TRI-CONTINENTAL CORP Form N-Q November 29, 2006

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-0266

Tri-Continental Corporation (Exact name of Registrant as specified in charter)

100 Park Avenue New York, New York 10017 (Address of principal executive offices) (Zip code)

Lawrence P. Vogel 100 Park Avenue New York, New York 10017 (Name and address of agent for service)

Date of fiscal year end: 12/31

Date of reporting period: 9/30/06

ITEM 1. SCHEDULE OF INVESTMENTS.

Tri-Continental Corporation

Portfolio of Investments (unaudited)

September 30, 2006

	Shares or Warrants	Value
COMMON STOCKS		
AND WARRANTS 83.2%		
AEROSPACE AND		
DEFENSE 2.7%	_	
Boeing Company (The)	326,900 shs.	\$ 25,776,065
General Dynamics Corporation	191,800	13,746,306
Honeywell International Inc.	712,500	29,141,250
Raytheon Company (Warrants)*		
(exercise price of \$37.50,	00.000	225 222
expiring 6/16/2011)	23,639 wts.	337,329
AND EDITIONE AND		69,000,950
AIR FREIGHT AND		
LOGISTICS 0.6% FedEx Corp.	143,200 shs.	15,562,976
redex corp.	143,200 Sils.	15,502,970
BEVERAGES 0.8%		
Coca-Cola Company (The)	220,200	9,838,536
Coca-Cola Enterprises Inc.	562,400	11,714,792
	552,255	21,553,328
BIOTECHNOLOGY 2.9%		, , .
Amgen Inc.*	400,500	28,647,765
Genentech, Inc.*	224,000	18,524,800
Pharmion Corporation*	1,222,425	26,343,259
		73,515,824
CAPITAL MARKETS 3.4%		
Bank of New York		
Company, Inc. (The)	633,500	22,337,210
Goldman Sachs		
Group, Inc. (The)	66,600	11,266,722
Legg Mason, Inc.	216,100	21,795,846
Merrill Lynch & Co. Inc.	211,100	16,512,242
Morgan Stanley	207,000	15,092,370
		87,004,390
CHEMICALS 0.8%		
E.I. Du Pont de Nemours		
and Company	459,200	19,672,128

COMMERCIAL BANKS 1.7%		
Sun Trust Banks, Inc.	286,900	22,171,632
Wachovia Corporation	354,000	19,753,200
		41,924,832
COMMERCIAL SERVICES AND SUPPLIES 0.8%		
Waste Management Inc.	544,700	10.070.506
waste Management Inc.	344,700	19,979,596
COMMUNICATIONS		
EQUIPMENT 5.1%		
Cisco Systems, Inc.*	512,380	11,784,740
Comverse Technology, Inc.*	1,071,200	22,966,528
Corning Incorporated*	944,149	23,046,677
Lucent Technologies, Inc.*	4,229,400	9,896,796
Lucent Technologies, Inc.		
(exercise price of \$2.75,		
expiring 12/10/2007)*	11,626,025 wts.	2,208,945
Motorola, Inc.	499,600 shs.	12,490,000
Nokia Corp. (ADR)	617,300	12,154,637
QUALCOMM Inc.	983,300	35,742,955
		130,291,278
COMPUTERS AND		
PERIPHERALS 2.7%		
EMC Corporation*	2,487,600	29,801,448
International Business		
Machines Corporation	307,320	25,181,801
Seagate Technology*	537,800	12,417,802
		67,401,051
CONSUMER FINANCE 0.9%		
Capital One		
Financial Corporation	296,300	23,306,958
CONTAINERS AND		
PACKAGING 1.2%		
Smurfit-Stone		
Container Company*	2,691,500	30,144,800
DIVERSIFIED FINANCIAL		
SERVICES 5.0%		
Bank of America Corporation	532,040	28,501,383
CIT Group Inc.	205,000	9,969,150
Citigroup Inc.	1,244,230	61,800,904
JPMorgan Chase & Co.	575,600	27,030,176
Jr Morgan Chase & Co.	373,000	127,301,613
DIVERSIFIED		127,001,010
TELECOMMUNICATION		
SERVICES 1.4%		
Citizens Communications		
Company	1,071,000	15,036,840
Verizon Communications Inc.	167,500	6,219,275
Windstream Corporation	1,146,300	15,119,697
mmasa cam corporadon	1,140,000	13,113,03/

36,375,812

See footnotes on page 8.

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Portfolio of Investments (unaudited)	September 30, 2006	
	Shares	Value
ELECTRONIC EQUIPMENT	Silares	varue
AND INSTRUMENTS 0.5%		
Symbol Technologies, Inc.	826,200	\$ 12,277,332
Symbol reciniologics, inc.	020,200	φ 12,277,332
ENERGY EQUIPMENT		
AND SERVICES 1.0%		
Halliburton Company	375,400	10,680,130
Tidewater Inc.	349,500	15,444,405
		26,124,535
FOOD AND STAPLES		
RETAILING 2.0%		
Rite Aid Corporation*	2,761,300	12,536,302
SUPERVALU INC.	440,200	13,051,930
Wal-Mart Stores, Inc.	515,220	25,410,650
		50,998,882
HEALTH CARE EQUIPMENT		
AND SUPPLIES 1.9%		
Bausch & Lomb Inc.	123,400	6,186,042
Boston Scientific Corporation*	1,492,600	22,075,554
Medtronic, Inc.	402,900	18,710,676
		46,972,272
HEALTH CARE PROVIDERS		
AND SERVICES 3.1%		
Aetna Inc.	639,200	25,280,360
UnitedHealth Group		
Incorporated	380,800	18,735,360
WellPoint Inc.*	455,300	35,080,865
		79,096,585
HOTELS, RESTAURANTS		
AND LEISURE 0.9%	222.400	00 4 45 500
Harrah∏s Entertainment, Inc.	333,400	22,147,762
INDUSTRIAL		
CONGLOMERATES 4.4%		
3M Company	405,800	30,199,636
General Electric Company	2,304,150	81,336,495
F. J	, ,	111,536,131
INSURANCE 3.4%		, ,
Allstate Corporation (The)	124,200	7,791,066
American International	·	
Group, Inc.	642,300	42,558,798
MetLife, Inc.	173,300	9,822,644
UnumProvident Corporation	489,300	9,487,527
XL Capital Ltd. Class A	243,800	16,749,059
-	•	86,409,094
		• • •

Coogle Inc. Class A* 560,400 13,707,384	INTERNET SOFTWARE		
McAfee Inc.* 560,400 13,707,384 Yahool Inc.* 491,000 13,707,384 Yahool Inc.* 30,907,474 MACHINERY 0.7% 399,160 17,922,284 MEDIA 2.3% 399,160 11,880,430 Clear Channel 411,800 11,880,430 Communications, Inc. 411,800 15,275,910 Time Warner Inc. 17,00,900 31,007,407 Time Warner Inc. 447,600 12,550,701 METALS AND MINING 0.9% 447,600 12,550,701 Alcoa Inc. 447,600 12,550,701 Freeport-McMoRan Copper 447,600 12,550,701 & Gold Inc. Class B 177,500 9,821,266 DTE Energy Company 188,900 14,448,961 DTE Energy Company 236,600 9,821,266 DTE Energy Company 177,030 24,129,189 Target Corp. 210,000 11,602,500 Target Corp. 210,000 11,602,500 Target Corp. 210,000 30,419,106 Concorphilitips 512,200	AND SERVICES 2.0%	C1 000	04.077.640
Yaboo! Inc.* 491,000 12,412,480 50,997,474 MACHINERY 0.7% 399,160 17,922,284 MEDIA 2.3% Very Clear Channel Very Clear Channel 411,800 11,880,430 Communications, Inc. 411,800 15,275,910 15,275,910 News Corp. Class A 777,400 15,275,910 Time Warner Inc. 1,700,900 31,007,407 25,507,00 METALS AND MINING 0.9% 447,600 25,507,00 26,507,00 26,507,00 27,507,00<	_		
MACHINERY 0.7% Mach			
MACHINERY 0.7% Illinois Tool Works Inc.	ranoo! Inc."	491,000	
MEDIA 2.3% Clear Channel 411,800 11,880,430 News Corp. Class A 777,400 15,275,910 Time Warner Inc. 1700,900 31,007,407 METALS AND MINING 0.9% Alcoa Inc. 447,600 12,550,704 Freeport-McMoRan Copper & Gold Inc. Class B 177,500 9,453,650 Experimental Sequences, Inc. 188,900 14,448,961 DTE Energy Company 236,600 9,821,266 DTE Energy Company 236,600 9,821,266 MULTILINE RETAIL 1.4% 1,770,300 24,129,189 Target Corp. 210,000 24,129,189 Target Corp. 210,000 35,731,689 OIL, GAS AND CONSUMABLE FUELS 6.6% Expensión Sequences de la particular de la	MACHINERY 0.7%		, ,
Clear Channel Communications, Inc.	Illinois Tool Works Inc.	399,160	17,922,284
Communications, Inc. 411,800 11,880,430 News Corp. Class A 777,400 15,275,910 Time Warner Inc. 1,700,900 31,007,407 METALS AND MINING 0.9% Alcoa Inc. 447,600 12,550,704 Freeport-McMoRan Copper 2,9453,650 22,004,354 MULTI-UTILITIES 1.0% 188,900 14,448,961 DOMINION Resources, Inc. 188,900 14,448,961 DTE Energy Company 236,600 9,821,266 DUIT General Corporation 1,770,300 24,129,189 Target Corp. 210,000 11,602,500 Target Corp. 210,000 11,602,500 TorsumABLE FUELS 6.6% 599,000 38,851,140 ConcocoPhillips 512,200 30,491,266 Exxon Mobil Corporation 912,100 61,201,910 Murphy Oil Corporation 373,525 17,761,114 Sunco, Inc. 304,200 16,7223,628 PHARMACEUTICALS 4.9% 15,600 9,780,119 Forest Laboratories, Inc.* 351,600 7,379,010			
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METALS AND MINING 0.9% Alcoa Inc. 447,600 12,550,704 Freeport-McMoRan Copper & Gold Inc. Class B 177,500 9,453,650 & Cold Inc. Class B 177,500 9,453,650 MULTI-UTILITIES 1.0% 188,900 14,448,961 Dominion Resources, Inc. 188,900 9,821,266 The Energy Company 236,600 9,821,266 The Energy Company 1,770,300 24,129,189 Target Corp. 210,000 11,602,500 Target Corp. 210,000 11,602,500 Target Corp. 210,000 11,602,500 Tomosumable Fuels 6.6% 599,000 38,851,140 Chevron Corporation 599,000 38,851,140 ConocoPhillips 512,200 30,491,266 Exxon Mobil Corporation 912,100 61,201,910 Murphy Oil Corporation 304,200 18,918,194 Sunoco, Inc. 304,200 18,918,194 Forest Laboratories, Inc* 35,600 9,780,419 Johnson & Johnson 150,607 9,780,419	Time Warner Inc.	1,700,900	
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Valeant Pharmaceuticals 791,500 15,655,870 Wyeth 611,800 31,103,912		129,300	7,370,100
International 791,500 15,655,870 Wyeth 611,800 31,103,912			
Wyeth 611,800 31,103,912	Valeant Pharmaceuticals		
·	International	791,500	15,655,870
123,953,747	Wyeth	611,800	31,103,912
			123,953,747

See footnotes on page 8.

Part	Portfolio of Investments (unaudited)		September 30, 2006
REAL ESTATE MANAGEMENT AND DEVELOPMENT 0.3% \$ 6,419,574 Realogy corporation* 283,050 \$ 6,419,574 Realogy corporation* 313,220 2,070,794 Realogy corporation* 313,220 3,070,794 Realogy corporation* 313,409,850		or Shares Subject to	Value
Realogy Corporation* 283,050 \$ 6,419,574 ROAD AND RAIL 0.1% 3 2,070,794 SEMICONDUCTORS AND SEMICONDUCTOR EQUIPMENT 1.9% 3 3 Broadcom Corporation Class [JA]* 426,000 12,924,840 Maryell Technology Group Ltd.* 692,300 13,490,850 Maxim Integrated Products, Inc. 371,800 10,436,426 Texas Instruments Incorporated 344,500 11,454,625 Maxim Integrated Products, Inc. 373,000 8,652,300 Texas Instruments Incorporated 573,000 11,454,625 Texas Instruments Incorporated 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Objects S.A.* 434,700 14,818,923 Microsoft Corp. 1,697,956 46,405,137 Discipling S.A.* 1,793,000 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Poet Locker, Inc. 801,600 20,240,400 Texas Inc. 801,600 20,240,400 The John Septic S.A.* 424,100 13,647,631	REAL ESTATE MANAGEMENT	·	
ROAD AND RAIL 0.1%	AND DEVELOPMENT 0.3%		
Avis Budget Group, Inc.* 113,200 2,070,794	Realogy Corporation*	283,050	\$ 6,419,574
SEMICONDUCTOR AND SEMICONDUCTOR SEMICONDUC	ROAD AND RAIL 0.1%		
PRINCE P	Avis Budget Group, Inc.*	113,220	2,070,794
FQUIPMENT 1.9% Broadcom Corporation Class [IAI]* 426,000 12,924,840 Marvell Technology Group Ltd.* 692,300 13,409,850 Maxim Integrated Products, Inc. 371,800 10,436,426 Texas Instruments Incorporated 344,500 11,454,625 Texas Instruments Incorporated 573,000 8,652,300 Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 1,697,956 46,405,137 Microsoft Corp. 1,697,956 46,405,137 Townshie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 801,600 20,240,400 The Home Depot, Inc. 1,103,800 19,556,222 Tannie Mae 244,100 13,647,631 Freddie Mac 244,100 13,647,631 Freddie Mac 244,100 <td< td=""><td></td><td></td><td></td></td<>			
Broadcom Corporation Class □A□* 426,000 12,924,840 Marvell Technology Group Ltd.* 692,300 13,409,850 Maxim Integrated Products, Inc. 371,800 10,436,426 Texas Instruments Incorporated 344,500 11,454,625 Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 1,697,956 46,405,137 Gogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 600,000 32,136,000 PECIALTY RETAIL 4.5% 80 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 Int.* 223,700 14,838,021 Freddie Mac 244,100 13,647,631 Freddie Mac 244,100 13,647,631 Freddie Mac 904,580 69,245,599 WIRELES			
Marvell Technology Group Ltd.* 692,300 13,409,850 Maxim Integrated Products, Inc. 371,800 10,436,426 Texas Instruments Incorporated 344,500 11,454,625 48,225,741 SOFTWARE 4.0% Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 1,697,956 46,405,137 Microsoft Corp. 1,697,956 46,405,137 Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 Tannie Mae 244,100 13,647,631 Fredie Mac 244,100 13,647,631 Fredie Mac 904,580 69,245,599 WIRELES TELECOMMUNICATION SERVICES 1.6% American		400.000	40.004.040
Maxim Integrated Products, Inc. 371,800 10,436,426 Texas Instruments Incorporated 344,500 11,454,625 SOFTWARE 4.0% 2 Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 1,697,956 46,405,137 ptotal TX RETAIL 4.5% 179,300 12,457,764 Abercrombic & Fitch Co. Class A 179,300 32,136,000 Feet Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 THRIFTS AND 2 1,103,800 13,647,631 Fendie Mac 244,100 13,647,631 Freddie Mac 23,700 69,245,595 TOBACCO 2.7% 3 69,245,595 Altria Group, Inc. 904,580 69,245,595 WIRELESS TELECOMMUNICATION			
Texas Instruments Incorporated 344,500 11,454,625 48,225,741 48,225,741 248,225,741 Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 2,256,000 30,974,880 30,974,880 46,405,137 100,851,240 30,871,880 30,974,880 46,405,137 100,851,240 100,851,240 30,871,248 30,871,880 46,405,137 100,851,240 100,851,240 30,871,764 30,000 32,136,000 32,136,000 32,136,000 32,136,000 32,136,000 32,136,000 30,272,498 30,37	20 -		
Martin M			
SOFTWARE 4.0% Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 16,679,56 46,405,137 100,851,240 SPECIALTY RETAIL 4.5% Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 Totel Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 THIFITS AND MORTGAGE FINANCE 1.1% 244,100 13,647,631 Freddie Mac 244,100 13,647,631 Freddie Mac 244,100 13,647,631 Freddie Mac 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 <td< td=""><td>Texas Instruments Incorporated</td><td>344,500</td><td>• •</td></td<>	Texas Instruments Incorporated	344,500	• •
Activision, Inc.* 573,000 8,652,300 Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 160,697,956 46,405,137 100,851,240 100,851,240 SPECIALTY RETAIL 4.5% Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 14,702,804 13,647,631 THIFITS AND MORTGAGE FINANCE 1.1% 244,100 13,647,631 Freddie Mac 244,100 13,647,631 Freddie Mac 904,580 69,245,599 MITTER GROUP, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation 348,400 <td>COPENADE A 00/</td> <td></td> <td>48,225,741</td>	COPENADE A 00/		48,225,741
Business Objects S.A.* 434,700 14,818,923 Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 1,697,956 46,405,137 Topology Territory 1,697,956 46,405,137 SPECIALTY RETAIL 4.5% Topology Territory 30,000 Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 14,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,638,021 TobACCO 2.7% 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1		F72 000	0.652.200
Cogent Inc.* 2,256,000 30,974,880 Microsoft Corp. 1,697,956 46,405,137 Tolo,851,240 100,851,240 SPECIALTY RETAIL 4.5% Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 144,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Family Mae 244,100 13,647,631 Freddie Mae 244,100 13,647,631 Freddie Mae 904,580 69,245,599 Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 SPINICA SERVICES 1.6 26,868,905		•	• •
Microsoft Corp. 1,697,956 46,405,137 (100,851,240) SPECIALTY RETAIL 4.5% Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 14,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% 244,100 13,647,631 Freddie Mac 244,100 13,647,631 Freddie Mac 904,580 69,245,599 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	· · · · · · · · · · · · · · · · · · ·		
100,851,240 SPECIALTY RETAIL 4.5% Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 114,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 Freddie Mac 904,580 69,245,599 WIRELES TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	-		
SPECIALTY RETAIL 4.5% Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 144,702 13,647,631 Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 Freddie Mac 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	Microsoft Corp.	1,097,930	
Abercrombie & Fitch Co. Class A 179,300 12,457,764 Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Tendie Mae Freddie Mac 244,100 13,647,631 Freddie Mac 223,700 14,838,021 28,485,652 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	SPECIALTY RETAIL 4.5%		100,031,240
Best Buy Co., Inc. 600,000 32,136,000 Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 THRIFTS AND		179.300	12.457.764
Foot Locker, Inc. 801,600 20,240,400 The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 28,485,652 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905			
The Home Depot, Inc. 837,400 30,372,498 Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 28,485,652 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	•		
Urban Outfitters, Inc.* 1,103,800 19,526,222 114,732,884 THRIFTS AND MORTGAGE FINANCE 1.1% Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 28,485,652 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905			
### THRIFTS AND ### MORTGAGE FINANCE 1.1% Fannie Mae	-		
THRIFTS AND MORTGAGE FINANCE 1.1% Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 28,485,652 TOBACCO 2.7%		_,,	
Fannie Mae 244,100 13,647,631 Freddie Mac 223,700 14,838,021 28,485,652 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	THRIFTS AND		, ,
Freddie Mac 223,700 14,838,021 28,485,652 28,485,652 TOBACCO 2.7% 3904,580 69,245,599 WIRELESS TELECOMMUNICATION 5ERVICES 1.6% American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	MORTGAGE FINANCE 1.1%		
28,485,652 TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599	Fannie Mae	244,100	13,647,631
TOBACCO 2.7% Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	Freddie Mac	223,700	14,838,021
Altria Group, Inc. 904,580 69,245,599 WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905			28,485,652
WIRELESS TELECOMMUNICATION SERVICES 1.6% American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	TOBACCO 2.7%		
TELECOMMUNICATION SERVICES 1.6% American Tower Corporation 348,400 12,716,600 Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	Altria Group, Inc.	904,580	69,245,599
SERVICES 1.6% American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	WIRELESS		
American Tower Corporation 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	TELECOMMUNICATION		
Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	SERVICES 1.6%		
Class A* 348,400 12,716,600 Sprint Nextel Corporation 1,566,700 26,868,905	American Tower Corporation		
Sprint Nextel Corporation 1,566,700 26,868,905		348,400	12,716,600
39,585,505	Sprint Nextel Corporation	1,566,700	26,868,905
			39,585,505

TOTAL COMMON STOCKS AND WARRANTS		2,108,482,268
OPTIONS PURCHASED 2.8%		
BEVERAGES 0.1%		
The Coca-Cola Company, Call		
expiring January 2008 at \$15	4,636	3,106,120
BIOTECHNOLOGY 0.0%		
Pharmion Corporation, Call		
expiring December 2006		
at \$17.5	2,668	1,200,600
COMMUNICATIONS		
EQUIPMENT 0.3%		
Comverse Technology Inc., Call		
expiring January 2008 at \$20	11,622	5,927,220
Corning Incorporated, Call		
expiring January 2007 at \$22.5	7,706	2,620,040 8,547,260
COMPUTERS AND		
PERIPHERALS 0.2%		
Dell Inc., Call expiring		
January 2008 at \$25	13,002	3,705,570
Seagate Technology, Call		
expiring January 2007 at \$17.50	3,783	2,307,630 6,013,200
CONSUMER FINANCE 0.2%		, ,
Capital One Financial Corporation,		
Call expiring January 2008 at \$80	3,836	4,449,760
FOOD PRODUCTS 0.0%		
Kraft Foods Inc., Put		
expiring March 2007 at \$30	2,694	107,760
HEALTH CARE EQUIPMENT		
AND SUPPLIES 0.4%		
Bausch & Lomb Inc., Call		
expiring January 2008 at \$50	3,365	2,877,075
Boston Scientific Corporation, Call		
expiring January 2009 at \$20	10,746	2,417,850
St. Jude Medical Inc. Call,	- 04-	2 - 2 - 2 - 2
expiring January 2008 at \$35	5,647	3,585,845
TAY DAY OF DAY		8,880,770
INDUSTRIAL CONCLOMERATES 0.00/		
CONGLOMERATES 0.0%		
3M Company, Call expiring January 2009 at \$80	446	374,640
Capiting January 2003 at 400	440	3/4,040

See footnotes on page 8.

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Portfolio of Investments (unaudited)

September 30, 2006

	Shares Subject to Call/Put, Partnership Interest or Principal Amount	Value
INTERNET SOFTWARE		
AND SERVICES 0.2%		
eBay Inc., Call		
expiring January 2008 at \$30	4,969 shs. \$	2,484,500
Yahoo!, Inc., Call	7	, - ,
expiring January 2009 at \$30	4,910	2,307,700
F 33	-,	4,792,200
MULTILINE RETAIL 0.1%		, , , , , ,
Dollar General Corp. Call		
expiring January 2008 at \$15	18,249	2,828,595
F 33	==,===	_,,,,
OIL, GAS AND		
CONSUMABLE FUELS 0.0%		
Murphy Oil Corporation, Call		
expiring January 2008 at \$50	1,895	1,174,900
	,	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
PHARMACEUTICALS 0.1%		
Bristol-Myers Squibb Company, Call		
expiring January 2008 at \$20	2,638	1,424,520
F 33	_,	_,,
SEMICONDUCTORS AND SEMICONDUCTOR		
EQUIPMENT 0.1%		
Marvell Technology Group, Ltd.,		
Call expiring January 2009		
at \$20	5,331	3,518,460
SOFTWARE 0.5%		
Activision, Inc., Call		
expiring January 2008 at \$15	15,812	5,455,140
Cogent, Inc., Call		
expiring December 2006 at \$15	13,974	1,607,010
Cogent, Inc., Call		
expiring March 2007 at \$12.5	12,611	3,783,300
		10,845,450
TOBACCO 0.5%		
Altria Group Inc., Call		
expiring January 2008 at \$85	12,180	4,993,800
Altria Group Inc., Call		
expiring January 2008 at \$80	8,116	4,707,280
Altria Group Inc., Call		
expiring January 2008 at \$75	3,148	2,612,840
		12,313,920
		•

HOLDINGS		315,078,548
TOTAL SHORT-TERM		245 070 540
2.875%, 11/30/06	20,895,000#	20,831,354
US Treasury Notes		
US TREASURY NOTES 0.8%		
		194,583,000
5.34%, 10/2/06	100,000,000	100,000,000
Royal Bank of Scotland,		
5.3125%, 10/2/06	94,583,000	94,583,000
Bank of Montreal,		
TIME DEPOSITS 7.7%		
		99,664,194
10.25%, 8/25/07□□(6)	19,194,138	19,674,588
10.6%, 3/27/07□□(6)	12,014,087	12,604,085
Morgan Stanley:		· •
13.6%, 3/27/07□□(5)	12,012,477	12,350,809
Merrill Lynch & Co., Inc.	12,000,200	,_,_,
9.8%, $9/27/07\square(4)$	12,009,268	12,175,883
13.75%, 8/2/07 (3)	17,999,490	19,161,148
8.25%, 7/27/07□□(2)	11,675,060	11,780,077
13%, 12/20/06□□(1)	12,130,000	11,917,604
Goldman Sachs Group (The):		
CORPORATE NOTES 3.9%		
HOLDINGS 12.4%		
SHORT-TERM		1,021,404
FINANCIAL DIVISION		1,821,404
TOTAL TRI-CONTINENTAL	1,214,000	13,4/0
Debt Fund, L.P.	1,214,850	19,478
Whitney Subordinated	\$4,3U1,12 4	1,001,920
WCAS Capital Partners II, L.P.	\$4,301,124	1,801,926
DIVISION 0.1%		
FINANCIAL PARAMETER 100		
TRI-CONTINENTAL		
TOTAL OPTIONS PURCHASED		72,012,050
expiring January 2009 at \$20	10,357	2,433,895
Sprint Nextel Corporation, Call		
SERVICES 0.1%		
TELECOMMUNICATION		
WIRELESS		

See footnotes on page 8.

7

Portfolio of Investments (unaudited)

September 30, 2006

Value

TOTAL
INVESTMENTS 98.5%
OTHER ASSETS LESS
LIABILITIES 1.5%
NET INVESTMENT
ASSETS 100.0%

\$ 2,497,394,270

38,662,342

\$ 2,536,056,612

Schedule of Options Written (unaudited)

September 30, 2006

Shares
Subject to
Call/Put Value

PUT OPTIONS WRITTEN
Hewlett-Packard Company,
expiring November 2006
at \$35
Foot Locker Inc., expiring
November 2006 at \$25

540,500 shs. \$ (513,475)

93,400

(126,090)

TOTAL OPTIONS WRITTEN

(Premium received \$1,059,254)

\$ (639,565)

* Non-income producing security.

At September 30, 2006, the Tri-Continental Financial Division comprised two investments that were purchased through private offerings and cannot be sold without prior registration under the Securities Act of 1933 or pursuant to an exemption therefrom. These investments are valued at fair value as determined in accordance with procedures approved by the Board of Directors of the Corporation. The acquisition dates of investments in the limited partnerships, along with their cost and values at September 30, 2006, were as follows:

Investments	Acquisition Date(s)	Cost	Value
WCAS Capital Partners II, L.P.	12/11/90 to 3/24/98	\$ 4,301,124	\$ 1,801,926
Whitney Subordinated Debt Fund, L.P.	7/12/89 to 11/10/98	1,214,850	19,478
		\$ 5 515 974	\$ 1 821 404

- (1) These notes are exchangeable at maturity for the value of the common stock of five companies in the home building industry. The maturity value of each stock is limited to 115% of the stock sprice at the date of purchase of the notes.
- (2) These notes are exchangeable at maturity for the value of the common stock of Yahoo! (Internet Software and Services). The maturity value of the stock is limited to 120% of the stock sprice at the date of purchase of the notes.
- (3) These notes are exchangeable at maturity for the value of the common stock of Marvell Technology Group (Semiconductors and Semiconductor Equipment). The maturity value of the stock is limited to 120% of the stock price at the date of purchase of the notes.
- (4) These notes are exchangeable at maturity for the value of the common stock of Seagate Technology (Computers and Peripherals). The maturity value of the stock is limited to 120% of the stock sprice at the date of purchase of the notes.
- (5) These notes are exchangeable at maturity for the value of the common stock of Peabody Energy (Oil, Gas and Consumable Fuels). The maturity value of the stock is limited to 120% of the stock sprice at the date of purchase of the notes.
- (6) These notes are exchangeable at maturity for the value of the common stock of eBay (Internet Software and Services). The maturity value of the stock is limited to 120% of the stock price at the date of purchase of the notes.

The cost of investments for federal income tax purposes was \$2,565,556,820.

The tax basis gross unrealized appreciation and depreciation of portfolio securities were \$41,304,043 and \$109,466,593, respectively.

All or part of the security is held as collateral for options written. As of September 30, 2006, the value of securities held as collateral was \$20,831,354.

Security Valuation Securities traded on an exchange are valued at the last sales price on the primary exchange or market on which they are traded. Fixed income securities not listed on an exchange or security market are valued by independent pricing services based on bid prices which consider such factors as coupons, maturities, credit ratings, liquidity, specific terms and features, and the US Treasury yield curve or are valued by J. & W. Seligman & Co. Incorporated (the [Manager]) based on quotations provided by primary market makers in such securities. Equity securities not listed on an exchange or security market, or equity securities for which there is no last sales price, are valued at the mean of the most recent bid and asked prices or are valued by the Manager based on quotations provided by primary market makers in such securities. Securities for which market quotations are not readily available (or are otherwise no longer valid or reliable) are valued at fair value determined in accordance with procedures approved by the Board of Directors. This can occur in the event of, among other things, natural disasters, acts of terrorism, market disruptions, intra-day trading halts, and extreme market volatility. The determination of fair value involves subjective judgments. As a result, using fair value to price a security may result in a price materially different from the prices used by other mutual funds to determine net asset value or the price that may be realized upon the actual sale of the security. Short-term holdings maturing in more than 60 days are valued at current market quotations. Short-term holdings maturing in 60 days or less are valued at amortized cost.

ITEM 2. CONTROLS AND PROCEDURES.

- a. The registrant principal executive officer and principal financial officer have concluded, based upon their evaluation of the registrant disclosure controls and procedures as conducted within 90 days of the filing date of this report, that these disclosure controls and procedures provide reasonable assurance that material information required to be disclosed by the registrant in the report it files or submits on Form N-Q is recorded, processed, summarized and reported, within the time periods specified in the Commission rules and forms and that such material information is accumulated and communicated to the registrant management, including its principal executive officer and principal financial officer, as appropriate, in order to allow timely decisions regarding required disclosure.
- b. The registrant sprincipal executive officer and principal financial officer are aware of no changes in the registrant sinternal control over financial reporting that occurred during the registrant slast fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant internal control over financial reporting.

ITEM 3. EXHIBITS.

(a) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment 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

By: /S/ BRIAN T. ZINO

Brian T. Zino

President and Chief Executive Officer

Date: November 27, 2006

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

By: /S/ BRIAN T. ZINO

Brian T. Zino

President and Chief Executive Officer

Date: November 27, 2006

By: <u>/S/ LAWRENCE P. VOGEL</u>

Lawrence P. Vogel

Vice President, Treasurer and Chief Financial

Officer

Date: November 27, 2006

TRI-CONTINENTAL CORPORATION

EXHIBIT INDEX

(a) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.