

JOHN HANCOCK TAX-ADVANTAGED DIVIDEND INCOME FUND
Form N-CSRS
July 06, 2011

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 811-21416

John Hancock Tax-Advantaged Dividend Income Fund
(Exact name of registrant as specified in charter)

601 Congress Street, Boston, Massachusetts 02210
(Address of principal executive offices) (Zip code)

Salvatore Schiavone
Treasurer
601 Congress Street

Boston, Massachusetts 02210
(Name and address of agent for service)

Registrant's telephone number, including area code: 617-663-4497

Date of fiscal year end: October 31

Date of reporting period: April 30, 2011

ITEM 1. REPORTS TO STOCKHOLDERS.

Portfolio summary

Top 10 Holdings (29.0% of Total Investments on 4-30-11) ¹

Wells Fargo & Company, 8.000%	3.5%	Progress Energy, Inc.	2.8%
OGE Energy Corp.	3.3%	DTE Energy Company	2.7%
ONEOK, Inc.	3.1%	NSTAR	2.7%
Spectra Energy Corp.	3.0%	Atmos Energy Corp.	2.5%
Integrys Energy Group, Inc.	2.9%	MetLife, Inc., Series B, 6.500%	2.5%

Sector Composition^{2,3}

Utilities	60%	Industrials	1%
Financials	24%	Consumer Discretionary	1%
Energy	8%	Short-Term Investments & Other	1%
Telecommunication Services	5%		

¹ Cash and cash equivalents not included in Top 10 Holdings.

² As a percentage of the Fund's total investments on 4-30-11.

³ Sector investing is subject to greater risks than the market as a whole. Because the Fund may focus on particular sectors of the economy, its performance may depend on the performance of those sectors.

Fund's investments

As of 4-30-11 (unaudited)

	Shares	Value
Common Stocks 85.48% (58.09% of Total Investments)		\$583,850,436
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(Cost \$512,769,278)		
Energy 8.89%		60,690,130
Oil, Gas & Consumable Fuels 8.89%		
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BP PLC, SADR (L)(Z)	187,500	8,651,250
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Chevron Corp. (L)(Z)	82,500	9,028,800
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Kinder Morgan, Inc.	11,000	314,380
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Spectra Energy Corp. (L)(Z)	1,050,000	30,492,000
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Total SA, SADR (L)(Z)	190,000	12,203,700
Industrials 1.38%		9,407,000
Industrial Conglomerates 1.38%		
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General Electric Company (L)(Z)	460,000	9,407,000
Telecommunication Services 4.89%		33,389,670
Diversified Telecommunication Services 3.20%		
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Alaska Communications Systems Group, Inc. (Z)	55,000	531,850
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AT&T, Inc. (Z)	400,000	12,448,000
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Verizon Communications, Inc. (L)(Z)	235,000	8,878,300
Wireless Telecommunication Services 1.69%		
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Vodafone Group PLC, SADR (L)(Z)	396,000	11,531,520
Utilities 70.32%		480,363,636
Electric Utilities 18.93%		
American Electric Power Company, Inc. (L)(Z)	595,000	21,705,600
Duke Energy Corp. (L)(Z)	765,000	14,267,250
Entergy Corp. (L)(Z)	105,000	7,320,600
FirstEnergy Corp. (C)(Z)	510,000	20,379,600
Northeast Utilities	75,000	2,670,000
PNM Resources, Inc. (Z)	58,000	889,140
Progress Energy, Inc. (Z)	600,000	28,470,000
Southern Company (Z)	441,867	17,250,488
UIL Holding Corp.	515,000	16,387,300
Gas Utilities 9.11%		
Atmos Energy Corp. (L)(Z)	725,000	25,295,250
Northwest Natural Gas Company (Z)	132,500	6,126,800
ONEOK, Inc. (Z)	440,000	30,773,600
Multi-Utilities 42.28%		
Ameren Corp. (L)(Z)	555,000	16,267,050
Black Hills Corp. (L)(Z)	560,000	19,460,000

See notes to financial statements

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	Shares	Value
Multi-Utilities (continued)		
CH Energy Group, Inc. (Z)	457,000	\$24,504,340
Consolidated Edison, Inc. (L)(Z)	265,000	13,811,800
Dominion Resources, Inc. (L)(Z)	420,000	19,496,400
DTE Energy Company (L)(Z)	543,100	27,442,843
Integrus Energy Group, Inc. (L)(Z)	555,000	29,059,800
National Grid PLC, SADR	175,000	8,982,750
NiSource, Inc. (Z)	790,500	15,375,225
NSTAR (Z)	575,000	26,622,500
OGE Energy Corp. (Z)	620,000	32,965,400
Public Service Enterprise Group, Inc. (L)(Z)	360,000	11,581,200
Vectren Corp. (L)(Z)	790,000	22,578,200
Xcel Energy, Inc. (L)(Z)	850,000	20,680,500
Preferred Securities 61.60% (41.87% of Total Investments)		\$420,764,980
(Cost \$416,927,304)		
Consumer Discretionary 0.46%		3,130,350
Media 0.46%		
Comcast Corp., 7.000% (Z)	123,000	3,130,350
Energy 3.27%		22,369,265

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Oil, Gas & Consumable Fuels 3.27%

Nexen, Inc., 7.350% (C)(Z)	882,765	22,369,265
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Financials 36.17%

247,047,993

Capital Markets 0.00%

Lehman Brothers Holdings, Inc., Depositary Shares, Series C, 5.940% (I)	274,760	13,738
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Lehman Brothers Holdings, Inc., Depositary Shares, Series D, 5.670% (I)	65,000	1,300
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Lehman Brothers Holdings, Inc., Depositary Shares, Series F, 6.500% (I)	219,300	219
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Commercial Banks 12.18%

Barclays Bank PLC, Series 5, 8.125% (L)(Z)	450,078	11,972,075
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HSBC Holdings PLC, 8.000% (C)(Z)	325,000	8,914,750
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HSBC Holdings PLC, 8.125% (Z)	50,000	1,371,000
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Royal Bank of Scotland Group PLC, Series L, 5.750% (L)(Z)	858,500	16,354,425
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Santander Finance Preferred SA Unipersonal, Series 10, 10.500%	242,000	6,967,180
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Santander Finance Preferred SA, Series 1, 6.410%	15,500	369,520
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Santander Holdings USA, Inc., Series C, 7.300%	40,000	1,000,400
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USB Capital VIII, Series 1, 6.350%	55,000	1,383,800
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Wells Fargo & Company, 8.000% (L)(Z)	1,207,000	34,870,230
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Consumer Finance 0.86%

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HSBC Finance Corp., Depositary Shares, Series B, 6.360% (Z)	150,000	3,570,000
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SLM Corp., Series A, 6.970% (Z)	50,000	2,272,500
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	Shares	Value
Diversified Financial Services 19.46%		
Bank of America Corp., 6.700% (Z)	500,000	\$11,830,000
Bank of America Corp., 6.375% (Z)	139,000	3,188,660
Bank of America Corp., 6.625% (Z)	355,000	8,619,400
Bank of America Corp., 8.200% (Z)	135,000	3,510,000
Bank of America Corp., Depositary Shares, Series D, 6.204% (Z)	240,000	5,539,200
Bank of America Corp., Series MER, 8.625% (C)(Z)	652,800	17,573,376
Citigroup Capital VIII, 6.950% (L)(Z)	540,000	13,489,200
Citigroup Capital XIII (7.875% to 10-30-15, then 3 month LIBOR + 6.370%), 7.875%	27,100	752,296
Citigroup, Inc., 8.125%	270,400	7,368,400
Deutsche Bank Capital Funding Trust VIII, 6.375% (Z)	282,000	6,855,420
Deutsche Bank Contingent Capital Trust II, 6.550% (Z)	310,000	7,725,200

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Deutsche Bank Contingent Capital Trust III, 7.600% (L)(Z)	797,893	21,319,701
ING Groep NV, 7.050% (Z)	140,000	3,325,000
ING Groep NV, 6.200% (Z)	109,100	2,381,653
JPMorgan Chase & Company, 8.625% (Z)	140,000	3,869,600
RBS Capital Funding Trust VII, 6.080%	983,000	15,580,550
Insurance 3.65%		
MetLife, Inc., Series B, 6.500%, 6.500% (L)(Z)	976,000	24,936,800
Thriffs & Mortgage Finance 0.02%		
Federal National Mortgage Association, Series S, 7.750%	60,000	122,400
Telecommunication Services 3.48%		23,788,547
Wireless Telecommunication Services 3.48%		
Telephone & Data Systems, Inc., 6.875%	227,900	5,697,500
Telephone & Data Systems, Inc., Series A, 7.600%	268,940	6,755,773
United States Cellular Corp., 7.500% (Z)	448,389	11,335,274
Utilities 18.22%		124,428,825
Electric Utilities 12.56%		
Alabama Power Company, Class A, 5.300% (Z)	193,200	4,855,116
Carolina Power & Light Company, 5.440% (Z)	111,493	10,682,423
Duquesne Light Company, 6.500% (L)(Z)	427,000	20,989,740
Entergy Arkansas, Inc., 4.560% (Z)	9,388	795,046

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Entergy Arkansas, Inc., 6.450% (Z)	110,000	2,684,693
Entergy Mississippi, Inc., 4.920% (Z)	8,190	705,620
Entergy Mississippi, Inc., 6.250% (Z)	197,500	4,863,438
FPC Capital I, Series A, 7.100% (Z)	55,000	1,416,800
PPL Corp., 9.500%	285,000	16,153,800
PPL Electric Utilities Corp., Depositary Shares, 6.250% (Z)	300,000	7,500,000
PPL Energy Supply, LLC, 7.000% (Z)	297,512	7,544,904
Southern California Edison Company, 6.125% (Z)	50,000	4,710,940
Southern California Edison Company, Series C, 6.000% (Z)	30,000	2,840,625

See notes to financial statements

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	Shares	Value
Independent Power Producers & Energy Traders 2.33%		
Constellation Energy Group, Inc., Series A, 8.625% (L)(Z)	597,483	\$15,928,897
Multi-Utilities 3.33%		
BGE Capital Trust II, 6.200% (Z)	160,500	4,004,475
Consolidated Edison Company of New York, Inc., Series C, 4.650%	16,400	1,459,600

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Consolidated Edison Company of New York, Inc., Series D, 4.650%	5,000	411,717
Interstate Power & Light Company, Series B, 8.375% (Z)	230,000	6,674,600
Pacific Enterprises, 4.500% (Z)	45,000	3,735,000
Xcel Energy, Inc., 4.560%, Series G (Z)	76,830	6,471,391
Short-Term Investments 0.06% (0.04% of Total Investments)		\$442,000
(Cost \$442,000)		
Repurchase Agreement 0.06%		442,000
Repurchase Agreement with State Street Corp. dated 4-29-11 at 0.010% to be repurchased at \$442,000 on 5-2-11, collateralized by \$410,000 Federal Home Loan Mortgage Corp., 4.500% due 1-15-14 (valued at \$453,050, including interest)	442,000	442,000
Total investments (Cost \$930,138,582) 147.14%		\$1,005,057,416
Other assets and liabilities, net (47.14%)		(\$321,990,045)
Total net assets 100.00%		\$683,067,371

The percentage shown for each investment category is the total value the category as a percentage of the net assets of the Fund.

LIBOR London Interbank Offered Rate

SADR Sponsored American Depositary Receipts

(C) All or a portion of this security is segregated as collateral for options (see Note 3). Total collateral value at 4-30-11 was \$51,184,506.

(I) Non-income producing security.

(L) All or a portion of this security is on loan as of 4-30-11. Total value of securities on loan at 4-30-11 was \$225,253,503.

(Z) All or a portion of this security is pledged as collateral pursuant to the Committed Facility Agreement (See Note 8). Total collateral value at 4-30-11 was \$787,402,040.

At 4-30-11, the aggregate cost of investment securities for federal income tax purposes was \$942,020,377. Net unrealized appreciation aggregated \$63,037,039, of which \$124,821,735 related to appreciated investment securities and \$61,784,696 related to depreciated investment securities.

FINANCIAL STATEMENTS

Financial statements

Statement of assets and liabilities 4-30-11 (unaudited)

This Statement of Assets and Liabilities is the Fund's balance sheet. It shows the value of what the Fund owns, is due and owes. You'll also find the net asset value for each common share.

Assets

Investments, at value (Cost \$930,138,582)	\$1,005,057,416
Cash	15,666,504
Receivable for investments sold	1,154,825
Dividends receivable	2,718,352
Other receivables and prepaid assets	621,020
Total assets	1,025,218,117

Liabilities

Payable for investments purchased	1,168,437
Committed facility agreement payable (Note 7)	337,000,000
Written options, at value (Premiums received \$1,801,428) (Note 3)	3,713,790
Interest payable (Note 7)	27,434
Payable to affiliates	
Accounting and legal services fees	15,316
Transfer agent fees	14,447
Trustees' fees	38,315
Other liabilities and accrued expenses	173,007
Total liabilities	342,150,746

Net assets

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Capital paid-in	\$705,841,004
Undistributed net investment income	1,928,274
Accumulated net realized loss on investments, options written and swap agreements	(97,708,379)
Net unrealized appreciation (depreciation) on investments and options written	73,006,472
Net assets	\$683,067,371

Net assets value per share

Based on 37,785,846 shares of beneficial interest outstanding □ unlimited number of shares authorized with no par value	\$18.08
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See notes to financial statements

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FINANCIAL STATEMENTS

Statement of operations For the six-month period ended 4-30-11
(unaudited)

This Statement of Operations summarizes the Fund's investment income earned, expenses incurred in operating the Fund and net gains (losses) for the period stated.

Investment income

Dividends	\$27,576,488
Interest	51,870
Less foreign taxes withheld	(17,035)
Total investment income	27,611,323

Expenses

Investment management fees (Note 5)	3,572,581
Accounting and legal services fees (Note 5)	42,079
Transfer agent fees (Note 5)	27,017
Trustees' fees (Note 5)	47,647
Printing and postage	68,508
Professional fees	154,070

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Custodian fees	39,455
Registration and filing fees	10,268
Interest expense (Note 7)	1,870,508
Stock exchange listing fees	16,721
Other	11,794
Total expenses	5,860,648
Less expense reductions (Notes 5 and 10)	(889,552)
Net expenses	4,971,096
Net investment income	22,640,227
Realized and unrealized gain (loss)	
<hr/>	
Net realized gain (loss) on	
Investments	8,561,052
Written options (Note 3)	(7,185,419)
Swap contracts (Note 3)	(1,641,348)
	(265,715)
Change in net unrealized appreciation (depreciation) of	
Investments	54,644,224
Written options (Note 3)	(1,938,966)
Swap contracts (Note 3)	1,666,633
	54,371,891
Net realized and unrealized gain	54,106,176
Increase in net assets from operations	\$76,746,403

These Statements of Changes in Net Assets show how the value of the Fund's net assets has changed during the last two periods. The difference reflects earnings less expenses, any investment gains and losses, distributions, if any, paid to shareholders and the net of Fund share transactions.

	Six months ended 4-30-11 (unaudited)	Year ended 10-31-10
Increase (decrease) in net assets		
<hr/>		
From operations		
Net investment income	\$22,640,227	\$42,011,200
Net realized gain (loss)	(265,715)	4,023,786
Change in net unrealized appreciation (depreciation)	54,371,891	137,259,224
Increase in net assets resulting from operations	76,746,403	183,294,210
Distributions to shareholders		
From net investment income	(20,688,980)	(41,727,641)
From Fund share transactions (Note 6)	(3,391,487)	(4,178,919)
Total increase	52,665,936	137,387,650
Net assets		
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Beginning of period	630,401,435	493,013,785
End of period	\$683,067,371	\$630,401,435
Accumulated undistributed/(distributions in excess of) net investment income	\$1,928,274	(\$22,973)

See notes to financial statements

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FINANCIAL STATEMENTS

Statement of cash flows

This Statement of Cash Flows shows cash flow from operating and financing activities for the period stated.

**For the
six-month
period ended
4-30-11
(unaudited)**

Cash flows from operating activities

Net increase in net assets from operations	\$76,746,403
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:	
Long-term investments purchased	(91,376,431)
Long-term investments sold	72,338,527
Decrease in short term investments	11,068,000
Decrease in dividends and interest receivable	222,750
Decrease in payable for investments purchased	(11,935,123)
Decrease in receivable for investments sold	20,930,931
Increase in other receivables and prepaid expenses	(555,412)
Decrease in unrealized depreciation of swap contracts	(1,666,633)
Increase in payable for written options	1,370,065
Increase in payable to affiliates	34,164
Decrease in interest payable	(13,349)
Decrease in other liabilities and accrued expenses	(713,556)
Net change in unrealized (appreciation) depreciation on investments	(54,644,224)
Net realized gain on investments	(8,561,052)
Net cash provided by operating activities	\$13,245,060

Cash flows from financing activities

Borrowings from committed facility agreement payable	26,500,000
Repurchase of common shares	(3,391,487)
Distributions to common shareholders	(20,688,980)

Net cash provided by financing activities **\$2,419,533**

Net increase in cash **\$15,664,593**

Cash at beginning of period **\$1,911**

Cash at end of period **\$15,666,504**

Supplemental disclosure of cash flow information

Cash paid for interest

\$1,883,857

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See notes to financial statements

Financial highlights

The Financial Highlights show how the Fund's net asset value for a share has changed since the end of the previous period.

COMMON SHARES Period ended	4-30-11 ¹	10-31-10	10-31-09 ²	12-31-08	12-31-07	12-31-06
Per share operating performance						
Net asset value, beginning						
of period	\$16.58	\$12.87	\$12.48	\$19.99	\$22.90	\$19.93
Net investment income ³	0.60	1.10	0.88	1.13	1.26	1.43 ⁴
Net realized and unrealized gain (loss) on investments	1.44	3.69	0.56	(7.07)	(1.98)	3.62
Distributions to Auction Preferred Shares (APS)*	□	□	□	(0.15)	(0.41)	(0.39)
Total from investment operations	2.04	4.79	1.44	(6.09)	(1.13)	4.66
Less distributions to common shareholders						
From net investment income	(0.55)	(1.09)	(0.83)	(0.99)	(1.19)	(1.16)
From net realized gain	□	□	□	(0.15)	(0.59)	(0.53)
From tax return of capital	□	□	(0.23)	(0.44)	□	□
Total distributions	(0.55)	(1.09)	(1.06)	(1.58)	(1.78)	(1.69)
Anti-dilutive impact of repurchase plan	0.01 ⁵	0.01 ⁵	0.01 ⁵	0.16 ⁵	□	□
Net asset value, end of period	\$18.08	\$16.58	\$12.87	\$12.48	\$19.99	\$22.90
Per share market value, end						
of period	\$16.34	\$15.41	\$11.35	\$10.30	\$17.90	\$20.32
Total return at net asset value (%)^{6,8}	12.90⁹	39.49	15.34⁹	(29.97)	(4.19)	(25.67)⁷
Total return at market value (%)⁶						