

FIRST TRUST VALUE LINE® DIVIDEND FUND



Investment Objective/Strategy: A Closed-End Fund with an investment objective of providing total return through a combination of current income and capital appreciation. The Fund seeks to accomplish its investment objective by investing in common stocks that pay above-average dividends and have the potential for capital appreciation.

There can be no assurances that Fund objectives will be met.

Fund Overview

Inception: 8/27/2003
Ticker: FVD
CUSIP: 33735A100
Exchange: American Stock Exchange
Inception Price: \$15.00
Inception NAV: \$14.33
Contact Fund: 1-800-988-5891
Website: www.ftportfolios.com

Portfolio Composition (as of 11/30/2004)

Sector Allocation

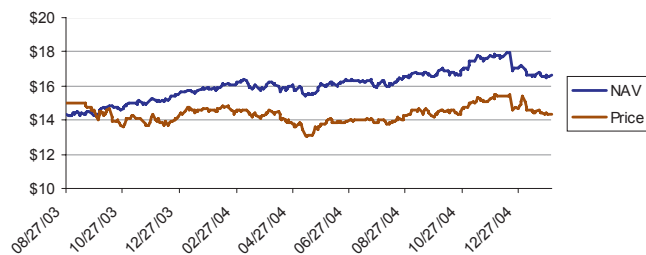
Sector	Percent
Utilities	21.0%
Banks	18.7%
REITS	12.2%
Food, Beverage & Tobacco	9.9%
Capital Goods	6.1%
Energy	5.5%
Insurance	4.8%
Materials	4.2%
Household & Personal Products	3.7%
Pharmaceutical & Biotechnology	3.7%
Telecommunication Services	3.0%
Commercial Services & Supplies	1.8%
Health Care Equipment & Services	1.8%
Automobiles & Components	1.2%
Media	1.2%
Hotel, Restaurants & Leisure	0.6%
Diversified Financials	0.6%

Current Fund Data (as of 1/31/2005)

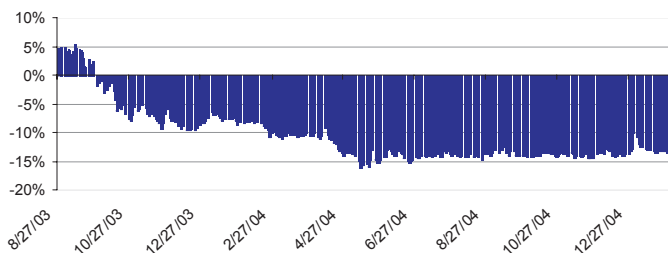
Share Price: \$16.68
NAV: \$14.36
Premium/(Discount): (13.91%)
Dividend Per Share¹: \$0.09
Current Distribution Rate²: 2.16%
Daily Volume: 98,000
Total Net Assets: \$540,336,940
Leverage: None

Share Price and NAV History³ (as of 12/31/2004)

Price/NAV History
Since Inception



% Premium/Discount
Since Inception



Past performance is not indicative of future results.

Footnotes

- 1 Quarterly Dividend per share is subject to change.
- 2 Quarterly Dividend per share annualized and divided by the current share price.
- 3 Since inception returns are from 8/27/2003.

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Top Ten Core Holdings (as of 11/30/2004)

Name	Percent
Weingarten Realty Investors	0.6%
Healthcare Realty Trust	0.6%
Pfizer Inc.	0.6%
ABM Industries Inc.	0.6%
Lincoln Electric Holdings	0.6%
UGI Corp	0.6%
J.M. Smucker Co.	0.6%
Brown-Forman Corporation	0.6%
Unitrin, Inc.	0.6%
United Dominion Realty	0.6%

Performance History (as of 1/31/2005)

Since Inception	Share Price	NAV
	6.0%	27.5%
	Share Price	NAV
2004	16.7%	17.9%
2003	-2.3%	11.2%

Dividend History*

Pay Date	Distribution Type	Dividend Amount
12/15/2003	ORDINARY	0.1173
12/15/2003	CAPGAINS	0.1111
03/15/2004	ORDINARY	0.085
06/15/2004	ORDINARY	0.09
09/15/2004	ORDINARY	0.0925
12/30/2004	ORDINARY	0.09
12/30/2004	CAPGAINS	0.92

*Includes all distributions declared through 1/31/2005.

Fund Features and Investment Process

● A PORTFOLIO OF EQUITY SECURITIES SELECTED FOR:

- Price Stability
- Financial Strength
- Higher than average dividend yield as compared to the S&P 500 Index
- Equity market capitalization greater than \$1 billion

● DISCIPLINED INVESTMENT STRATEGY derived from Value Line's® proprietary, independent research

- In accordance with the Fund's investment objective, it is anticipated that the portfolio will be **FULLY INVESTED** under typical market conditions

● PORTFOLIO ADJUSTMENTS AND REBALANCING will occur monthly

- **QUARTERLY DISTRIBUTIONS** of net investment income will automatically be reinvested into additional Common Shares pursuant to the Fund's Dividend Reinvestment Plan unless an election is made to receive cash distributions. Capital gains distributions will be made on an annual basis, and also automatically reinvested into additional Common Shares.

The Fund will invest substantially all, but in no event less than 80%, of its net assets in the stocks that are selected through application of a disciplined investment strategy derived from the universe of stocks which Value Line® gives a Safety™ ranking of #1 and #2 in the Value Line® Safety™ Ranking System. This investment strategy may be unsuccessful and may underperform the stock market as a whole. The types of stocks that are selected through application of the Fund's investment strategy can be expected to change over time. Particular risks may be elevated during periods in which the Fund's investment strategy dictates higher levels of investment in particular types of stocks.

Fund Management

First Trust Advisors L.P. ("FTA"), is the Fund's Investment Adviser and serves broker/dealers, individuals, and institutional investors from its Chicago-area headquarters. Currently, FTA supervises or manages over \$16 billion of assets in Defined Portfolios, Closed-End Funds, Variable Annuity Funds and Separately Managed Accounts. (as of 1/31/05)

Founded in 1931 by Arnold Bernhard, **Value Line, Inc.** is comprised of a number of businesses dedicated to serving the needs of both the individual and professional investor. Products and services include print and electronic data and analyses, asset management, and a family of mutual funds.

Each week, Value Line® applies a Safety™ rank to each of the approximately 1,700 stocks in its universe. According to Value Line®, its Safety™ rank measures the total risk of a stock relative to the other stocks in the universe. The Safety™ Rank is derived from two equally-weighted measurements: **Price Stability** and **Financial Strength**.

This investment strategy may be unsuccessful and may underperform the stock market as a whole. The Fund is subject to various risks, including the following: Investment and Market Risk, Common Stock Risk, Industry and Sector Risk, Dividend Risk, Portfolio Turnover, Non-U.S. Securities Risk, Strategy Risk, Market Disruption Risk, and Anti-Takeover Provisions.