)		
Boeing	59,616	\$3,228,206
General Dynamics	96,271	6,219,106
Goodrich	15,984	868,571
ITT	18,839	982,454
Lockheed Martin	45,098	3,521,252
Northrop Grumman	59,209	3,064,066
Raytheon	37,910	1,818,543
United Technologies	21,912	1,335,098
Total		21,037,296

AIR FREIGHT & LOGISTICS (0.2%)

CH Robinson Worldwide	26,764 (g)	1,545,621
FedEx	4,668	351,127

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Total		1,896,748
-----		
AUTO COMPONENTS (--%)		
Johnson Controls	10,469 (g)	267,588
-----		
AUTOMOBILES (0.1%)		
Harley-Davidson	47,514	1,092,822
-----		
BEVERAGES (2.2%)		
Brown-Forman Cl B	20,369 (g)	982,193
Coca-Cola	191,183	10,266,527
Coca-Cola Enterprises	91,210	1,952,806
Pepsi Bottling Group	26,646	970,980
PepsiCo	105,966	6,215,966
		-----
Total		20,388,472
-----		
BIOTECHNOLOGY (0.8%)		
Amgen	71,779 (b)	4,323,249
Biogen Idec	21,192 (b)	1,070,620
Cephalon	31,037 (b, g)	1,807,595
		-----
Total		7,201,464
-----		
BUILDING PRODUCTS (0.1%)		
Masco	68,608 (g)	886,415
-----		
CAPITAL MARKETS (4.6%)		
Bank of New York Mellon	166,834	4,836,518
Franklin Resources	9,699	975,719
Goldman Sachs Group	98,380	18,136,354
Morgan Stanley	468,016 (g)	14,452,334
State Street	61,120	3,214,912
WCAS Capital Partners II LP	4,292,803 (i)	1,622,679
		-----
Total		43,238,516
-----		
CHEMICALS (1.5%)		
Air Products & Chemicals	27,099	2,102,340
CF Inds Holdings	9,852	849,538
Dow Chemical	269,313	7,020,991
EI du Pont de Nemours & Co	70,716 (g)	2,272,812
PPG Inds	26,162	1,522,890
		-----
Total		13,768,571
-----		
COMMERCIAL BANKS (3.0%)		
BB&T	70,863 (g)	1,930,308
Comerica	50,712 (g)	1,504,625
Fifth Third Bancorp	98,736 (g)	1,000,196
First Horizon Natl	74,911 (b)	991,066
KeyCorp	123,471	802,562
Marshall & Ilsley	140,663	1,135,150
PNC Financial Services Group	158,238 (g)	7,688,784

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

SunTrust Banks	149,950 (g)	3,381,373
Wells Fargo & Co	359,945	10,143,250
Total		28,577,314

COMMERCIAL SERVICES & SUPPLIES (0.3%)

Avery Dennison	27,121	976,627
Iron Mountain	27,654 (b)	737,256
RR Donnelley & Sons	55,756	1,185,372
Total		2,899,255

See accompanying Notes to Portfolio of Investments.

8 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT

COMMON STOCKS (CONTINUED)

ISSUER	SHARES	VALUE (a)
COMMUNICATIONS EQUIPMENT (1.5%)		
Cisco Systems	173,076 (b)	\$4,074,209
Motorola	406,815	3,494,541
QUALCOMM	137,914	6,203,372
Total		13,772,122

COMPUTERS & PERIPHERALS (8.0%)

Apple	172,384 (b)	31,954,823
Dell	351,031 (b)	5,356,733
Hewlett-Packard	110,964	5,238,610
IBM	232,905 (e)	27,857,767
Lexmark Intl Cl A	64,655 (b, g)	1,392,669
NetApp	42,759 (b)	1,140,810
QLogic	9,925 (b, g)	170,710
Western Digital	78,329 (b)	2,861,358
Total		75,973,480

CONSTRUCTION & ENGINEERING (0.1%)

Fluor	25,350	1,289,048
-------	--------	-----------

CONSTRUCTION MATERIALS (0.1%)

Vulcan Materials	16,377 (g)	885,504
------------------	------------	---------

CONSUMER FINANCE (0.8%)

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

American Express	29,059	985,100
Capital One Financial	110,776 (g)	3,958,026
Discover Financial Services	99,564	1,615,924
SLM	129,265 (b, g)	1,127,191
Total		7,686,241
-----		
DISTRIBUTORS (0.1%)		
Genuine Parts	29,421	1,119,763
-----		
DIVERSIFIED CONSUMER SERVICES (0.5%)		
Apollo Group Cl A	45,020 (b)	3,316,624
H&R Block	77,095	1,417,006
Total		4,733,630
-----		
DIVERSIFIED FINANCIAL SERVICES (5.2%)		
Bank of America	1,472,802	24,919,810
CIT Group	137,161 (g)	165,965
Citigroup	2,617,393	12,668,182
IntercontinentalExchange	14,207 (b)	1,380,778
JPMorgan Chase & Co	236,534	10,364,920
Total		49,499,655
-----		
DIVERSIFIED TELECOMMUNICATION SERVICES (3.3%)		
AT&T	596,178	16,102,768
CenturyTel	36,445	1,224,552
Frontier Communications	80,589 (g)	607,641
Qwest Communications Intl	183,030 (g)	697,344
Verizon Communications	415,670	12,582,331
Total		31,214,636
-----		
ELECTRIC UTILITIES (1.0%)		
Edison Intl	29,772	999,744
FirstEnergy	39,287	1,796,202
Northeast Utilities	38,587	916,055
Pinnacle West Capital	30,607	1,004,522
Progress Energy	84,011 (g)	3,281,469
Southern	56,269	1,782,039
Total		9,780,031
-----		
ELECTRICAL EQUIPMENT (0.2%)		
Emerson Electric	43,778	1,754,623
Rockwell Automation	1,979 (g)	84,305
Total		1,838,928
-----		
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS (1.0%)		
Corning	403,276	6,174,155
Jabil Circuit	23,163	310,616
Tyco Electronics	121,885 (c)	2,715,598
-----		

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Total		9,200,369
-----		
ENERGY EQUIPMENT & SERVICES (1.9%)		
Baker Hughes	67,743 (g)	2,889,916
BJ Services	96,118	1,867,573
Diamond Offshore Drilling	11,999 (g)	1,146,144
ENSCO Intl	65,568 (g)	2,789,263
Halliburton	40,690	1,103,513
Nabors Inds	63,575 (b, c)	1,328,718
Natl Oilwell Varco	76,799 (b, g)	3,312,340
Noble	62,178 (g)	2,360,277
Smith Intl	29,906	858,302
Weatherford Intl	11,912 (b, c)	246,936
		-----
Total		17,902,982
-----		

See accompanying Notes to Portfolio of Investments.

-----  
 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT 9

PORTFOLIO OF INVESTMENTS (continued) -----

COMMON STOCKS (CONTINUED)

ISSUER	SHARES	VALUE (a)
FOOD & STAPLES RETAILING (1.1%)		
SYSCO	75,211	\$1,868,993
Walgreen	82,882	3,105,589
Wal-Mart Stores	90,429	4,439,159
Whole Foods Market	36,853 (b, g)	1,123,648
		-----
Total		10,537,389
-----		
FOOD PRODUCTS (0.9%)		
Archer-Daniels-Midland	150,534	4,398,603
ConAgra Foods	57,717	1,251,305
Dean Foods	40,694 (b)	723,946
Sara Lee	85,249	949,674
Tyson Foods Cl A	79,202	1,000,321
		-----
Total		8,323,849
-----		
GAS UTILITIES (0.2%)		
Nicor	24,521 (g)	897,223
Questar	22,473	844,086
		-----
Total		1,741,309
-----		

## Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

HEALTH CARE EQUIPMENT & SUPPLIES (0.8%)		
Becton Dickinson & Co	27,125	1,891,969
Boston Scientific	97,433 (b)	1,031,815
CareFusion	28,672 (b)	625,050
Medtronic	59,523	2,190,446
St. Jude Medical	49,498 (b)	1,930,917
		-----
Total		7,670,197
-----		
HEALTH CARE PROVIDERS & SERVICES (2.7%)		
Aetna	82,760	2,303,211
Cardinal Health	92,911	2,490,015
CIGNA	125,553	3,526,784
Coventry Health Care	46,172 (b, g)	921,593
Humana	24,709 (b)	921,646
Laboratory Corp of America Holdings	12,563 (b, g)	825,389
McKesson	39,454	2,349,486
Quest Diagnostics	31,680 (g)	1,653,379
UnitedHealth Group	281,928	7,059,476
WellPoint	81,596 (b)	3,864,387
		-----
Total		25,915,366
-----		
HOTELS, RESTAURANTS & LEISURE (1.5%)		
McDonald's	153,102	8,737,531
Starbucks	242,514 (b, g)	5,007,914
		-----
Total		13,745,445
-----		
HOUSEHOLD DURABLES (0.2%)		
DR Horton	99,489 (g)	1,135,169
Pulte Homes	81,133	891,652
		-----
Total		2,026,821
-----		
HOUSEHOLD PRODUCTS (0.4%)		
Clorox	19,549	1,149,872
Colgate-Palmolive	35,231	2,687,421
		-----
Total		3,837,293
-----		
INDEPENDENT POWER PRODUCERS & ENERGY TRADERS (0.1%)		
Constellation Energy Group	35,925	1,162,892
-----		
INDUSTRIAL CONGLOMERATES (2.8%)		
General Electric	1,271,888	20,884,401
Textron	66,356 (g)	1,259,437
Tyco Intl	115,005 (c)	3,965,372
		-----
Total		26,109,210
-----		
INSURANCE (5.2%)		
AFLAC	24,619	1,052,216
Allstate	353,880	10,835,805
Aon	84,339	3,431,754

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Assurant	28,410	910,825
Chubb	59,901	3,019,609
Hartford Financial Services Group	61,987 (g)	1,642,656
Lincoln Natl	49,430 (g)	1,280,731
MetLife	172,900	6,582,303
Principal Financial Group	62,611 (g)	1,714,915
Progressive	196,964 (b)	3,265,663
Prudential Financial	31,793	1,586,789
Torchmark	41,023 (g)	1,781,629
Travelers Companies	213,982	10,534,334
Unum Group	57,272	1,227,912
		-----
Total		48,867,141
		-----

See accompanying Notes to Portfolio of Investments.

-----  
 10 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT  
 -----

COMMON STOCKS (CONTINUED)

ISSUER	SHARES	VALUE (a)
INTERNET & CATALOG RETAIL (0.7%)		
Amazon.com	62,858 (b)	\$5,868,423
Expedia	41,043 (b)	982,980
		-----
Total		6,851,403
		-----
INTERNET SOFTWARE & SERVICES (0.2%)		
eBay	72,729 (b)	1,717,132
		-----
IT SERVICES (1.2%)		
Affiliated Computer Services Cl A	28,552 (b)	1,546,662
Automatic Data Processing	79,712	3,132,681
Cognizant Technology Solutions Cl A	37,822 (b)	1,462,199
Computer Sciences	29,428 (b)	1,551,150
Fiserv	20,080 (b, g)	967,856
MasterCard Cl A	15,243 (g)	3,081,372
		-----
Total		11,741,920
		-----
LEISURE EQUIPMENT & PRODUCTS (0.1%)		
Mattel	66,506	1,227,701
		-----
LIFE SCIENCES TOOLS & SERVICES (0.1%)		
Life Technologies	22,582 (b)	1,051,192
		-----

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

MACHINERY (1.1%)		
Cummins	26,032	1,166,494
Eaton	30,441	1,722,656
Illinois Tool Works	67,069	2,864,517
Ingersoll-Rand	108,637 (c, g)	3,331,897
PACCAR	30,371 (g)	1,145,290
		-----
Total		10,230,854
-----		
MEDIA (1.3%)		
CBS Cl B	202,002	2,434,124
Gannett	82,836 (g)	1,036,278
News Corp Cl A	442,638	5,307,230
Viacom Cl B	137,269 (b)	3,849,023
		-----
Total		12,626,655
-----		
METALS & MINING (1.7%)		
Alcoa	162,736 (g)	2,135,096
Allegheny Technologies	24,486 (g)	856,765
Freeport-McMoRan Copper & Gold	84,494 (g)	5,797,134
Newmont Mining	95,433	4,200,961
Nucor	29,439 (g)	1,383,927
United States Steel	30,531 (g)	1,354,660
		-----
Total		15,728,543
-----		
MULTILINE RETAIL (1.1%)		
Family Dollar Stores	71,498	1,887,547
JC Penney	29,136	983,340
Kohl's	83,558 (b)	4,766,984
Macy's	65,125	1,191,136
Nordstrom	33,368 (g)	1,019,059
Sears Holdings	11,412 (b, g)	745,318
		-----
Total		10,593,384
-----		
MULTI-UTILITIES (0.9%)		
Consolidated Edison	61,365 (g)	2,512,283
PG&E	101,954 (g)	4,128,117
SCANA	27,155 (g)	947,710
Xcel Energy	66,717 (g)	1,283,635
		-----
Total		8,871,745
-----		
OFFICE ELECTRONICS (0.1%)		
Xerox	123,011	952,105
-----		
OIL, GAS & CONSUMABLE FUELS (10.5%)		
Apache	14,688 (g)	1,348,799
Chesapeake Energy	41,568	1,180,531
Chevron	768,328	54,113,340
ConocoPhillips	332,245	15,004,184
Hess	53,467	2,858,346
Marathon Oil	236,306	7,538,161



Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Murphy Oil	34,239 (g)	1,971,139
Noble Energy	20,977 (g)	1,383,643
Occidental Petroleum	88,644	6,949,690
Peabody Energy	22,475 (g)	836,520
Range Resources	20,203 (g)	997,220
Sunoco	24,149 (g)	687,039
Tesoro	44,673 (g)	669,202
Valero Energy	207,889	4,030,968
Total		99,568,782

See accompanying Notes to Portfolio of Investments.

TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT 11

PORTFOLIO OF INVESTMENTS (continued)

COMMON STOCKS (CONTINUED)

ISSUER	SHARES	VALUE (a)
PHARMACEUTICALS (12.8%)		
Abbott Laboratories	36,220	\$1,791,803
Allergan	51,107	2,900,833
Bristol-Myers Squibb	72,690	1,636,979
Eli Lilly & Co	69,672	2,301,266
Forest Laboratories	114,465 (b)	3,369,850
Johnson & Johnson	671,478	40,886,296
King Pharmaceuticals	64,212 (b, g)	691,563
Merck & Co	396,929 (g)	12,554,864
Mylan	80,061 (b, g)	1,281,777
Pfizer	2,293,822	37,962,755
Schering-Plough	352,988	9,971,911
Wyeth	112,068	5,444,263
Total		120,794,160

ROAD & RAIL (--%)

Norfolk Southern	6,836	294,700
------------------	-------	---------

SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT (3.0%)

Analog Devices	37,608	1,037,229
Broadcom Cl A	55,259 (b)	1,695,899
Intel	743,067	14,541,821
Linear Technology	28,598 (g)	790,163
MEMC Electronic Materials	75,552 (b, g)	1,256,430
Microchip Technology	48,510 (g)	1,285,515
Micron Technology	162,962 (b)	1,336,288
NVIDIA	142,105 (b, g)	2,135,838
Texas Instruments	162,715	3,854,718

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Total		27,933,901
-----		
SOFTWARE (3.1%)		
BMC Software	17,722 (b)	665,107
Intuit	59,727 (b)	1,702,220
Microsoft	61,794	1,599,847
Red Hat	36,860 (b)	1,018,810
Rovi	590,649 (b, g)	19,845,805
Symantec	214,023 (b, g)	3,524,959
Total		28,356,748
-----		
SPECIALTY RETAIL (4.7%)		
Abercrombie & Fitch Cl A	42,922 (g)	1,411,275
AutoNation	50,188 (b, g)	907,399
AutoZone	8,613 (b)	1,259,393
Bed Bath & Beyond	36,849 (b, g)	1,383,311
Best Buy	63,399 (g)	2,378,730
Gap	136,021	2,910,849
Home Depot	1,028,999	27,412,534
Lowe's Companies	63,968	1,339,490
O'Reilly Automotive	49,800 (b, g)	1,799,772
Sherwin-Williams	60,838 (g)	3,660,015
Total		44,462,768
-----		
TEXTILES, APPAREL & LUXURY GOODS (0.7%)		
Coach	47,997	1,580,061
Nike Cl B	53,138	3,438,029
VF	19,467 (g)	1,409,995
Total		6,428,085
-----		
THRIFTS & MORTGAGE FINANCE (0.2%)		
People's United Financial	94,327 (g)	1,467,728
-----		
TOBACCO (1.1%)		
Altria Group	446,561	7,953,251
Lorillard	37,660	2,798,138
Total		10,751,389
-----		
TRADING COMPANIES & DISTRIBUTORS (--%)		
Fastenal	23 (g)	890
-----		
WIRELESS TELECOMMUNICATION SERVICES (0.4%)		
Sprint Nextel	933,158 (b)	3,685,974
-----		
TOTAL COMMON STOCKS		
(Cost: \$956,509,960)		\$941,425,521
-----		

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

EQUITY-LINKED NOTES (0.4%) (j)

ISSUER	COUPON RATE	PRINCIPAL AMOUNT	VALUE (a)
Lehman Brothers Holdings Sr Unsecured			
09-14-08	53.51%	\$14,844,000 (b, d, f, h)	\$1,757,682
10-02-08	39.50	14,844,000 (b, d, f, h)	2,176,353
TOTAL EQUITY-LINKED NOTES (Cost: \$29,688,000)			\$3,934,035

See accompanying Notes to Portfolio of Investments.

-----  
12 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT  
-----

MONEY MARKET FUND (0.3%)

	SHARES	VALUE (a)
RiverSource Short-Term Cash Fund, 0.28%	2,655,700 (k)	\$2,655,700
TOTAL MONEY MARKET FUND (Cost: \$2,655,700)		\$2,655,700

INVESTMENTS OF CASH COLLATERAL RECEIVED  
FOR SECURITIES ON LOAN (13.1%)

	SHARES	VALUE (a)
CASH COLLATERAL REINVESTMENT FUND (8.9%) JPMorgan Prime Money Market Fund	83,622,218	\$83,622,218

COUPON

PRINCIPAL

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

ISSUER	RATE	AMOUNT	VALUE (a)
ASSET-BACKED COMMERCIAL PAPER (1.7%)			
Belmont Funding LLC			
10-06-09	0.52%	\$3,999,596	\$3,999,596
Ebbets Funding LLC			
10-06-09	0.47	3,999,634	3,999,634
Rhein-Main Securitisation			
10-20-09	0.32	4,998,889	4,998,889
Tasman Funding			
10-23-09	0.30	2,999,250	2,999,250
Total			15,997,369
-----			
CERTIFICATES OF DEPOSIT (2.0%)			
Banco Espirito Santo e Comm London			
10-06-09	0.30	5,000,000	5,000,000
Dexia Credit Local du France			
10-09-09	0.42	3,999,347	3,999,347
Monte de Paschi			
11-02-09	0.40	5,000,000	5,000,000
Raiffeisen Zentralbank Oest Vienna			
10-05-09	0.29	5,000,000	5,000,000
Total			18,999,347
-----			
COMMERCIAL PAPER (0.5%)			
KBC Financial Products			
11-02-09	0.48	4,997,691	4,997,691
-----			
TOTAL INVESTMENTS OF CASH COLLATERAL RECEIVED FOR SECURITIES ON LOAN			
(Cost: \$123,616,625)			\$123,616,625
-----			
TOTAL INVESTMENTS IN SECURITIES			
(Cost: \$1,112,470,285) (1)			\$1,071,631,881
=====			

INVESTMENTS IN DERIVATIVES

FUTURES CONTRACTS OUTSTANDING AT SEPT. 30, 2009

CONTRACT DESCRIPTION	NUMBER OF CONTRACTS LONG (SHORT)	NOTIONAL MARKET VALUE	EXPIRATION DATE	UNREALIZED APPRECIATION (DEPRECIATION)
S&P 500 Index	3	\$789,675	Dec. 2009	\$11,727

## Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

### NOTES TO PORTFOLIO OF INVESTMENTS

- (a) The Fund adopted Financial Accounting Standards Board (FASB) Staff Position FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" (FSP 157-4), on June 30, 2009. FSP 157-4 provides guidance on estimating the fair value of an investment when the trade volume and level of activity for the investment have significantly decreased relative to historical levels. FSP 157-4 requires funds to disclose in interim and annual periods the inputs and valuation techniques used to measure fair value and any changes in valuation

-----  
TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT 13

PORTFOLIO OF INVESTMENTS (continued) -----

NOTES TO PORTFOLIO OF INVESTMENTS (CONTINUED)

inputs or techniques. In addition, investments shall be disclosed by major category. There was no impact to the Fund's net assets or results of operations upon adoption. This disclosure can be found as part of the Fair Value Measurements disclosure in the Portfolio of Investments.

All securities are valued at the close of each business day of the NYSE. Securities traded on national securities exchanges or included in national market systems are valued at the last quoted sales price. Debt securities are generally traded in the over-the-counter market and are valued by an independent pricing service using an evaluated bid. When market quotes are not readily available, the pricing service, in determining fair values of debt securities, takes into consideration such factors as current quotations by broker/dealers, coupon, maturity, quality, type of issue, trading characteristics, and other yield and risk factors it deems relevant in determining valuations. Foreign securities are valued based on quotations from the principal market in which such securities are normally traded. The procedures adopted by the Board of Directors (the Board) generally contemplate the use of fair valuation in the event that price quotations or valuations are not readily available, price quotations or valuations from other sources are not reflective of market value and thus deemed unreliable, or a significant event has occurred in relation to a security or class of securities (such as foreign securities) that is not reflected in price quotations or valuations from other sources. A fair value price is a good faith estimate of the value of a security at a given point in time.

Many securities markets and exchanges outside the U.S. close prior to the close of the NYSE and therefore the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the close of the NYSE, including significant movements in the U.S. market after foreign exchanges have closed. Accordingly, in those situations, Ameriprise Financial, Inc. (Ameriprise Financial), parent company of RiverSource Investments, LLC (RiverSource Investments or the Investment Manager), as administrator to the Corporation, will fair value foreign securities pursuant to procedures adopted by the Board, including utilizing a third party pricing service to determine these fair values. These procedures take into account multiple

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

factors, including movements in the U.S. securities markets, to determine a good faith estimate that reasonably reflects the current market conditions as of the close of the NYSE.

Short-term securities maturing in more than 60 days from the valuation date are valued at the market price or approximate market value based on current interest rates. Typically, those maturing in 60 days or less that originally had maturities of more than 60 days at acquisition date are valued at amortized cost using the market value on the 61(st) day before maturity. Short-term securities maturing in 60 days or less at acquisition date are valued at amortized cost. Amortized cost is an approximation of market value. Investments in money market funds are valued at net asset value.

- (b) Non-income producing. For long-term debt securities, item identified is in default as to payment of interest and/or principal.
- (c) Foreign security values are stated in U.S. dollars. At Sept. 30, 2009, the value of foreign securities, excluding short-term securities, represented 1.2% of net assets.

---

14 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT

---

NOTES TO PORTFOLIO OF INVESTMENTS (CONTINUED)

- (d) Represents a security sold under Rule 144A, which is exempt from registration under the Securities Act of 1933, as amended. This security may be determined to be liquid under guidelines established by the Fund's Board of Directors. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At Sept. 30, 2009, the value of these securities amounted to \$3,934,035 or 0.4% of net assets.
- (e) At Sept. 30, 2009, investments in securities included securities valued at \$1,794,150 that were partially pledged as collateral to cover initial margin deposits on open stock index futures contracts.
- (f) This position is in bankruptcy.
- (g) At Sept. 30, 2009, security was partially or fully on loan.
- (h) Identifies issues considered to be illiquid as to their marketability. The aggregate value of such securities at Sept. 30, 2009 was \$3,934,035, representing 0.4% of net assets. Information concerning such security holdings at Sept. 30, 2009 is as follows:

SECURITY	ACQUISITION DATES	COST
----------	----------------------	------

---

Lehman Brothers Holdings

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Sr Unsecured		
53.51% 2008	03-07-08	\$14,844,000
39.50% 2008	03-26-08	14,844,000

- (i) Restricted security.
- (j) Equity-Linked Notes (ELNs) are notes created by a counterparty, typically an investment bank, that may bear interest at a fixed or floating rate. At maturity, the notes must be exchanged for an amount based on the value of one or more equity securities of third party issuers or the value of an index. The exchanged value may be limited to an amount less than the actual value of the underlying stocks or value of an index at the maturity date. Any difference between the exchange amount and the original cost of the notes will be a gain or loss.
- (k) Affiliated Money Market Fund -- The Fund may invest its daily cash balance in RiverSource Short-Term Cash Fund, a money market fund established for the exclusive use of funds in the RiverSource Family of Funds and other institutional clients of RiverSource Investments. The rate shown is the seven-day current annualized yield at Sept. 30, 2009.
- (l) At Sept. 30, 2009, the cost of securities for federal income tax purposes was approximately \$1,112,470,000 and the approximate aggregate gross unrealized appreciation and depreciation based on that cost was:

Unrealized appreciation	\$95,862,000
Unrealized depreciation	(136,700,000)
-----	-----
Net unrealized depreciation	\$ (40,838,000)
-----	-----

The industries identified above are based on the Global Industry Classification Standard (GICS), which was developed by and is the exclusive property of Morgan Stanley Capital International Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

-----  
 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT 15

PORTFOLIO OF INVESTMENTS (continued) -----

FAIR VALUE MEASUREMENTS

Generally accepted accounting principles (GAAP) require disclosure regarding the inputs and valuation techniques used to measure fair value and any changes in valuation inputs or techniques. In addition, investments shall be disclosed by major category.

The Fund categorizes its fair value measurements according to a three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by prioritizing that the most observable input be used when

## Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

available. Observable inputs are those that market participants would use in pricing an investment based on market data obtained from sources independent of the reporting entity. Unobservable inputs are those that reflect the Fund's assumptions about the information market participants would use in pricing an investment. An investment's level within the fair value hierarchy is based on the lowest level of any input that is deemed significant to the asset or liability's fair value measurement. The input levels are not necessarily an indication of the risk or liquidity associated with investments at that level. For example, certain U.S. government securities are generally high quality and liquid, however, they are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market.

Fair value inputs are summarized in the three broad levels listed below:

- Level 1 -- Valuations based on quoted prices for investments in active markets that the Fund has the ability to access at the measurement date. Valuation adjustments are not applied to Level 1 investments.
- Level 2 -- Valuations based on other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risks, etc.).
- Level 3 -- Valuations based on significant unobservable inputs (including the Fund's own assumptions and judgment in determining the fair value of investments).

Inputs that are used in determining fair value of an investment may include price information, credit data, volatility statistics, and other factors. These inputs can be either observable or unobservable. The availability of observable inputs can vary between investments, and is affected by various factors such as the type of investment, and the volume and level of activity for that investment or similar investments in the marketplace. The inputs will be considered by the Fund Administrator, along with any other relevant factors in the calculation of an investment's fair value. The Fund uses prices and inputs that are current as of the measurement date, which may include periods of market dislocations. During these periods, the availability of prices and inputs may be reduced for many investments. This condition could cause an investment to be reclassified between the various levels within the hierarchy.

Non-U.S. equity securities actively traded in foreign markets may be reflected in Level 2 despite the availability of closing prices, because the Fund evaluates and determines whether those closing prices reflect fair value at the close of the New York Stock Exchange (NYSE) or require adjustment, as described in Note (a) to the Portfolio of Investments.

Investments falling into the Level 3 category are primarily supported by quoted prices from brokers and dealers participating in the market for those investments. However, these may be classified as

---

16 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT

---

FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 investments due to lack of market transparency and corroboration to



Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

support these quoted prices. Additionally, valuation models may be used as the pricing source for any remaining investments classified as Level 3. These models rely on one or more significant unobservable inputs and/or significant assumptions by the Fund Administrator. Inputs used in a valuation model may include, but are not limited to, financial statement analysis, discount rates and estimated cash flows, and comparable company data.

The following table is a summary of the inputs used to value the Fund's investments as of Sept. 30, 2009:

DESCRIPTION	FAIR VALUE AT SEPT. 30, 2009			TOTAL
	LEVEL 1 QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS	LEVEL 2 OTHER SIGNIFICANT OBSERVABLE INPUTS	LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS	
Equity Securities				
Common Stocks				
Capital Markets	\$41,615,837	\$--	\$1,622,679	\$43,238,516
All Other Industries(a)	898,187,005	--	--	898,187,005
Total Equity Securities	939,802,842	--	1,622,679	941,425,521
Other				
Equity-Linked Notes	--	3,934,035	--	3,934,035
Affiliated Money Market Fund(b)	2,655,700	--	--	2,655,700
Investments of Cash Collateral Received for Securities on Loan(c)	83,622,218	39,994,407	--	123,616,625
Total Other	86,277,918	43,928,442	--	130,206,360
Investments in Securities	1,026,080,760	43,928,442	1,622,679	1,071,631,881
Other Financial Instruments(d)	11,727	--	--	11,727
Total	\$1,026,092,487	\$43,928,442	\$1,622,679	\$1,071,643,608

- (a) All industry classifications are identified in the Portfolio of Investments.
- (b) Money market fund that is a sweep investment for cash balances in the Fund at Sept. 30, 2009.
- (c) Asset categories for Investments of Cash Collateral are identified in the Portfolio of Investments.
- (d) Other Financial Instruments are derivative instruments, which are valued at the unrealized appreciation (depreciation) on the instrument. Derivative descriptions are located in the Investments in Derivatives section of the Portfolio of Investments.

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT 17

PORTFOLIO OF INVESTMENTS (continued) -----

FAIR VALUE MEASUREMENTS (CONTINUED)

The following table is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value.

	COMMON STOCKS
Balance as of Dec. 31, 2008	\$1,893,126
Accrued discounts/premiums	--
Realized gain (loss)	--
Change in unrealized appreciation (depreciation)*	(270,447)
Net purchases (sales)	--
Transfers in and/or out of Level 3	--
Balance as of Sept. 30, 2009	\$1,622,679

\* Change in unrealized appreciation (depreciation) relating to securities held at Sept. 30, 2009 was \$(270,447).

-----  
18 TRI-CONTINENTAL CORPORATION -- 2009 QUARTERLY REPORT

Item 2. Control and Procedures.

(a) Based upon their evaluation of the registrant's disclosure controls and procedures as conducted within 90 days of the filing date of this report, the registrant's principal financial officer and principal executive officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certification for the Registrant's principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment

Edgar Filing: TRI-CONTINENTAL CORP - Form N-Q

Company Act of 1940.

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.

Tri-Continental Corporation  
(Registrant)

By /s/ Patrick T. Bannigan

-----  
Patrick T. Bannigan  
President and Principal Executive Officer

Date November 25, 2009

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/ Patrick T. Bannigan

-----  
Patrick T. Bannigan  
President and Principal Executive Officer

Date November 25, 2009

By /s/ Jeffrey P. Fox

-----  
Jeffrey P. Fox  
Treasurer and Principal Financial Officer

Date November 25, 2009