

Monthly Update

Prime Dividend Corp is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in a diversified portfolio consisting of dividend yielding Canadian companies. Two types of shares are available, a Class A and a Preferred.

Distributions (by record date)

	PDV	PDV.PR.A	Total
Total to Date	\$5.3566	\$3.4311	\$8.7877
2011 YTD	\$0.6875	\$0.4583	\$1.1458
2010	\$0.7500	\$0.5000	\$1.2500
2009	\$0.5000	\$0.5000	\$1.0000
2008	\$0.9535	\$0.5648	\$1.5183
2007	\$1.2156	\$0.6854	\$1.9010
2006	\$1.1625	\$0.6500	\$1.8125
2005	\$0.0875	\$0.07247	\$0.15997

*Initial distribution for the period Nov 16/05 to Dec 31/05.

Commentary

The European debt crisis continued to dictate market sentiment in November. Although the leadership changes in the Greek and Italian governments were hopeful steps to resolve the fiscal crisis that has plagued the region, investors remained concerned about the adverse implications that a contagion of the crisis could have on the world economy. The breakdown of deficit negotiations in Washington prior to the American Thanksgiving caused concerns that longer term solutions to the U.S. deficit/debt problems will be difficult. At the end of the month, the financial markets received a boost of confidence after major central banks around the world announced a coordinated effort to support the European financial system. The month ended with optimism that European leaders will move toward greater fiscal integration to prevent the sovereign debt crisis from spreading through the stronger economies of the region.

Although markets continued to be dominated by these macro developments and concerns, valuations remain relatively attractive in this low interest rate environment. The valuations of the companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields and this should continue to act as a major support at these current market prices. Due to increased market volatility in the recent months, the covered call writing program has added a higher level of income to supplement dividend income earned in the portfolio.

	One Month to Nov 30, 2011	Year to Date Nov 30, 2011
TSX	-0.39%	-9.22%
S&P 500	-0.51%	-0.85%
DJII	0.76%	4.04%
NASDAQ	-2.39%	-1.23%

Details

Gross Proceeds:	\$60,000,000
Units Issued:	2,400,000
Inception Date:	November 16, 2005
Termination Date:	December 1, 2012
Net Asset Value	\$16.59
Cash Weighting:	10%
Canadian Equity Weighting:	90%
PDV.PR.A Trading Price:	\$10.25
Current Yield*:	4.9%
Asset Coverage:	166%
Market Capitalization:	\$16,799,340
PDV Trading Price:	\$6.34
Current Yield*:	11.8%
Market Capitalization:	\$10,391,006

*Last distribution annualized.

Top Holdings (sorted by weight)

AGF Management Ltd.
 Toronto-Dominion Bank
 TransCanada Corp.
 TransAlta Corporation
 Canadian Imperial Bank of Commerce
 IGM Financial Inc.
 TMX Group Inc.
 Power Financial Corp.
 CI Financial Corp.
 Bank of Nova Scotia
 Royal Bank of Canada
 Bank of Montreal
 BCE Inc.
 Great-West Lifeco Inc.
 National Bank of Canada
 Manulife Financial Corporation
 Sun Life Financial Inc.

Weightings subject to change at any time.