

TRI-CONTINENTAL CORP
Form N-CSRS
August 30, 2012
Table of Contents

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 **811-00266**

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: December 31

Date of reporting period: June 30, 2012

Table of Contents

Item 1. Reports to Stockholders.

Semiannual Report

Table of Contents

Semiannual Report

June 30, 2012

Tri-Continental Corporation

Table of Contents

Tri-Continental Corporation

Letter to Stockholders

Dear Stockholders,

We are pleased to present the semiannual stockholder report for Tri-Continental Corporation (the fund). The report includes the fund's investment results and a portfolio of investment and financial statements as of June 30, 2012.

The fund's Common Stock gained 9.23%, based on net asset value, and 10.51%, based on market price, for the six months ended June 30, 2012. The fund's benchmark, the S&P 500 Index, returned 9.49% during the same period.

During the first half of 2012, the fund paid two distributions, in accordance with its earned distribution policy, that aggregated \$0.255 per share of Common Stock of the fund. Distributions are based upon amounts distributed by underlying portfolio companies owned by the fund.

We welcome the addition of Oliver Buckley and Yan Jin, who joined Brian Condon and David King in March 2012 as co-portfolio managers of the fund.

On April 12, 2012, the fund held its 82nd Annual Meeting of Stockholders. During the meeting, Stockholders re-elected three Directors and ratified the selection of Ernst & Young LLP (Ernst & Young) as the fund's independent registered public accounting firm for 2012. Subsequently, at its June Meeting, the fund's Audit Committee recommended, and the fund's Board of Directors approved, the appointment of PricewaterhouseCoopers LLP (PricewaterhouseCoopers) as independent auditor for the fund, as well as the other funds in the Columbia Family of Funds (collectively, the funds). PricewaterhouseCoopers' engagement is effective at the completion of Ernst & Young's audits of the financial statements of the funds with fiscal years ending July 31, 2012, which is expected to be completed in September 2012. Ernst & Young completed the audit of the fund's financial statements for the fiscal year ended December 31, 2011 and issued its report on February 22, 2012.

Information about the fund, including daily pricing, current performance, fund holdings, stockholder reports, the most current prospectus for the fund, distributions and other information can be found at columbiamanagement.com under the Closed-End Funds tab.

On behalf of the Board, we would like to thank you for your support of Tri-Continental Corporation.

Stephen R. Lewis

Semiannual Report 2012

Table of Contents

Tri-Continental Corporation

Table of Contents

<u>Performance Overview</u>	2
<u>Portfolio Overview</u>	3
<u>Portfolio of Investments</u>	4
<u>Statement of Assets and Liabilities</u>	15
<u>Statement of Capital Stock and Surplus</u>	16
<u>Statement of Operations</u>	17
<u>Statement of Changes in Net Assets</u>	18
<u>Financial Highlights</u>	20
<u>Notes to Financial Statements</u>	22
<u>Supplemental Information</u>	29
<u>Approval of Investment Management Services Agreement</u>	30
<u>Results of Meeting of Stockholders</u>	32
<u>Important Information About This Report</u>	33

The views expressed in this report reflect the current views of the respective parties. These views are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict, so actual outcomes and results may differ significantly from the views expressed. These views are subject to change at any time based upon economic, market or other conditions and the respective parties disclaim any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Columbia Fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any particular Columbia Fund. References to specific securities should not be construed as a recommendation or investment advice.

Semiannual Report 2012

Table of Contents

Tri-Continental Corporation

Performance Overview

(Unaudited)

Performance Summary

- > Tri-Continental Corporation (the fund) Common Stock gained 9.23%, based on net asset value, and 10.51%, based on market price for the six months ended June 30, 2012.
- > The fund's benchmark, the S&P 500 Index, returned 9.49% for the same time period.

Average Annual Total Returns (%) (for period ended June 30, 2012)

	Inception	6 Months cumulative	1 Year	5 Years	10 Years
Market Price	01/05/29	10.51	6.45	-4.22	3.42
Net Asset Value	01/05/29	9.23	7.38	-2.31	3.67
S&P 500 Index		9.49	5.45	0.22	5.33

The performance information shown represents past performance and is not a guarantee of future results. The investment return and principal value of your investment will fluctuate so that your shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting columbiamanagement.com.

Returns reflect changes in market price or net asset value, as applicable, and assume reinvestment of distributions. Returns do not reflect the deduction of taxes that investors may pay on distributions or the sale of shares.

The S&P 500 Index, an unmanaged index of common stocks, is frequently used as a general measure of market performance. The index reflects reinvestment of all distributions and changes in market prices.

Indices are not available for investment, are not professionally managed and do not reflect sales charges, fees, brokerage commissions, taxes or other expenses of investing. Securities in the fund may not match those in an index.

Price Per Share

	June 30, 2012	March 31, 2012	December 31, 2011
Market Price (\$)	15.47	15.92	14.23
Net Asset Value (\$)	18.02	18.67	16.77

Distributions Paid Per Common Share ^(a)

Payable Date	Per Share Amount (\$)
March 29, 2012	0.105
June 28, 2012	0.150

(a) Preferred Stockholders were paid dividends totaling \$2.50 per share.

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

The net asset value of the fund's shares may not always correspond to the market price of such shares. Common stock of many closed-end funds frequently trade at a discount from their net asset value. The fund is subject to stock market risk, which is the risk that stock prices overall will decline over short or long periods, adversely affecting the value of an investment in the fund.

2 Semiannual Report 2012

Table of Contents

Tri-Continental Corporation

Portfolio Overview

(Unaudited)

Portfolio Breakdown (%) (at June 30, 2012)	
Common Stocks	69.6
Consumer Discretionary	6.4
Consumer Staples	7.3
Energy	7.4
Financials	10.7
Health Care	8.2
Industrials	7.9
Information Technology	13.3
Materials	3.0
Telecommunication Services	2.6
Utilities	2.8
Convertible Preferred Stocks	6.0
Consumer Discretionary	0.4
Consumer Staples	0.5
Energy	0.7
Financials	2.5
Industrials	0.9
Utilities	1.0
Corporate Bonds & Notes	12.6
Convertible Bonds	11.1
Limited Partnerships	0.7
Other ^(b)	0.7

Percentages indicated are based upon total investments (excluding Investments of Cash Collateral Received for Securities on Loan). The Fund's portfolio composition is subject to change.

(a) Rounds to less than 0.1%.

(b) Includes investments in Money Market Funds.

Top Ten Holdings (%) (at June 30, 2012)	
Apple, Inc.	3.6
Chevron Corp.	2.3
Microsoft Corp.	2.3
Verizon Communications, Inc.	2.2
Pfizer, Inc.	2.1
Merck & Co., Inc.	2.1
Philip Morris International, Inc.	1.9
JPMorgan Chase & Co.	1.9
Wal-Mart Stores, Inc.	1.4
Abbott Laboratories	1.2

Percentages indicated are based upon total investments (excluding Money Market Funds and Investments of Cash Collateral Received for Securities on Loan).

For further detail about these holdings, please refer to the section entitled Portfolio of Investments.

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

Fund holdings are as of the date given, are subject to change at any time, and are not recommendations to buy or sell any security.

Portfolio Management

Oliver E. Buckley

Brian M. Condon

Yan Jin

David L. King

Semiannual Report 2012 3

Table of Contents

Tri-Continental Corporation

Portfolio of Investments

June 30, 2012 (Unaudited)

(Percentages represent value of investments compared to net assets)

Common Stocks 68.9%

	Issuer	Shares	Value (\$)
Consumer Discretionary 6.3%			
Diversified Consumer Services 0.6%			
	Apollo Group, Inc., Class A ^(a)	178,921	6,475,152
Hotels, Restaurants & Leisure 0.8%			
	Darden Restaurants, Inc.	115,000	5,822,450
	McDonald's Corp.	45,200	4,001,556
	Total		9,824,006
Media 2.2%			
	Comcast Corp., Class A ^(b)	73,126	2,337,838
	DIRECTV, Class A ^(a)	255,600	12,478,392
	DISH Network Corp., Class A	291,300	8,316,615
	McGraw-Hill Companies, Inc. (The)	76,700	3,451,500
	Total		26,584,345
Multiline Retail 0.3%			
	Macy's, Inc.	92,800	3,187,680
Specialty Retail 2.4%			
	Bed Bath & Beyond, Inc. ^(a)	5,355	330,939
	GameStop Corp., Class A ^(b)	237,900	4,367,844
	Home Depot, Inc. (The) ^(b)	139,300	7,381,507
	O'Reilly Automotive, Inc. ^(a)	17,700	1,482,729
	Ross Stores, Inc.	57,200	3,573,284
	TJX Companies, Inc.	268,400	11,522,412
	Total		28,658,715
	Total Consumer Discretionary		74,729,898
Consumer Staples 7.2%			
Beverages 0.4%			
	Coca-Cola Enterprises, Inc.	180,101	5,050,032
Food & Staples Retailing 2.4%			
	CVS Caremark Corp.	25,400	1,186,942
	Kroger Co. (The)	397,294	9,213,248
	Safeway, Inc. ^(b)	91,700	1,664,355

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

Wal-Mart Stores, Inc.	238,029	16,595,382
Total		28,659,927
Food Products 1.1%		
Campbell Soup Co. ^(b)	120,200	4,012,276
Hershey Co. (The)	9,400	677,082
Kellogg Co.	110,000	5,426,300
Tyson Foods, Inc., Class A ^(b)	140,500	2,645,615
Total		12,761,273
Household Products 0.5%		
Kimberly-Clark Corp.	71,500	5,989,555
Tobacco 2.8%		
Altria Group, Inc.	37,500	1,295,625
Common Stocks (continued)		
	Issuer	Shares
		Value (\$)
Lorillard, Inc.	70,764	9,337,310
Philip Morris International, Inc.	254,600	22,216,396
Total		32,849,331
Total Consumer Staples		85,310,118
Energy 7.4%		
Energy Equipment & Services 0.6%		
National Oilwell Varco, Inc.	103,537	6,671,924
Oil, Gas & Consumable Fuels 6.8%		
Apache Corp.	82,500	7,250,925
Chevron Corp. ^(c)	258,142	27,233,981
ConocoPhillips	116,758	6,524,437
Exxon Mobil Corp.	111,611	9,550,554
Marathon Oil Corp.	188,418	4,817,848
Occidental Petroleum Corp.	68,000	5,832,360
Royal Dutch Shell PLC, ADR	130,000	8,765,900
Valero Energy Corp.	443,061	10,699,923
Total		80,675,928
Total Energy		87,347,852
Financials 10.6%		
Capital Markets 1.9%		
Ares Capital Corp.	350,000	5,586,000
BlackRock, Inc.	51,000	8,660,820
Franklin Resources, Inc. ^(b)	71,008	7,881,178
Invesco Ltd.	38,300	865,580
Total		22,993,578
Commercial Banks 1.9%		
Cullen/Frost Bankers, Inc.	102,000	5,863,980
Fifth Third Bancorp	114,600	1,535,640
Huntington Bancshares, Inc.	700,000	4,480,000

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

U.S. Bancorp	31,600	1,016,256
Wells Fargo & Co.	294,100	9,834,704
Total		22,730,580
Consumer Finance 1.0%		
Discover Financial Services	313,996	10,857,982
SLM Corp. ^(b)	53,500	840,485
Total		11,698,467
Diversified Financial Services 2.1%		
IntercontinentalExchange, Inc. ^(a)	9,500	1,291,810
JPMorgan Chase & Co.	613,757	21,929,537
Moody's Corp. ^(b)	35,200	1,286,560
Total		24,507,907

The accompanying Notes to Financial Statements are an integral part of this statement.

Table of Contents

Tri-Continental Corporation

Portfolio of Investments *(continued)*

June 30, 2012 (Unaudited)

Common Stocks *(continued)*

	Issuer	Shares	Value (\$)
Insurance 2.4%			
	Aflac, Inc.	97,031	4,132,550
	Chubb Corp. (The)	85,000	6,189,700
	MetLife, Inc.	343,800	10,606,230
	Prudential Financial, Inc.	42,500	2,058,275
	Travelers Companies, Inc. (The)	88,000	5,617,920
	Total		28,604,675
Real Estate Investment Trusts (REITs) 1.3%			
	Digital Realty Trust, Inc. ^(b)	25,200	1,891,764
	Simon Property Group, Inc. ^(b)	83,486	12,995,431
	Total		14,887,195
	Total Financials		125,422,402

Health Care 8.2%**Biotechnology 1.1%**

	Amgen, Inc.	169,400	12,372,976
--	-------------	---------	------------

Health Care Providers & Services 0.8%

	AmerisourceBergen Corp. ^(b)	23,700	932,595
	Humana, Inc.	58,200	4,507,008
	UnitedHealth Group, Inc.	63,356	3,706,326

	Total		9,145,929
--	-------	--	-----------

Pharmaceuticals 6.3%

	Abbott Laboratories ^(b)	214,129	13,804,896
	Eli Lilly & Co.	59,248	2,542,332
	Johnson & Johnson	134,000	9,053,040
	Merck & Co., Inc.	594,400	24,816,200
	Pfizer, Inc.	1,082,365	24,894,395

	Total		75,110,863
--	-------	--	------------

	Total Health Care		96,629,768
--	--------------------------	--	-------------------

Industrials 7.8%

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

Aerospace & Defense 2.6%

General Dynamics Corp.	82,607	5,448,758
Lockheed Martin Corp. ^(b)	120,423	10,486,435
Northrop Grumman Corp.	53,000	3,380,870
Raytheon Co.	197,300	11,165,207

Total 30,481,270

Air Freight & Logistics 0.9%

United Parcel Service, Inc., Class B ^(b)	137,141	10,801,225
---	---------	------------

Commercial Services & Supplies 0.9%

Pitney Bowes, Inc. ^(b)	8,204	122,814
Republic Services, Inc.	212,500	5,622,750
RR Donnelley & Sons Co. ^(b)	435,297	5,123,446

Total 10,869,010

Common Stocks (continued)

Issuer Shares Value (\$)

Industrial Conglomerates 1.4%

General Electric Co.	323,589	6,743,595
Tyco International Ltd.	184,023	9,725,615

Total 16,469,210

Machinery 1.3%

Illinois Tool Works, Inc.	65,500	3,464,295
Parker Hannifin Corp. ^(b)	74,600	5,735,248
Stanley Black & Decker, Inc.	95,000	6,114,200

Total 15,313,743

Professional Services 0.2%

Dun & Bradstreet Corp. (The) ^(b)	33,400	2,377,078
---	--------	-----------

Road & Rail 0.5%

CSX Corp.	267,000	5,970,120
-----------	---------	-----------

Total Industrials 92,281,656

Information Technology 13.1%

Communications Equipment 1.0%

Cisco Systems, Inc. ^(b)	722,800	12,410,476
------------------------------------	---------	------------

Computers & Peripherals 4.0%

Apple, Inc. ^(a)	72,700	42,456,800
Diebold, Inc.	150,000	5,536,500

Total 47,993,300

Internet Software & Services 0.5%

Google, Inc., Class A ^(a)	9,800	5,684,686
--------------------------------------	-------	-----------

IT Services 2.1%

Automatic Data Processing, Inc.	105,000	5,844,300
International Business Machines Corp.	11,408	2,231,177
Mastercard, Inc., Class A	27,600	11,871,036
Visa, Inc., Class A ^(b)	42,400	5,241,912

Total 25,188,425

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

Semiconductors & Semiconductor Equipment 2.1%

Advanced Micro Devices, Inc. ^{(a)(b)}	84,700	485,331
Analog Devices, Inc.	150,000	5,650,500
Broadcom Corp., Class A ^(a)	268,800	9,085,440
Intel Corp.	310,539	8,275,864
NVIDIA Corp. ^(a)	68,700	949,434
Total		24,446,569

Software 3.4%

Microsoft Corp.	862,277	26,377,053
Oracle Corp.	169,200	5,025,240
VMware, Inc., Class A ^{(a)(b)}	93,900	8,548,656
Total		39,950,949

Total Information Technology

155,674,405

The accompanying Notes to Financial Statements are an integral part of this statement.

Table of Contents

Tri-Continental Corporation

Portfolio of Investments *(continued)*

June 30, 2012 (Unaudited)

Common Stocks *(continued)*

	Issuer	Shares	Value (\$)
Materials 3.0%			
Chemicals 1.9%			
	CF Industries Holdings, Inc.	56,832	11,010,632
	Dow Chemical Co. (The)	180,000	5,670,000
	EI du Pont de Nemours & Co.	110,000	5,562,700
	Total		22,243,332
Containers & Packaging 0.4%			
	Packaging Corp. of America	190,000	5,365,600
Metals & Mining 0.7%			
	Freeport-McMoRan Copper & Gold, Inc.	213,189	7,263,349
	Newmont Mining Corp.	10,400	504,504
	Total		7,767,853
	Total Materials		35,376,785
Telecommunication Services 2.5%			
Diversified Telecommunication Services 2.5%			
	AT&T, Inc.	116,394	4,150,610
	Verizon Communications, Inc.	586,398	26,059,527
	Total		30,210,137
	Total Telecommunication Services		30,210,137
Utilities 2.8%			
Electric Utilities 0.1%			
	Entergy Corp.	26,900	1,826,241
Gas Utilities 0.1%			
	ONEOK, Inc.	17,100	723,501
Independent Power Producers & Energy Traders 0.7%			
	AES Corp. (The) ^(a)	671,239	8,611,996
Multi-Utilities 1.9%			
	CMS Energy Corp.	240,000	5,640,000
	Public Service Enterprise Group, Inc. ^(b)	332,592	10,809,240
	Sempra Energy	84,000	5,785,920
	Total		22,235,160

Total Utilities **33,396,898**

Total Common Stocks **816,379,919**
(Cost: \$735,697,404)

Convertible Preferred Stocks 5.9%

Consumer Discretionary 0.4%

Auto Components 0.4%

Goodyear Tire & Rubber Co., (The), 5.875% 105,000 4,560,937

Total Consumer Discretionary **4,560,937**

Convertible Preferred Stocks (continued)

Issuer

Shares

Value (\$)

Consumer Staples 0.4%

Food Products 0.4%

Bunge Ltd., 4.875% 58,000 5,502,170

Total Consumer Staples **5,502,170**

Energy 0.7%

Oil, Gas & Consumable Fuels 0.7%

Apache Corp., 6.000% 48,000 2,409,000

Chesapeake Energy Corp., 5.750%^(d) 6,800 5,788,500

Total 8,197,500

Total Energy **8,197,500**

Financials 2.5%

Commercial Banks 0.5%

Wells Fargo & Co., 7.500% 5,000 5,625,000

Diversified Financial Services 1.0%

Bank of America Corp., 7.250% 6,200 6,045,000

Citigroup, Inc., 7.500% 67,500 5,729,400

Total 11,774,400

Real Estate Investment Trusts (REITs) 1.0%

Alexandria Real Estate Equities, Inc., 7.000% 231,000 6,121,500

Health Care REIT, Inc., 6.500% 109,000 5,886,000

Total 12,007,500

Total Financials **29,406,900**

Industrials 0.9%

Aerospace & Defense 0.5%

United Technologies Corp., 7.500%^(a) 115,000 6,059,350

Professional Services 0.4%

Nielsen Holdings NV, 6.250% 98,000 5,094,040

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

Total Industrials **11,153,390**

Utilities 1.0%

Electric Utilities 1.0%

NextEra Energy, Inc., 5.599%^(a) 111,000 5,660,445

PPL Corp., 8.750% 110,000 5,877,300

Total 11,537,745

Total Utilities **11,537,745**

Total Convertible Preferred Stocks **70,358,642**
(Cost: \$69,091,937)

The accompanying Notes to Financial Statements are an integral part of this statement.

Table of Contents

Tri-Continental Corporation

Portfolio of Investments *(continued)*

June 30, 2012 (Unaudited)

Corporate Bonds & Notes 12.5%

Issuer	Coupon Rate	Principal Amount (\$)	Value (\$)
Aerospace & Defense 0.5%			
ADS Tactical, Inc. Senior Secured ^(d) 04/01/18	11.000%	2,600,000	2,606,500
Kratos Defense & Security Solutions, Inc. Senior Secured 06/01/17	10.000%	3,529,000	3,802,498
Total			6,408,998

Automotive 1.1%

Allison Transmission, Inc. ^(d) 05/15/19	7.125%	5,300,000	5,538,500
Visteon Corp. 04/15/19	6.750%	7,500,000	7,293,750
Total			12,832,250

Banking 0.5%

Synovus Financial Corp. Senior Unsecured 02/15/19	7.875%	5,600,000	5,894,000
---	--------	-----------	-----------

Chemicals 0.8%

LyondellBasell Industries NV ^(d) 11/15/21	6.000%	5,500,000	6,036,250
Senior Notes 04/15/19	5.000%	3,448,000	3,616,090
Total			9,652,340

Construction Machinery 0.9%

Manitowoc Co., Inc. (The) 02/15/18	9.500%	5,300,000	5,783,625
UR Merger Sub Corp. 09/15/20	8.375%	5,000,000	5,262,500
Total			11,046,125

Diversified Manufacturing 0.5%

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

Tomkins LLC/Inc. Secured 10/01/18	9.000%	5,300,000	5,896,250
---	--------	-----------	-----------

Electric 0.5%

AES Corp. (The) Senior Unsecured ^(d) 07/01/21	7.375%	5,300,000	5,896,250
--	--------	-----------	-----------

Food and Beverage 0.4%

Cott Beverages, Inc. 11/15/17	8.375%	4,700,000	5,111,250
----------------------------------	--------	-----------	-----------

Corporate Bonds & Notes *(continued)*

Issuer	Coupon Rate	Principal Amount (\$)	Value (\$)
Health Care 0.5%			
HCA, Inc. Senior Secured 03/15/22	5.875%	5,713,000	5,970,085
Independent Energy 1.1%			
Goodrich Petroleum Corp. 03/15/19	8.875%	7,999,000	7,619,047
Laredo Petroleum, Inc. 02/15/19	9.500%	5,154,000	5,746,710
Total			13,365,757

Media Non-Cable 0.5%

AMC Networks, Inc. ^(d) 07/15/21	7.750%	5,100,000	5,622,750
---	--------	-----------	-----------

Metals 0.5%

Molycorp, Inc. ^(d) 06/01/20	10.000%	5,500,000	5,445,000
---	---------	-----------	-----------

Non-Captive Diversified 0.5%

International Lease Finance Corp. Senior Unsecured 05/15/16	5.750%	5,500,000	5,580,201
---	--------	-----------	-----------

Pharmaceuticals 0.5%

Pharmaceutical Product Development, Inc. Senior Unsecured ^(d) 12/01/19	9.500%	4,900,000	5,359,375
---	--------	-----------	-----------

Retailers 1.4%

99 Cents Only Stores ^(d) 12/15/19	11.000%	2,700,000	2,929,500
J Crew Group, Inc. 03/01/19	8.125%	2,600,000	2,684,500
Michaels Stores, Inc. 11/01/18	7.750%	5,100,000	5,380,500

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

Rite Aid Corp. Senior Unsecured 02/15/27	7.700%	1,860,000	1,543,800
Rite Aid Corp. ^(d) 03/15/20	9.250%	4,300,000	4,310,750
Total			16,849,050

Transportation Services 0.7%

Avis Budget Car Rental LLC/Finance, Inc. 03/15/20	9.750%	7,400,000	8,223,250
--	--------	-----------	-----------

Wireless 0.9%

Sprint Nextel Corp. ^(d) 11/15/18	9.000%	7,300,000	8,194,250
--	--------	-----------	-----------

The accompanying Notes to Financial Statements are an integral part of this statement.

Semiannual Report 2012

7

Table of Contents

Tri-Continental Corporation

Portfolio of Investments *(continued)*

June 30, 2012 (Unaudited)

Corporate Bonds & Notes *(continued)*

Issuer	Coupon Rate	Principal Amount (\$)	Value (\$)
Wind Acquisition Finance SA Secured ^(d) 07/15/17	11.750%	2,700,000	2,180,250
Total			10,374,500

Wirelines 0.7%

Qwest Corp. Senior Unsecured 12/01/21	6.750%	7,100,000	7,988,792
---	--------	-----------	-----------

Total Corporate Bonds & Notes(Cost: \$142,643,849) **147,516,223****Convertible Bonds 11.0%****Airlines 0.4%**

Air Lease Corp. Senior Unsecured ^(d) 12/01/18	3.875%	2,800,000	2,770,132
United Continental Holdings, Inc. 06/30/21	4.500%	2,478,000	2,381,482