

First Trust Intermediate Duration Preferred & Income Fund (FPF)

Investment Objective/Strategy - First Trust Intermediate Duration Preferred & Income Fund (the "Fund") is a non-diversified, closed-end management investment company. The primary investment objective is to seek a high level of current income. The Fund has a secondary objective of capital appreciation. The Fund seeks to achieve its objectives by investing, under normal market conditions, at least 80% of its managed assets in preferred securities and other income producing securities issued by U.S. and non-U.S. companies, including traditional preferred securities, hybrid preferred securities that have investment and economic characteristics of both preferred securities and debt securities, floating rate and fixed-to-floating rate preferred securities, debt securities, convertible securities and contingent convertible securities. The Fund seeks to maintain, under normal market conditions, a duration of between three and eight years.

There can be no assurance that the Fund's investment objectives will be achieved. The Fund may not be appropriate for all investors.

Fund Overview		Top 10 Holdings (as of 10/31/2018) ¹⁰		
Ticker	FPF	Holding		Percent
Fund Type	Preferred Income	Enel SpA, 8.750%		2.30%
Fund Advisor	First Trust Advisors L.P.	Catlin Insurance Co., Ltd., 5.425%		1.98%
Portfolio Manager/Sub-Advisor	Stonebridge Advisors LLC	Emera, Inc., 6.750%		1.93%
Investor Servicing Agent	Computershare Trust Company, N.A.	Barclays Bank PLC, 7.875%		1.83%
CUSIP	33718W103	Land O'Lakes, Inc., 8.000%		1.82%
Fiscal Year-End	10/31	Farm Credit Bank of Texas, 10.000%		1.79%
Exchange	NYSE	Credit Agricole S.A., 8.125%		1.77%
Inception	5/23/2013	Cooperatieve Rabobank UA, 11.000%		1.70%
Inception Price	\$25.00	Royal Bank of Scotland Group PLC, 8.625%		1.65%
Inception NAV	\$23.88	BNP Paribas S.A., 7.625%		1.57%
Contact Fund	1.800.988.5891	Average Annual Returns (as of 11/30/2018)⁹		
Website	www.ftportfolios.com	Period	Share Price	NAV
		3 Years	6.25%	6.04%
		5 Years	8.67%	7.62%
		Inception to Date	4.59%	7.12%
Current Fund Data (as of 12/14/2018)		Cumulative Total Returns (as of 11/30/2018) ⁹		
Closing NAV ¹	\$21.90	Period	Share Price	NAV
Closing Share Price ²	\$19.30	3 Months	-5.86%	-4.04%
Discount to Net Asset Value (NAV)	11.87%	6 Months	-3.51%	-2.02%
Total Managed Assets	\$1,941,041,263	1 Year	-11.45%	-4.47%
Common Shares Outstanding	60,765,997	3 Years	19.95%	19.24%
Dividend Frequency	Monthly	5 Years	51.56%	44.34%
Dividend Per Share Amt ³	\$0.1425	Year to Date	-10.99%	-4.96%
Distribution Rate ⁴	8.86%	Inception to Date	28.11%	46.21%
Daily Volume	269,695			
Average 30-Day Daily Volume	241,397			
Closing Share Price 52-Week High/Low	\$25.06 / \$19.30			
Closing NAV 52-Week High/Low	\$25.05 / \$21.76			
Leverage ⁸	31.43%			

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Country Breakdown (as of 10/31/2018)¹⁰

Country	Percent
United States	43.56%
United Kingdom	12.21%
France	10.26%
Italy	5.61%
Canada	5.13%
Australia	4.50%
Netherlands	4.18%
Switzerland	3.14%
Japan	2.76%
Bermuda	2.74%
Cayman Islands	1.84%
Chile	1.13%
Spain	0.90%
Denmark	0.64%
Belgium	0.49%
Mexico	0.40%
Finland	0.34%
Sweden	0.17%

Industry Breakdown (as of 10/31/2018)¹⁰

Industry	Percent
Banks	47.29%
Insurance	19.67%
Food Products	5.38%
Oil, Gas & Consumable Fuels	4.78%
Electric Utilities	4.73%
Capital Markets	4.12%
Multi-Utilities	2.25%
Diversified Telecommunication Services	2.03%
Metals & Mining	1.29%
Energy Equipment & Services	1.24%
Independent Power and Renewable Electricity Producers	1.13%
Mortgage Real Estate Investment Trusts (REITs)	1.12%
Transportation Infrastructure	1.03%
Automobiles	0.99%
Equity Real Estate Investment Trusts (REITs)	0.97%
Diversified Financial Services	0.84%
Thrifts & Mortgage Finance	0.49%
Wireless Telecommunication Services	0.34%
Consumer Finance	0.31%

Fund Characteristics (as of 10/31/2018)¹⁰

Weighted Average Effective Duration ⁵	3.40 Years
% Institutional Securities (e.g. \$1000 par) ⁶	87.68%
% Retail Securities (e.g. \$25 par) ⁷	12.32%

Security Type Breakdown (as of 10/31/2018)¹⁰

Security	Percent
Fixed-to-Floating Rate and Fixed-to-Variable Rate Securities	74.63%
Fixed Rate Securities	14.58%
Floating Rate Securities	10.57%
Step-Up Rate Securities	0.22%

Credit Quality Breakdown (as of 10/31/2018)¹⁰

Credit Quality	Percent
A-	3.81%
BBB+	11.24%
BBB	17.30%
BBB-	25.10%
BB+	21.31%
BB	11.80%
BB-	1.99%
B+	2.50%
B	0.19%
NR	4.76%

The credit quality and ratings information presented above reflect the ratings assigned by one or more nationally recognized statistical rating organizations (NRSROs), including Standard & Poor's Rating Group, a division of the McGraw Hill Companies, Inc., Moody's Investors Service, Inc., Fitch Ratings, or a comparably rated NRSRO. For situations in which a security is rated by more than one NRSRO and the ratings are not equivalent, the highest ratings are used. Sub-investment grade ratings are those rated BB+/Ba1 or lower. Investment grade ratings are those rated BBB-/Baa3 or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

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Footnotes

- ¹ The NAV represents the fund's net assets (assets less liabilities) divided by the fund's common shares outstanding.
- ² Fund shares are purchased and sold on an exchange at their share price rather than net asset value (NAV), which may cause the shares to trade at a price greater than NAV (premium) or less than NAV (discount).
- ³ Most recent distribution paid or declared to today's date. Subject to change in the future. There is no guarantee that the fund will declare dividends.
- ⁴ Distribution rates are calculated by annualizing the most recent distribution paid or declared through today's date and then dividing by the most recent market price. The distribution consists of the sum of net investment income, net realized short-term capital gains, net realized long-term capital gains, and return of capital. Distribution rates may vary. Any distribution adjustment will not be reflected until after the declaration date for the next distribution. See the fund's 19a-1 Notices, if any, located under the "News & Literature" section of the website for estimates of distribution sources. Final determination of the source and tax status of all distributions paid in the current year will be made after year-end.
- ⁵ A measure of a bond's sensitivity to interest rate changes that reflects the change in a bond's price given a change in yield. It accounts for the likelihood of changes in the timing of cash flows in response to interest rate movements. The number shown is based on Managed Assets.
- ⁶ Institutional Securities are predominantly \$1000 par securities and only trade over-the-counter.
- ⁷ Retail Securities are predominantly \$25 par securities but also include exchange-traded \$20, \$50, and \$100 par securities.
- ⁸ Leverage is a technique where a closed-end fund's manager borrows assets at one rate and invests the proceeds from the borrowed assets at another rate, seeking to increase yield and total return. Use of leverage can result in additional risk and cost, and can magnify the effect of any losses.
- ⁹ Total return is the combination of reinvested dividend income and reinvested capital gains distributions, at prices obtained by the Dividend Reinvestment Plan, if any, and changes in the NAV and Share Price. The NAV total return takes into account the fund's total annual expenses and does not reflect sales load. Past performance is not indicative of future results.
- ¹⁰ Market value information used in calculating the percentages is based upon trade date plus one recording of transactions, which can differ from regulatory financial reports (Forms N-CSR and N-Q) that are based on trade date recording of security transactions. Holdings are subject to change.

Risk Considerations

The fund is subject to risks, including the fact that it is a non-diversified closed-end management investment company. Investment return and market value of an investment in the fund will fluctuate. Shares, when sold, may be worth more or less than their original cost.

Preferred/hybrid and debt securities in which the fund invests are subject to various risks, including credit risk, interest rate risk, and call risk. Credit risk is the risk that an issuer of a security will be unable or unwilling to make dividend, interest and/or principal payments when due and that the value of a security may decline as a result. Credit risk may be heightened for the fund because it invests in below investment grade securities, which involve greater risks than investment grade securities, including the possibility of dividend or interest deferral, default or bankruptcy. Interest rate risk is the risk that the value of fixed-rate securities in the fund will decline because of rising market interest rates. Call risk is the risk that performance could be adversely impacted if an issuer calls higher-yielding debt instruments held by the fund.

Because the fund is concentrated in the financials sector, it will be more susceptible to adverse economic or regulatory occurrences affecting this sector, such as changes in interest rates, loan concentration and competition.

Investment in non-U.S. securities is subject to the risk of currency fluctuations and to economic and political risks associated with such foreign countries.

Use of leverage can result in additional risk and cost, and can magnify the effect of any losses.

The risks of investing in the fund are spelled out in the prospectus, shareholder report and other regulatory filings.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.

Not FDIC Insured • Not Bank Guaranteed • May Lose Value