

ING PRIME RATE TRUST
Form N-30B-2
February 07, 2005

Funds

Third Quarter Report

November 30, 2004

ING Prime Rate Trust

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This report is submitted for general information to shareholders of the ING Funds. It is not authorized for distribution to prospective shareholders unless accompanied or preceded by a prospectus which includes details regarding the funds' investment objectives, risks, charges, expenses and other information. This information should be read carefully.

ING Prime Rate Trust

THIRD QUARTER REPORT

November 30, 2004

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ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT

Dear Shareholders:

ING Prime Rate Trust (the "Trust") is a diversified, closed-end management investment company that seeks to provide investors with as high a level of current income as is consistent with the preservation of capital. The Trust seeks to achieve this objective by investing in a professionally managed portfolio comprised primarily of senior loans.

PORTFOLIO CHARACTERISTICS
AS OF NOVEMBER 30, 2004

| | | |
|--------------------------------------------------------------------------------|----|---------------|
| Net Assets | \$ | 1,062,414,702 |
| Total Assets | \$ | 1,964,651,495 |
| Assets Invested in Senior Loans | \$ | 1,905,954,698 |
| Senior Loans Represented | | 411 |
| Average Amount Outstanding per Loan | \$ | 4,637,359 |
| Industries Represented | | 37 |
| Average Loan Amount per Industry | \$ | 51,512,289 |
| Portfolio Turnover Rate (YTD) | | 70% |
| Weighted Average Days to Interest Rate Reset | | 39 |
| Average Loan Final Maturity | | 64 months |
| Total Leverage as a Percentage of Total Assets (including Preferred Shares) | | 43.46% |

PEFORMANCE SUMMARY

The Trust declared \$0.11 of dividends during the second fiscal quarter and \$0.32 for the nine months ended November 30, 2004. Based on the average month-end net asset value ("NAV") per share of \$7.40, this resulted in an annualized distribution rate of 5.86%⁽¹⁾ for the quarter and 5.74%⁽¹⁾ for the nine months. The Trust's total return for the third fiscal quarter, based on NAV, was 1.73%, versus a total return on the S&P/LSTA Leveraged Loan Index of 1.11% for the same quarter. For the nine months, the total return, based on NAV, was 5.15%, versus 2.08% for the S&P/LSTA Leveraged Loan Index. The total market value return (based on full reinvestment of dividends) for the Trust's common shares during the third fiscal quarter was 5.77% and 1.03% for the nine months ended November 30, 2004.

MARKET OVERVIEW

The non-investment grade loan market closed out the Trust's third fiscal quarter, and the entire year, in robust fashion. In fact, statistically speaking, 2004 was arguably the strongest twelve-month period in recent history. Aggregate new issue volume soared to a record high \$265 billion, up 60% from 2003 (and slightly in excess of the prior record of \$256 billion set in 1998). Importantly, a significant portion of total 2004 new issue volume was generated by merger and acquisition activity, fundamentally the most attractive source of new transaction flow. Furthermore, after peaking at just inside of 8% in 2002, default rates declined to cyclical lows, ending the year at 1.1%, down from 2.3% at the end of 2003 (as measured by Standard & Poor's).

As is consistent with the theme of our last report, the fundamental building blocks of favorable floating rate loan performance remain fully intact. First, while somewhat uneven, the U.S. economy continues to expand at a sufficient pace. Typically a dependable harbinger of future credit and default experience, GDP growth for 2004 clocked in at an estimated 4.5%, a pace conducive to healthy business expansion and capital spending (common sources of new loan activity). Consensus estimates call for still solid, albeit somewhat more moderate, growth for 2005. Second, investor

⁽¹⁾ The distribution rate is calculated by annualizing dividends declared during the period and dividing the resulting annualized dividend by the Trust's average month-end net asset value (in the case of NAV) or the average month-end NYSE Composite closing price (in the case of Market). The distribution rate is based solely on the actual dividends and distributions, which are made at the discretion of management. The distribution rate may or may not include all investment income and ordinarily will not include capital gains or losses, if any.

ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT (continued)

demand for higher-yielding credit instruments and overall market liquidity remains very strong. Robust demand typically translates into firm asset prices and stable net asset values. Third, but certainly not last in order of significance, The Fed continues to push onward in its attempt to fend off inflationary threats by systematically raising short term interest rates. This aspect is of particular importance to loan fund investors in that, unlike fixed rate bonds (returns for which generally exhibit an inverse relation to changes in interest rates), the loan asset class, by way of its ultra-short duration floating rate profile, has historically delivered increasing dividends as short-term rates rise.

For all the positive developments currently holding influence over the market, we note a short list of factors which could, in the indeterminate future, spoil the party, so to speak. For one, unprecedented demand for floating rate loans has driven average borrowing spreads to historical lows over the last few quarters (the benchmark BB/BB- spread fell below 2.0% by the end of the year). As a result, for the first time in recent memory, there has been a noticeable lag in the time it takes for rising short-term rates to favorably impact loan fund yields. Fortunately, we see this as a temporary condition and one that will self-correct as rates move higher. We also continue to observe an increasing inflow of lower quality loans coming to market. Not unlike other developed capital markets, a period of heavy demand has produced a cohort of loans that are carrying higher debt multiples, looser terms and lower credit ratings. As stated previously, consistent with an investment strategy focused on delivering attractive risk-adjusted returns, we will continue to maintain credit and investment discipline, potentially forfeiting yield in order to do so.

PORTFOLIO OVERVIEW

The Trust's strong performance during the quarter was attributable to improving loan process across most sectors, enhanced by above-index returns on several sizeable individual holdings and marginally higher utilization of leverage for investment purposes. In addition, there were fewer instances of negative valuation movements on legacy holdings. Cable (9.3% of total assets at quarter-end), printing/publishing (7.8%) and healthcare (6.7%) remained among the top three sector exposures, with minor changes in rankings traceable primarily to refinancing and secondary market activity. Notable variances in other sectors during the quarter included continued reductions in automotive (to 4.5%, from 5.6% at prior quarter-end) and cellular (to 4.4%, from 5.2%), the former a combination of profit taking and defensive credit management, and the latter due largely to the refinancing/recapitalization of several bellwether issuers. The Trust remains well diversified, with average issuer and sector exposure at approximately 0.24% of total assets and 2.62% of total assets, respectively, at the end of the quarter. Organic non-performing assets (i.e., current as to

TOP TEN INDUSTRY SECTORS

AS OF NOVEMBER 30, 2004

AS A PERCENTAGE OF:

| | TOTAL ASSETS | NET ASSETS |
|----------------------------------------|-----------------|---------------|
| Cable Television | 9.3% | 17.2% |
| Printing and Publishing | 7.8% | 14.4% |
| Healthcare, Education and Childcare | 6.7% | 12.5% |
| Containers, Packaging and Glass | 5.3% | 9.8% |
| Chemicals, Plastics and Rubber | 4.8% | 8.9% |
| Leisure, Amusement, Entertainment | 4.7% | 8.7% |
| Automobile | 4.5% | 8.2% |
| Cellular | 4.4% | 8.1% |
| Other Telecommunications | 4.2% | 7.8% |
| Radio and TV Broadcasting | 4.1% | 7.5% |

Portfolio holdings are subject to change daily.

TOP TEN SENIOR LOAN ISSUERS

AS OF NOVEMBER 30, 2004

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AS A PERCENTAGE OF:

| | TOTAL ASSETS | NET ASSETS |
|------------------------------------------|-----------------|---------------|
| Charter Communications Operating, LLC | 2.5% | 4.7% |
| Nextel Finance Company | 1.5% | 2.7% |
| Olympus Cable Holdings, LLC | 1.1% | 2.0% |
| Century Cable Holdings, LLC | 1.0% | 1.8% |
| Metro-Goldwyn-Mayer Studios, Inc. | 1.0% | 1.8% |
| Dex Media West, LLC | 1.0% | 1.8% |
| Huntsman International, LLC | 1.0% | 1.8% |
| Community Health Systems, Inc. | 0.9% | 1.8% |
| Paxson Communications Corporation | 0.9% | 1.7% |
| Allegheny Energy Supply Company | 0.9% | 1.6% |

Portfolio holdings are subject to change daily.

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PORTFOLIO MANAGERS' REPORT (continued)

interest and/or principal at time of purchase) continued to decline, ending the quarter well under 1% of total assets on a trade-date basis.

USE OF LEVERAGE

The Trust utilizes financial leverage to seek to increase the yield to the holders of common shares. As of November 30, 2004, the Trust had \$450 million of "Aaa/AAA⁽²⁾" rated cumulative auction rate preferred shares outstanding, and \$403 million of borrowings outstanding under \$570 million in available credit facilities. Total leverage, as a percentage of total assets (including preferred shares), was 43.46% at period end. The use of leverage for investment purposes increases both investment opportunity and investment risk.

OUTLOOK

In short, the near-term outlook, for the Trust and the market as a whole, is one of little change, but fundamentally positive nonetheless. Although the leveraged loan market remains historically tight, driven by a seemingly unquenchable demand for floating rate paper, an increasingly robust visible pipeline for new loan product will hopefully prove sufficient to satisfy that demand without further degradation in average borrowing spreads and/or customary structural protections. In the absence of some outside shock, default rates should remain low at least over the near-term and loan prices near their current highs. We also look for continued increases in short-term interest rates to offset potential further erosion in borrowing spreads. All in all, the existing backdrop is conducive to favorable performance on the part of a conservatively-managed, adequately diversified portfolio of secured, floating rate loans.

We thank you for your investment in ING Prime Rate Trust.

Jeffrey A. Bakalar
Senior Vice President
Senior Portfolio Manager
ING Investment Management Co.

Daniel A. Norman
Senior Vice President
Senior Portfolio Manager
ING Investment Management Co.

ING Prime Rate Trust
January 25, 2004

⁽²⁾ Obligations rated Aaa by Moody's Investors Service are judged to be of the highest quality, with minimal credit risk. An obligator rated 'AAA' has extremely strong capacity to meet its financial commitments. 'AAA' is the highest Issuer Credit Rating assigned by Standard & Poor's. Credit quality refers to the Trust's underlying investments, not to the stability or safety of this Trust.

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PORTFOLIO MANAGERS' REPORT (continued)

| | Average Annual Total Returns for the Periods Ended November 30, 2004 | | | |
|-------------------------------------------------|-------------------------------------------------------------------------|---------|---------|----------|
| | 1 Year | 3 Years | 5 Years | 10 Years |
| Based on Net Asset Value (NAV) | 8.14% | 7.03% | 3.76% | 5.80% |
| Based on Market Value | 5.23% | 11.00% | 3.12% | 5.97% |
| Credit Suisse First Boston Leveraged Loan Index | 5.76% | 6.03% | 5.06% | 5.96% |
| S&P/LSTA Leveraged Loan Index ^(a) | 5.37% | 5.77% | 5.30% | - |

Performance data represents past performance and is no guarantee of future results. Investment return and principal value of an investment in the Trust will fluctuate. Shares, when sold, may be worth more or less than their original cost. The Trust's performance may be lower or higher than the performance data shown. Please log on to www.ingfunds.com or call (800) 992-0180 to get performance through the most recent month end.

Assumes rights were exercised and excludes sales charges and commissions^{(b),(c),(d)}

^(a) Performance since inception for the index is 5.31% from January 1, 1997.

^(b) Calculation of total return assumes a hypothetical initial investment at the net asset value (in the case of NAV) or the NYSE Composite closing price (in the case of Market Value) on the last business day before the first day of the stated period, with all dividends and distributions reinvested at the actual reinvestment price.

^(c) On December 27, 1994, the Trust issued to its shareholders transferable rights which entitled the holders to subscribe for 17,958,766 shares of the Trust's common stock at the rate of one share of common stock for each four rights held. On January 27, 1995, the offering expired and was fully subscribed. The Trust issued 17,958,766 shares of its common stock to exercising rights holders at a subscription price of \$8.12. Offering costs of \$4,470,955 were charged against the offering proceeds.

^(d) On October 18, 1996, the Trust issued to its shareholders non-transferable rights which entitled the holders to subscribe for 18,122,963 shares of the Trust's common stock at the rate of one share of common stock for each five rights held. On November 12, 1996, the offering expired and was fully subscribed. The Trust issued 18,122,963 shares of its common stock to exercising rights holders at a subscription price of \$9.09. Offering costs of \$6,972,203 were charged against the offering proceeds.

Senior loans are subject to credit risks and the potential for non-payment of scheduled principal or interest payments, which may result in a reduction of the Trust's NAV.

This report contains statements that may be "forward-looking" statements. Actual results could differ materially from those projected in the "forward-looking" statements.

The views expressed in this report reflect those of the portfolio managers, only through the end of the period of the report as stated on the cover. The portfolio managers' views are subject to change at any time based on market and other conditions.

INDEX DESCRIPTIONS

The Credit Suisse First Boston Leveraged Loan Index is an unmanaged index of below investment grade loans designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market. An investor cannot invest directly in an index.

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The S&P/LSTA Leveraged Loan Index ("LLI") is an unmanaged total return index that captures accrued interest, repayments, and market value changes. It represents a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers. Standard & Poor's and the Loan Syndications & Trading Association ("LSTA") conceived the LLI to establish a performance benchmark for the syndicated leveraged loan industry. An investor cannot invest directly in an index.

ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT (continued)

YIELDS AND DISTRIBUTIONS RATES

| Quarter Ended | Prime Rate | Net Asset Value ("NAV") 30-Day SEC Yield ^(A) | Market 30-Day SEC Yield ^(A) | Average Annualized Distribution Rate at NAV ^(B) | Average Annualized Distribution Rate at Market ^(B) |
|-------------------|------------|---------------------------------------------------------|----------------------------------------|------------------------------------------------------------|---------------------------------------------------------------|
| November 30, 2004 | 5.00% | 5.83% | 5.80% | 5.86% | 5.62% |
| August 31, 2004 | 4.50% | 6.03% | 5.55% | 5.74% | 5.31% |
| May 31, 2004 | 4.00% | 5.83% | 5.44% | 5.62% | 5.17% |
| February 29, 2004 | 4.00% | 5.56% | 5.20% | 5.82% | 5.35% |

^(A) Yield is calculated by dividing the Trust's net investment income per share for the most recent thirty days by the net asset value (in the case of NAV) or the NYSE Composite closing price (in the case of market) at quarter-end. Yield calculations do not include any commissions or sales charges, and are compounded for six months and annualized for a twelve-month period to derive the Trust's yield consistent with the SEC standardized yield formula for investment companies.

^(B) The distribution rate is calculated by annualizing each monthly dividend, then averaging the annualized dividends declared for each month during the quarter and dividing the resulting average annualized dividend amount by the Trust's average net asset value (in the case of NAV) or the NYSE Composite closing price (in the case of Market) at the end of the period.

Principal Risk Factor(s): This closed-end Fund may invest in below investment grade senior loans. Investment in the Fund involves the risk that borrowers may default on obligations, or that lenders may have difficulty liquidating the collateral securing the loans or enforcing their rights under the terms of the senior loans. Senior loans are subject to credit risks and the potential for non-payment of scheduled principal or interest payments, which may result in a reduction of the Fund's NAV. The use of leverage for investment purposes increases both investment opportunity and investment risk. In the event of a general market decline in the value of assets such as those in which the Fund invests, the effect of that decline will be magnified in the Fund because of the additional assets purchased with the proceeds of the leverage.

Interest Rate Risk: Changes in market interest rates will affect the yield on the Fund's Common Shares. If market interest rates fall, the yield on the Fund's Common Shares will also fall. In addition, changes in market interest rates may cause the Fund's NAV to experience moderate volatility because of the lag between changes in market rates and the resetting of the floating rates on assets in the Fund's portfolio. To the extent that market interest rate changes are reflected as a change in the market spreads for loans of the type and quality in which the Fund invests, the value of the Fund's portfolio may decrease in response to an increase in such spreads. Finally, substantial increases in interest rates may cause an increase in loan defaults as borrowers may lack the resources to meet higher debt service requirements.

ING Prime Rate Trust

STATEMENT OF ASSETS AND LIABILITIES as of November 30, 2004 (Unaudited)

ASSETS:

| | |
|--------------------------------------------------------------|------------------|
| Investments in securities at value (Cost \$1,924,847,946) | \$ 1,940,381,991 |
|--------------------------------------------------------------|------------------|

Receivables:

| | |
|----------------------------|------------|
| Investment securities sold | 14,050,682 |
|----------------------------|------------|

| | |
|----------|------------|
| Interest | 10,010,742 |
|----------|------------|

| | |
|-------|--------|
| Other | 65,801 |
|-------|--------|

| | |
|------------------|---------|
| Prepaid expenses | 142,279 |
|------------------|---------|

| | |
|--------------|---------------|
| Total assets | 1,964,651,495 |
|--------------|---------------|

LIABILITIES:

| | |
|---------------|-------------|
| Notes payable | 403,000,000 |
|---------------|-------------|

| | |
|-----------------------------------|------------|
| Payable for investments purchased | 40,814,217 |
|-----------------------------------|------------|

| | |
|-------------------------------------------|-----------|
| Deferred arrangement fees on senior loans | 2,177,986 |
|-------------------------------------------|-----------|

| | |
|--------------------------------------|---------|
| Dividends payable - preferred shares | 101,712 |
|--------------------------------------|---------|

| | |
|-----------------------|-----------|
| Payable to affiliates | 1,632,860 |
|-----------------------|-----------|

| | |
|-----------------------------------------|-----------|
| Payable to custodian for bank overdraft | 2,430,343 |
|-----------------------------------------|-----------|

| | |
|----------------------|--------|
| Accrued trustee fees | 58,100 |
|----------------------|--------|

| | |
|----------------------------------------|-----------|
| Other accrued expenses and liabilities | 2,021,575 |
|----------------------------------------|-----------|

| | |
|-------------------|-------------|
| Total liabilities | 452,236,793 |
|-------------------|-------------|

| | |
|----------------------------------------------------------------------------------------------------------|-------------|
| Preferred shares, \$25,000 stated value per share at liquidation value (18,000 shares outstanding) | 450,000,000 |
|----------------------------------------------------------------------------------------------------------|-------------|

| | |
|------------|------------------|
| NET ASSETS | \$ 1,062,414,702 |
|------------|------------------|

| | |
|---------------------------------------------------------------------------------------|--|
| Net assets value per common share outstanding (net assets less preferred shares | |
|---------------------------------------------------------------------------------------|--|

| | |
|----------------------------------|--|
| at liquidation value, divided by | |
|----------------------------------|--|

| | |
|----------------------------------------------------------------------------------------|---------|
| 143,500,680 shares of beneficial interest authorized and outstanding, no par value) | \$ 7.40 |
|----------------------------------------------------------------------------------------|---------|

NET ASSETS CONSIST OF:

| | |
|-----------------|------------------|
| Paid-in capital | \$ 1,333,705,396 |
|-----------------|------------------|

| | |
|-------------------------------------|-----------|
| Undistributed net investment income | 5,736,231 |
|-------------------------------------|-----------|

| | |
|-------------------------------------------------|---------------|
| Accumulated net realized loss on investments | (292,560,970) |
|-------------------------------------------------|---------------|

| | |
|-----------------------------------------------|------------|
| Net unrealized appreciation on investments | 15,334,045 |
|-----------------------------------------------|------------|

| | |
|------------|------------------|
| NET ASSETS | \$ 1,062,414,702 |
|------------|------------------|

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

STATEMENT OF OPERATIONS for the Nine Months Ended November 30, 2004 (Unaudited)

INVESTMENT INCOME:

| | | |
|-------------------------|----|------------|
| Interest | \$ | 65,618,847 |
| Arrangement fees earned | | 1,461,108 |
| Dividends | | 106,482 |
| Other | | 1,749,201 |
| Total investment income | | 68,935,638 |

EXPENSES:

| | | |
|---------------------------------------------------|--|------------|
| Investment management fees | | 11,312,059 |
| Administration fees | | 3,535,018 |
| Transfer agent and registrar fees | | 101,508 |
| Interest | | 5,843,788 |
| Shareholder reporting expense | | 116,054 |
| Custodian fees | | 686,385 |
| Professional fees | | 703,703 |
| Preferred Shares - Dividend disbursing agent fees | | 893,425 |
| Pricing expense | | 46,547 |
| ICI fees | | 32,218 |
| Postage expense | | 164,536 |
| Trustee fees | | 49,900 |
| Excise tax expense | | 117,314 |
| Miscellaneous expense | | 156,397 |
| Total expenses | | 23,758,852 |
| Net reimbursed fees | | (117,314) |
| Net expenses | | 23,641,538 |
| Net investment income | | 45,294,100 |

REALIZED AND UNREALIZED GAIN (LOSS)
FROM INVESTMENTS:

| | | |
|-------------------------------------------------------------------------|--|--------------|
| Net realized loss on investments | | (10,267,029) |
| Net change in unrealized appreciation or depreciation on investments | | 20,704,609 |
| Net realized and unrealized gain on investments | | 10,437,580 |

DISTRIBUTIONS TO PREFERRED

SHAREHOLDERS:

| | | |
|------------------------------------------------------|----|-------------|
| From net investment income | | (5,026,373) |
| Net increase in net assets resulting from operations | \$ | 50,705,307 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)

| | Nine Months Ended November 30, 2004 | Year Ended February 29, 2004 |
|------------------------------------------------------------------------------------------------------------|----------------------------------------------|------------------------------------|
| FROM OPERATIONS: | | |
| Net investment income | \$ 45,294,100 | \$ 64,881,220 |
| Net realized loss on investments | (10,267,029) | (45,502,509) |
| Net change in unrealized appreciation or depreciation on investments | 20,704,609 | 126,661,233 |
| Distributions to preferred shareholders from net investment income | (5,026,373) | (5,199,537) |
| Net increase in net assets resulting from operations | 50,705,307 | 140,840,407 |
| FROM DISTRIBUTIONS TO COMMON SHAREHOLDERS: | | |
| From net investment income | (44,192,968) | (57,649,691) |
| Total distributions to common shareholders | (44,192,968) | (57,649,691) |
| FROM CAPITAL SHARE TRANSACTIONS: | | |
| Dividends reinvested for common shares | 11,385,483 | 4,364,604 |
| Sales of shares in connection with shelf offering | 34,191,439 | 386,779 |
| Net increase from capital share transactions | 45,576,922 | 4,751,383 |
| Net increase in net assets | 52,089,261 | 87,942,099 |
| NET ASSETS: | | |
| Beginning of period | 1,010,325,441 | 922,383,342 |
| End of period (including undistributed net investment income of \$5,736,231 and \$9,661,472, respectively) | \$ 1,062,414,702 | \$ 1,010,325,441 |
| SUMMARY OF CAPITAL SHARE TRANSACTIONS: | | |
| Shares issued in payment of distributions from | 162,755 | 612,173 |

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| | | |
|-----------------------------------------------|-----------|---------|
| net | | |
| investments income | | |
| Shares sold in connection with shelf offering | 5,327,830 | 53,184 |
| Net increase in shares outstanding | 5,490,585 | 665,357 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

STATEMENT OF CASH FLOWS for the Nine Months Ended November 30, 2004 (Unaudited)

INCREASE (DECREASE) IN CASH

Cash Flows from Operating Activities:

| | | |
|------------------------------------------|----|-----------------|
| Interest received | \$ | 61,501,692 |
| Dividends received | | 106,482 |
| Dividends paid to preferred shareholders | | (4,991,940) |
| Arrangement fee paid | | (591,924) |
| Other income received | | 1,776,717 |
| Interest paid | | (5,843,788) |
| Other operating expenses paid | | (17,076,793) |
| Purchases of securities | | (1,540,974,560) |
| Proceeds from sales of securities | | 1,321,811,733 |
| Net cash used in operating activities | | (184,282,381) |

Cash Flows from Financing Activities:

| | | |
|----------------------------------------------------------|----|--------------|
| Distributions paid to common shareholders | | (32,807,485) |
| Proceeds from shelf offerings | | 34,191,439 |
| Net issuance of notes payable | | 178,000,000 |
| Increase in payable to custodian for bank overdraft | | 2,430,343 |
| Net cash flows provided by financing activities | | 181,814,297 |
| Net decrease in cash | | (2,468,084) |
| Cash at beginning of period | | 2,468,084 |
| Payable to custodian for bank overdraft at end of period | \$ | - |

Reconciliation of Net Increase in Net Assets

Resulting from Operations to Net

Cash Used in Operating Activities:

| | | |
|-----------------------------------------------------------------------------------------------------------------------------|----|-----------------|
| Net increase in net assets resulting from operations | \$ | 50,705,307 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities: | | |
| Change in unrealized depreciation on securities | | (20,704,609) |
| Net accretion of discounts on securities | | (1,845,701) |
| Realized loss on sale of securities | | 10,267,029 |
| Purchase of securities | | (1,540,974,560) |
| Proceeds on sale of securities | | 1,321,811,733 |
| Increase in other assets | | 27,516 |
| Decrease in interest receivable | | (2,271,454) |
| Increase in prepaid expenses | | (104,989) |
| Decrease in deferred arrangement fees on senior loans | | (2,053,032) |
| Increase in preferred shareholder dividend payable | | 34,433 |
| Increase in affiliate payable | | 248,442 |
| Increase in accrued trustee fees | | 15,898 |
| Increase in accrued expenses | | 561,606 |
| Total adjustments | | (234,987,688) |
| Net cash used in operating activities | \$ | (184,282,381) |
| Noncash Financing Activities | | |
| Reinvestment of dividends | \$ | 11,385,483 |

See Accompanying Notes to Financial Statements

ING PRIME RATE TRUST FINANCIAL HIGHLIGHTS

For a common share outstanding throughout the period

| | Nine Months Ended November 30, 2004 (Unaudited) | 2004 | Years Ended February 28 or February 29, | | | 2000 |
|-----------------------------------------------------------------|-------------------------------------------------------------|--------|-----------------------------------------|--------|--------|--------|
| | | 2003 | 2002 | 2001 | | |
| Per Share Operating Performance | | | | | | |
| Net asset value, beginning of period | \$ 7.34 | 6.73 | 7.20 | 8.09 | 8.95 | 9.24 |
| Income from investment operations: | | | | | | |
| Net investment income | \$ 0.34 | 0.46 | 0.50 | 0.74 | 0.88 | 0.79 |
| Net realized and unrealized gain (loss) on investments | 0.08 | 0.61 | (0.47) | (0.89) | (0.78) | (0.30) |
| Total from investment operation | \$ 0.42 | 1.07 | 0.03 | (0.15) | 0.10 | 0.49 |
| Distributions to Common Shareholders from net investment income | \$ (0.32) | (0.42) | (0.45) | (0.63) | (0.86) | (0.78) |
| Distribution to Preferred Shareholders | \$ (0.04) | (0.04) | (0.05) | (0.11) | (0.06) | - |
| Reduction in net asset value from Preferred Shares offerings | \$ - | - | - | - | (0.04) | - |
| Net asset value, end of year | \$ 7.40 | 7.34 | 6.73 | 7.20 | 8.09 | 8.95 |
| Closing market price | \$ 7.44 | 7.84 | 6.46 | 6.77 | 8.12 | 8.25 |

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| | | | | | | |
|-------------------------------------------------------------------------------------------------------|-----------|-----------|---------|---------|-----------|-----------|
| at end of period | | | | | | |
| Total Investment Return ⁽¹⁾ | | | | | | |
| Total investment return at closing market price ⁽²⁾ % | (1.03) | 28.77 | 2.53 | (9.20) | 9.10 | (5.88) |
| Total investment return at net asset value ⁽³⁾ % | 5.15 | 15.72 | 0.44 | (3.02) | 0.19 | 5.67 |
| Ratios/Supplemental Data | | | | | | |
| Net assets end of year (000's) \$ | 1,062,415 | 1,010,325 | 922,383 | 985,982 | 1,107,432 | 1,217,339 |
| Preferred Shares-Aggregate amount outstanding (000's) \$ | 450,000 | 450,000 | 450,000 | 450,000 | 450,000 | - |
| Liquidation and market value per share of Preferred Shares \$ | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | - |
| Borrowings at end of year (000's) \$ | 403,000 | 225,000 | 167,000 | 282,000 | 510,000 | 484,000 |
| Asset coverage per \$1,000 of debt ⁽⁴⁾ \$ | 2,250 | 2,500 | 2,500 | 2,350 | 2,150 | 3,520 |
| Average borrowings (000's) \$ | 398,387 | 143,194 | 190,671 | 365,126 | 450,197 | 524,019 |
| Ratios to average net assets including Preferred Shares ⁽⁵⁾ | | | | | | |
| Expenses (before interest and other fees related to revolving credit facility) ⁽⁶⁾ % | 1.59 | 1.45 | 1.49 | 1.57 | 1.62 | - |

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| | | | | | | |
|-----------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------------------|
| Net expenses after expense reimbursement ⁽⁶⁾ | 2.12 | 1.65 | 1.81 | 2.54 | 3.97 | - |
| Gross expenses prior to expense reimbursement ⁽⁶⁾ | 2.14 | 1.65 | 1.81 | 2.54 | 3.97 | - |
| Net investment income ⁽⁶⁾ | 2.05 | 4.57 | 4.97 | 6.83 | 9.28 | - |
| Ratios to average net assets plus borrowings | | | | | | |
| Expenses (before interest and other fees related to revolving credit facility) ⁽⁶⁾ | 1.66 | 1.84 | 1.82 | 1.66 | 1.31 | 1.00 ⁽⁷⁾ |
| Net expenses after expense reimbursement ⁽⁶⁾ | 2.20 | 2.09 | 2.23 | 2.70 | 3.21 | 2.79 ⁽⁷⁾ |
| Gross expenses prior to expense reimbursement ⁽⁶⁾ | 2.22 | 2.09 | 2.23 | 2.70 | 3.21 | 2.79 ⁽⁷⁾ |
| Net investment income ⁽⁶⁾ | 4.21 | 5.82 | 6.10 | 7.24 | 7.50 | 6.12 |
| Ratios to average net assets | | | | | | |
| Expenses (before interest and other fees related to revolving credit facility) ⁽⁶⁾ | 2.30 | 2.11 | 2.19 | 2.25 | 1.81 | 1.43 ⁽⁷⁾ |
| Net expenses after expense reimbursement ⁽⁶⁾ | 3.05 | 2.40 | 2.68 | 3.64 | 4.45 | 4.00 ⁽⁷⁾ |
| Gross expenses prior to expense reimbursement ⁽⁶⁾ | 3.07 | 2.40 | 2.68 | 3.64 | 4.45 | 4.00 ⁽⁷⁾ |
| Net investment income ⁽⁶⁾ | 5.84 | 6.68 | 7.33 | 9.79 | 10.39 | 8.77 |
| Portfolio turnover rate % | 70 | 87 | 48 | 53 | 46 | 71 |
| Common shares | 143,501 | 137,638 | 136,973 | 136,973 | 136,847 | 136,036 |

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outstanding
at
end
of
period
(000's)

(1) Total investment return calculations are attributable to common shares.

(2) Total investment return measures the change in the market value of your investment assuming reinvestment of dividends and capital gain distributions, if any, in accordance with the provisions of the Trust's dividend reinvestment plan.

(3) Total investment return at net asset value has been calculated assuming a purchase at net asset value at the beginning of each period and a sale at net asset value at the end of each period and assumes reinvestment of dividends and capital gain distributions in accordance with the provisions of the dividend reinvestment plan. This calculation differs from total investment return because it excludes the effects of changes in the market values of the Trust's shares.

(4) Asset coverage represents the total assets available for settlement of Preferred Stockholder's interest and notes payables in relation to the Preferred Shareholder interest and notes payable balance outstanding. The Preferred Shares were first offered November 2, 2000.

(5) Ratios do not reflect the effect of dividend payments to Preferred Shareholders; income ratios reflect income earned on assets attributable to the Preferred Shares.

(6) Annualized for periods less than one year.

(7) Calculated on total expenses before impact on earnings credits.

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited)

NOTE 1 - ORGANIZATION

ING Prime Rate Trust (the "Trust"), a Massachusetts business trust, is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a diversified, closed-end, management investment company. The Trust invests primarily in senior loans which are exempt from registration under the Securities Act of 1933, as amended (the "33 Act"), but which contain certain restrictions on resale and cannot be sold publicly. These loans bear interest (unless otherwise noted) at rates that float periodically at a margin above the Prime Rate of a U.S. bank specified in the credit agreement, the London Inter-Bank Offered Rate ("LIBOR"), the certificate of deposit rate, or in some cases another base lending rate.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principals generally accepted in the United States of America for investment companies.

A. Senior Loan and Other Security Valuation. Senior loans held by the Trust are normally valued at the mean of the means of one or more bid and ask quotations obtained from an independent pricing service or other sources determined by the Board of Trustees to be independent and believed to be reliable. Loans for which reliable market value quotations are not readily available may be valued with reference to another loan or a group of loans for which reliable quotations are readily available and whose characteristics are comparable to the loan being valued. Under this approach, the comparable loan or loans serve as a proxy for changes in value of the loan being valued.

The Trust has engaged an independent pricing service to provide readily available, reliable market value quotations from dealers in loans and, when such quotations are not readily available, to calculate values under the proxy procedure described above. As of November 30, 2004, 98.5% of total investments were valued based on these procedures. It is expected that most of the loans held by the Trust will continue to be valued with reference to quotations from the independent pricing service or with reference to the proxy procedure described above.

Prices from a pricing source may not be available for all loans and ING Investments, LLC (the "Investment Manager") or ING Investment Management Co. (formerly, Aeltus Investment Management, Inc.) ("ING IM" the "Sub-Adviser"), may believe that the price for a loan derived from market quotations or the proxy procedure described above is not reliable or accurate. Among other reasons, this may be the result of information about a particular loan or borrower known to the Investment Manager or the Sub-Adviser that the Investment Manager or the Sub-Adviser believes may not be known to the pricing service or reflected in a price quote. In this event, the loan is valued at fair value as determined in good faith under procedures established by the Trust's Board of Trustees and in accordance with the provisions of the 1940 Act. Under these procedures, fair value is determined by the Investment Manager and monitored by the Trust's Board of Trustees through its Valuation and Proxy Voting Committee. In fair valuing a loan, consideration is given to several factors, which may include, among others, the following: (i) the characteristics of and fundamental analytical data relating to the loan, including the cost, size, current interest rate, period until the next interest rate reset, maturity and base lending rate of the loan, the terms and conditions of the loan and any related agreements, and the position of the loan in the borrower's debt structure; (ii) the nature, adequacy and value of the collateral, including the Trust's rights, remedies and interests with respect to the collateral; (iii) the creditworthiness of the borrower and the cash flow coverage of outstanding principal and interest, based on an evaluation of its financial condition, financial statements and information about the borrower's business, cash flows, capital structure and future prospects;

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited) (continued)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

(iv) information relating to the market for the loan, including price quotations for, and trading in, the loan and interests in similar loans; (v) the reputation and financial condition of the agent for the loan and any intermediate participants in the loan; (vi) the borrower's management; and (vii) the general economic and market conditions affecting the fair value of the loan. Securities for which the primary market is a national securities exchange are valued at the last reported sale price. Securities reported by NASDAQ will be valued at the NASDAQ official closing price. Securities traded in the over-the-counter market and listed securities for which no sale was reported on a valuation date are valued at the mean between the last reported bid and ask price on such exchange. Securities other than senior loans for which reliable market value quotations are not readily available and all other assets will be valued at their respective fair values as determined in good faith by, and under procedures established by, the Board of Trustees of the Trust. Investments in securities maturing in less than 60 days from the date of valuation are valued at amortized cost, which, when combined with accrued interest approximates market value.

B. Federal Income Taxes. It is the Trust's policy to comply with subchapter M of the Internal Revenue Code and related excise tax provisions applicable to regulated investment companies and to distribute substantially all of its net investment income and net realized capital gains to its shareholders. Therefore, no federal income tax provision is required. No capital gain distributions will be made by the Trust until any capital loss carryforwards have been fully utilized or expire.

C. Security Transactions and Revenue Recognition. Revolver and delayed draw loans are booked on a settlement date basis. Security transactions and senior loans are accounted for on trade date (date the order to buy or sell is executed). Realized gains or losses are reported on the basis of identified cost of securities sold. Dividend income is recognized on the ex-dividend date. Interest income is recorded on an accrual basis at the then-current interest rate of the loan. The accrual of interest on loans is discontinued when, in the opinion of management, there is an indication that the borrower may be unable to meet payments as they become due. Upon such discontinuance, all unpaid accrued interest is reversed. Cash collections on non-accrual senior loans are generally applied as a reduction to the recorded investment of the loan. Senior loans are generally returned to accrual status only after all past due amounts have been received. For all loans acquired prior to March 1, 2001, arrangement fees received, which represent non-refundable fees associated with the acquisition of loans, were deferred and recognized over the shorter of 2.5 years or the actual terms of the loan. For all loans, except revolving credit facilities, acquired subsequent to February 28, 2001, fees received are treated as discounts and are accreted whereas premiums are amortized. Fees associated with revolving credit facilities acquired subsequent to February 28, 2001 are deferred and recognized over the shorter of four years or the actual term of the loan.

D. Distributions to Common Shareholders. The Trust declares dividends monthly for net investment income. Distributions from capital gains, if any, are declared and paid annually. The Trust may make additional distributions to comply with the distribution requirements of the Internal Revenue Code. The character and amounts of income and gains to be distributed are determined in accordance with federal income tax regulations, which may differ from accounting principles generally accepted in the United States of America for investment companies. Dividends paid by the Trust from net investment income and distributions of net realized short-term capital gains are, for federal income tax purposes, taxable as ordinary income to shareholders. The Trust records distributions to its shareholders on the ex-dividend date.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited) (continued)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Dividend Reinvestments. Pursuant to the Trust's Shareholder Investment Program (formerly known as the Automatic Dividend Reinvestment Plan), DST Systems, Inc., the Plan Agent, purchases, from time to time, shares of beneficial interest of the Trust on the open market to satisfy dividend reinvestments. Such shares are purchased on the open market only when the closing sale or bid price plus commission is less than the net asset value per share of the Trust's common shares on the valuation date. If the market price plus commissions is equal to or exceeds the net asset value, new shares are issued by the Trust at the greater of (i) net asset value or (ii) the market price of the shares during the pricing period, minus a discount of 5%.

F. Use of Estimates. Management of the Trust has made certain estimates and assumptions relating to the reporting of assets, liabilities, revenues, expenses and contingencies to prepare these financial statements in conformity with generally accepted accounting principles in the United States of America for investment companies. Actual results could differ from these estimates.

G. Share Offerings. Beginning in the year ended February 28, 1999, the Trust began issuing shares under various shelf registration statements, whereby the net proceeds received by the Trust from share sales may not be less than the greater of (i) the NAV per share or (ii) 94% of the average daily market price over the relevant pricing period.

NOTE 3 - INVESTMENTS

For the nine months ended November 30, 2004, the cost of purchases and the proceeds from principal repayment and sales of investments, excluding short-term notes, totaled \$1,540,974,560 and \$1,321,811,733, respectively. At November 30, 2004, the Trust held senior loans valued at \$1,905,728,393 representing 98.2% of its total investments. The market value of these assets is established as set forth in Note 2.

The senior loans acquired by the Trust typically take the form of a direct lending relationship with the borrower, and are typically acquired through an assignment of another lender's interest in a loan. The lead lender in a typical corporate loan syndicate administers the loan and monitors the collateral securing the loan.

Common and preferred shares, and stock purchase warrants held in the portfolio were acquired in conjunction with loans held by the Trust. Certain of these stocks and warrants are restricted and may not be publicly sold without registration under the '33 Act, or without an exemption under the '33 Act. In some cases, these restrictions expire after a designated period of time after issuance of the shares or warrants.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited) (continued)

NOTE 3 - INVESTMENTS (continued)

Dates of acquisition and cost or assigned basis of restricted securities are as follows:

| | Date of Acquisition | Cost or Assigned Basis |
|----------------------------------------------------------------------------------------|------------------------|---------------------------|
| Acterna, LLC - Common Shares | 11/24/03 | \$ 1,090,731 |
| Acterna, Inc. - Contingent Right | 11/24/03 | - |
| Allied Digital Technologies Corporation - Residual Interest in Bankruptcy Estate | 06/05/02 | 186,961 |
| AM Cosmetics Corporation - Liquidation Interest | 03/07/03 | 50 |
| Block Vision Holdings Corporation - Common Shares | 09/30/02 | - |
| Boston Chicken, Inc. - Residual Interest in Boston Chicken Plan Trust | 12/26/00 | 6,728,959 |
| Cedar Chemical - Liquidation Interest | 12/31/02 | - |
| Covenant Care, Inc. - Warrants | 12/22/95 | - |
| Covenant Care, Inc. - Warrants | 01/18/02 | - |
| Decision One Corporation - Common Shares | 06/16/00 | - |
| Electro Mechanical Solutions - Residual Interest in Bankruptcy Estate | 10/02/02 | 15 |
| Enginen Realty - Common Shares | 11/24/03 | - |
| Enterprise Profit Solutions - Liquidation Interest | 10/21/02 | - |
| Euro United Corporation - Residual Interest in Bankruptcy Estate | 06/21/02 | 2,335,366 |
| Exide Technologies - Warrants | 11/30/01 | - |
| Galey & Lord - Common Shares | 03/31/04 | - |
| Gate Gourment Borrower, LLC - Common Shares | 12/04/03 | - |
| Gemini Leasing, Inc. - Common Shares | 01/08/04 | - |
| Grand Union Company - Residual Interest in Bankruptcy Estate | 07/01/02 | 2,576 |
| Holmes Group - Common Shares | 05/26/04 | - |
| Humphreys, Inc. - Residual Interest in Bankruptcy Estate | 05/15/02 | 100 |
| Imperial Home Décor Group, Inc. - Common Shares | 05/02/01 | 1,654,378 |
| Imperial Home Décor Group, Inc. - Liquidation Interest | 01/22/04 | - |
| Insilco Technologies - Residual Interest in Bankruptcy Estate | 05/02/03 | 21,140 |
| Intera Group, Inc. - Common Shares | 11/29/02 | - |
| IT Group, Inc. - Residual Interest in Bankruptcy Estate | 09/12/03 | 87,001 |
| Kevco, Inc. - Residual Interest in Bankruptcy Estate | 06/05/02 | 147,443 |
| Lincoln Pulp and Eastern Fine - Residual Interest in Bankruptcy Estate | 06/08/04 | - |
| Malden Mills Industries, Inc. - Common Shares | 11/04/03 | - |
| Malden Mills Industries, Inc. - Preferred Shares | 11/04/03 | - |

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| | | |
|----------------------------------------------------------------------------------------------------------------------------------------|----------|---------------|
| Morris Material Handling, Inc. - Common Shares | 10/09/01 | 3,009,059 |
| MP Holdings, Inc. - Common Shares | 04/16/01 | 6 |
| Murray's Discount Auto Stores, Inc. - Escrow | 08/11/03 | 40,136 |
| Neoplan USA Corporation - Common Shares | 08/29/03 | - |
| Neoplan USA Corporation - Series B Preferred Shares | 08/29/03 | - |
| Neoplan USA Corporation - Series C Preferred Shares | 08/29/03 | 428,603 |
| Neoplan USA Corporation - Series D Preferred Shares | 08/29/03 | 3,524,300 |
| New Piper Aircraft - Residual Interest in Litigation Proceeds | 07/02/03 | - |
| New World Restaurant Group, Inc. - Warrants | 09/27/01 | 40 |
| Norwood Promotional Products, Inc. - Common Shares | 08/23/04 | 32,939 |
| Safelite Glass Corporation - Common Shares | 10/17/00 | - |
| Safelite Realty - Common Shares | 10/17/00 | - |
| Scientific Games Corporation - Common Shares | 10/30/03 | 554,457 |
| Soho Publishing - Common Shares | 01/10/02 | 133 |
| Targus Group, Inc. - Common Shares | 03/11/03 | - |
| Transtar Metals - Residual Interest in Bankruptcy Estate | 01/09/03 | 80,459 |
| TSR Wireless, LLC - Residual Interest in Bankruptcy Estate | 10/15/02 | - |
| U.S. Aggregates - Residual Interest in Bankruptcy Estate | 04/07/03 | - |
| U.S. Office Products Company - Residual Interest in Bankruptcy Estate | 02/11/04 | - |
| Total restricted securities excluding senior loans (market value of \$23,609,539 was 2.2% of net assets at November 30, 2004) | | \$ 19,924,852 |

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited) (continued)

NOTE 4 - MANAGEMENT AND ADMINISTRATION AGREEMENTS

The Trust has entered into an Investment Management Agreement with the Investment Manager, a wholly-owned subsidiary of ING Fund Services, LLC (the "Administrator"), to provide advisory and management services. The Investment Management Agreement compensates the Investment Manager with a fee, computed daily and payable monthly, at an annual rate of 0.80% of the Trust's Managed Assets. For purposes of this Agreement, "Managed Assets" shall mean the Trust's average daily gross asset value, minus the sum of the Trust's accrued and unpaid dividends on any outstanding preferred shares and accrued liabilities (other than liabilities for the principal amount of any borrowings incurred, commercial paper or notes issued by the Trust and the liquidation preference of any outstanding preferred shares).

The Investment Manager entered into a Sub-Advisory Agreement with ING IM, a wholly-owned subsidiary of ING Groep N.V., effective August 19, 2003. Subject to such policies as the Board or the Investment Manager may determine, ING IM manages the Trust's assets in accordance with the Trust's investment objectives, policies, and limitations.

The Trust has also entered into an Administration Agreement with the Administrator to provide administrative services and also to furnish facilities. The Administrator is compensated with a fee, computed daily and payable monthly, at an annual rate of 0.25% of the Trust's average daily Managed Assets.

NOTE 5 - TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES

At November 30, 2004, the Trust had the following amounts recorded in payables to affiliates on the accompanying Statement of Assets and Liabilities:

| Accrued Investment Management Fees | Accrued Administrative Fees | Total |
|---------------------------------------|--------------------------------|--------------|
| \$ 1,244,084 | \$ 388,776 | \$ 1,632,860 |

The Trust has adopted a Retirement Policy covering all independent trustees of the Trust who will have served as a independent trustee for at least five years at the time of retirement. Benefits under this plan are based on an annual rate as defined in the plan agreement.

NOTE 6 - COMMITMENTS

The Trust has entered into both a \$90 million 364-day revolving credit agreement which matures on August 25, 2005 and a \$480 million 364-day revolving securitization facility which matures on July 11, 2005, collateralized by assets of the Trust. Borrowing rates under these agreements are based on a fixed spread over LIBOR, the federal funds rate, or a commercial paper-based rate. Prepaid arrangement fees for these facilities are amortized over the term of the agreements. The amount of borrowings outstanding at November 30, 2004, was \$403 million. Weighted average interest rate on outstanding borrowings was 2.49%, excluding fees related to the unused portion of the facilities, and other fees. The amount of borrowings represented 20.53% of total assets at November 30, 2004. Average borrowings for the nine months ended November 30, 2004 were \$398,387,273 and the average annualized interest rate was 2.39% excluding other fees related to the unused portion of the facilities, and other fees.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited) (continued)

NOTE 6 - COMMITMENTS (continued)

As of November 30, 2004, the Trust had unfunded loan commitments pursuant to the terms of the following loan agreements:

| | | |
|----------------------------------|----|------------|
| Advance Stores Company, Inc. | \$ | 2,555,297 |
| Allied Waste North America, Inc. | | 1,483,300 |
| Baker & Taylor, Inc. | | 397,500 |
| Cincinnati Bell, Inc. | | 2,872,684 |
| Envirosolutions, Inc. | | 277,273 |
| GEO Specialty Chemicals, Inc. | | 621,754 |
| Green Valley Ranch Gaming, LLC | | 650,000 |
| IESI Corporation | | 1,080,625 |
| Innophos, Inc. | | 286,364 |
| Interstate Bakeries Corporation | | 2,500,000 |
| Kerasotes Theatres, Inc. | | 1,500,000 |
| NCI Building Systems, Inc. | | 3,750 |
| Neoplan USA Corporation | | 382,500 |
| Outsourcing Solutions, Inc. | \$ | 63,692 |
| Pinnacle Entertainment, Inc. | | 2,878,812 |
| Ply Gem Industries, Inc. | | 216,999 |
| Primedia, Inc. | | 4,623,118 |
| Saguaro Utility Group | | 4,500,000 |
| Six Flags Theme Parks, Inc. | | 3,000,000 |
| United Defense Industries, Inc. | | 3,000,000 |
| United Industries Corporation | | 1,846,154 |
| United States Shipping, LLC | | 576,922 |
| Vanguard Health Systems, Inc. | | 3,500,000 |
| Venetian Casino Resorts, LLC | | 1,363,636 |
| | \$ | 40,180,380 |

NOTE 7 - RIGHTS AND OTHER OFFERINGS

As of November 30, 2004, outstanding share offerings pursuant to shelf registrations were as follows:

| Registration Date | Shares Registered | Shares Remaining |
|-------------------|-------------------|------------------|
| 9/15/98 | 25,000,000 | 13,727,319 |
| 3/04/99 | 5,000,000 | 3,241,645 |

On November 2, 2000, the Trust issued 3,600 shares each of Series M, Series W and Series F Auction Rate Cumulative Preferred Shares, \$.01 Par Value, \$25,000 liquidation preference, for a total issuance of \$270 million. Also, on November 16, 2000, the Trust issued 3,600 shares of Series T and Series Th Auction Rate Cumulative Preferred Shares, \$.01 Par Value, \$25,000, liquidation preference, for a total issuance of \$180 million. Costs associated with the offering of approximately \$5,438,664 were charged against the proceeds received. The Trust used the net proceeds of the offering to partially pay down the then existing indebtedness and to purchase additional senior loans. Preferred Shares pay dividends based on a rate set at auctions, normally held every 7 days. In most instances dividends are also payable every 7 days, on the first

business day following the end of the rate period.

NOTE 8 - CUSTODIAL AGREEMENT

State Street Bank and Trust Company ("SSB") serves as the Trust's custodian and recordkeeper. Custody fees paid to SSB are reduced by earnings credits based on the cash balances held by SSB for the Trust. There were no earnings credits for the nine months ended November 30, 2004.

NOTE 9 - SUBORDINATED LOANS AND UNSECURED LOANS

The Trust may invest in subordinated loans and in unsecured loans. The primary risk arising from investing in subordinated loans or in unsecured loans is the potential loss in the event of default by the issuer of the loans. The Trust may acquire a subordinated loan only if, at the time of acquisition, it acquires or holds a senior loan from the same borrower. The Trust will acquire unsecured loans only where the Investment Manager believes, at the time of acquisition, that the Trust would have the right to payment upon default that is not subordinate to any other creditor. The Trust may invest up to 5% of its total assets, measured at the time of investment, in subordinated loans and unsecured loans. As of November 30, 2004, the Trust held 0.48% of its total assets in subordinated loans and unsecured loans.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of November 30, 2004 (Unaudited) (continued)

NOTE 10 - FEDERAL INCOME TAXES

Federal excise tax of \$117,314 was paid by the Fund and subsequently reimbursed by the investment advisor. The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from accounting principles generally accepted in the United States of America for investment companies. These book/tax differences may be either temporary or permanent. Permanent differences are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences are not reclassified. Key differences include the treatment of short-term capital gains and wash sale deferrals. Distributions in excess of net investment income and/or net realized capital gains for tax purposes are reported as distributions of paid-in capital.

Dividends paid by the Trust from net investment income and distributions of net realized short-term capital gains are, for federal income tax purposes, taxable as ordinary income to shareholders.

The tax composition of dividends and distributions to shareholders was as follows:

| Nine Months Ended November 30, 2004 | | Year Ended February 29, 2004 | |
|-------------------------------------|------------|------------------------------|------------|
| Ordinary Income | | Ordinary Income | |
| \$ | 49,219,341 | \$ | 62,849,228 |

The tax-basis components of distributable earnings and the expiration dates of the capital loss carryforwards which may be used to offset future realized capital gains for federal income tax purposes as of February 29, 2004 were as follows:

| Undistributed Ordinary Income | Undistributed Long-Term Capital Gains | Unrealized Depreciation | Post-October Capital Losses Deferred | Capital Loss Carryforwards | Expiration Dates |
|-------------------------------|---------------------------------------|-------------------------|--------------------------------------|----------------------------|------------------|
| \$ 8,429,077 | \$ - | \$ (6,655,665) | \$ (15,388,435) | \$ (12,542,170) | 2006 |
| | | | | (10,485,033) | 2007 |
| | | | | (38,118,850) | 2008 |
| | | | | (847,193) | 2009 |
| | | | | (47,376,376) | 2010 |
| | | | | (97,064,717) | 2011 |
| | | | | (57,686,392) | 2012 |
| | | | | \$ (264,120,731) | |

NOTE 11 - SUBSEQUENT EVENTS

Subsequent to November 30, 2004, the Trust paid to Common Shareholders the following dividends from net investment income:

| Per Share Amount | Declaration Date | Record Date | Payable Date |
|------------------|------------------|-------------|--------------|
| \$ 0.036 | 11/30/04 | 12/10/04 | 12/22/04 |

Subsequent to November 30, 2004, the Trust paid to Preferred Shareholders the following dividends from net investment income:

| Preferred Shares | Total Per Share Amount | Auction Dates | Record Dates | Payable Dates |
|------------------|------------------------|----------------------|----------------------|----------------------|
| Series M | \$ 12.93 | 12/06/04 to 01/10/05 | 12/13/04 to 01/14/05 | 12/14/04 to 01/18/05 |

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| | | | | | |
|-----------|----|-------|----------------------|----------------------|----------------------|
| Series T | \$ | 13.62 | 12/07/04 to 01/11/05 | 12/14/04 to 01/18/05 | 12/15/04 to 01/19/05 |
| Series W | \$ | 13.31 | 12/01/04 to 01/05/05 | 12/08/04 to 01/12/05 | 12/09/04 to 01/13/05 |
| Series Th | \$ | 13.37 | 12/02/04 to 01/06/05 | 12/09/04 to 01/13/05 | 12/10/04 to 01/14/05 |
| Series F | \$ | 13.48 | 12/03/04 to 01/07/05 | 12/10/04 to 01/14/05 | 12/13/04 to 01/18/05 |

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|-----------------------------|-------------------------------------------------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| Senior Loans*: 179.3% | | | | |
| Aerospace and Defense: 2.5% | | | | |
| \$ 1,840,000 | Alliant Techsystems, Inc. Term Loan, maturing March 31, 2011 | Ba2 | BB | \$ 1,867,217 |
| 995,000 | Arinc, Inc. Term Loan, maturing March 10, 2011 | Ba3 | BB | 1,008,059 |
| 2,500,000 | Ceradyne, Inc. Term Loan, maturing August 18, 2011 | Ba3 | BB- | 2,534,375 |
| 5,000,000 | K&F Industries, Inc. Term Loan, maturing November 16, 2012 | B2 | B+ | 5,078,125 |
| 1,400,000 | Northwest Airlines, Inc. Term Loan, maturing November 23, 2010 | B1 | B+ | 1,433,834 |
| 4,361,538 | Standard Aero Holdings, Inc. Term Loan, maturing August 20, 2012 | B2 | B+ | 4,426,961 |
| 1,985,025 | Transdigm, Inc. Term Loan, maturing July 22, 2010 | B1 | B+ | 2,017,282 |
| 2,000,000 | United Air Lines, Inc. Debtor in Possession Term Loan, maturing June 30, 2005 | Ba3 | BB- | 2,023,750 |
| 5,969,732 | United Defense Industries, Inc. Term Loan, maturing August 13, 2009 | Ba2 | BB+ | 6,043,112 |
| | | | | 26,432,715 |
| Automobile: 8.2% | | | | |
| 2,000,000 | Affinia Group, Inc. Term Loan, maturing November 15, 2011 | B2 | BB- | 2,033,438 |
| 953,720 | Aftermarket Technology Corporation Term Loan, maturing February 08, 2008 | Ba3 | BB- | 960,754 |
| 1,311,439 | CCC Information Services, Inc. Term Loan, maturing February 08, 2008 | B1 | B+ | 1,327,832 |
| 3,874,190 | Collins & Aikman Products Company Term Loan, maturing August 20, 2010 | B1 | B+ | 3,922,617 |
| 1,174,622 | Products Company Term Loan, maturing September 11, 2011 | B1 | B+ | 1,179,271 |

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| | | | | |
|-----------|-------------------------------------------------------------------------------------|------|------|-----------|
| 4,486,250 | Dayco Products, LLC Term Loan, maturing June 23, 2011 | B1 | BB- | 4,559,152 |
| 3,128,000 | (2) Dura Operating Corporation Term Loan, maturing December 31, 2008 | Ba3 | BB- | 3,161,886 |
| 3,975,500 | Federal-Mogul Corporation Term Loan, maturing February 24, 2005 | Ca | NR | 3,770,978 |
| 5,500,000 | Goodyear Tire & Rubber Company Term Loan, maturing March 31, 2006 | B1 | BB | 5,595,106 |
| 1,500,000 | Term Loan, maturing March 31, 2006 | | | 1,522,500 |
| 2,992,500 | Grand Vehicle Works Holdings Corporation Term Loan, maturing July 31, 2010 | B2 | B+ | 2,955,094 |
| 2,759,722 | HLI Operating Company, Inc. Term Loan, maturing June 03, 2009 | Ba3 | BB- | 2,789,044 |
| 2,500,000 | JL French Automotive Castings, Inc. Term Loan, maturing July 31, 2011 | B3 | B | 2,511,458 |
| 1,500,000 | Term Loan, maturing July 31, 2012 | Caa1 | CCC+ | 1,455,000 |
| 1,441,705 | Key Automotive Group Term Loan, maturing June 29, 2010 | B1 | BB- | 1,462,430 |
| 628,959 | Term Loan, maturing June 30, 2011 | | | 638,000 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|----------------------------------|---------------------------------------------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| Automobile: (continued) | | | | |
| \$ | Keystone Automotive Industries, Inc. Term Loan, maturing October 30, 2009 | B1 | B+ | \$ 1,420,796 |
| 1,402,174 | Meridian Automotive Systems, Inc. Term Loan, maturing April 28, 2010 | B2 | B+ | 1,858,929 |
| 1,987,494 | Metaldyne Company, LLC Term Loan, maturing December 31, 2009 | B2 | BB- | 2,394,738 |
| 2,397,435 | Plastech, Inc. Term Loan, maturing March 31, 2010 | Ba3 | BB- | 1,990,856 |
| 1,958,621 | RJ Tower Corporation Term Loan, maturing May 21, 2009 | B1 | B+ | 2,954,638 |
| 2,987,500 | Safelite Glass Corporation Term Loan, maturing September 30, 2007 | B3 | B+ | 6,747,894 |
| 7,711,878 | Term Loan, maturing September 30, 2007 | | | 10,852,859 |
| 12,403,267 | Tenneco Automotive, Inc. Term Loan, maturing December 12, 2010 | B1 | B+ | 2,093,853 |
| 2,054,475 | Transportation Technologies Industries, Inc. Term Loan, maturing March 14, 2009 | B2 | B | 2,508,228 |
| 2,487,500 | TRW Automotive Acquisitions Corporation Term Loan, maturing February 28, 2009 | Ba2 | BB+ | 1,604,000 |
| 1,600,000 | Term Loan, maturing February 28, 2011 | | | 9,957,181 |
| 9,863,478 | United Components, Inc. Term Loan, maturing June 30, 2010 | B1 | BB- | 3,036,751 |
| 2,998,333 | | | | 87,265,283 |
| Banking: 0.3% | Outsourcing Solutions, Inc. Term Loan, maturing December 09, 2008 | NR | NR | 3,448,219 |
| | | | | 3,448,219 |
| Beverage, Food and Tobacco: 4.6% | Birds Eye Foods, Inc. | B1 | B+ | |

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| | | | | |
|-----------|-------------------------------------------------------------------------------------|-----|-----|-----------|
| 6,532,306 | Term Loan, maturing June 30, 2008 Commonwealth Brands, Inc. | Ba3 | BB- | 6,622,125 |
| 5,036,417 | Term Loan, maturing August 28, 2007 Constellation Brands, Inc. | Ba1 | BB | 5,105,668 |
| 5,250,000 | Term Loan, maturing November 30, 2008 Del Monte Corporation | Ba3 | BB- | 5,279,122 |
| 3,179,861 | Term Loan, maturing December 20, 2010 Dr. Pepper Bottling Company Of Texas | B1 | BB- | 3,239,483 |
| 3,586,438 | Term Loan, maturing December 19, 2010 Golden State Foods Corporation | B1 | B+ | 3,650,883 |
| 3,980,000 | Term Loan, maturing February 28, 2011 Keystone Foods Holdings, LLC | Ba3 | B+ | 4,047,163 |
| 4,410,243 | Term Loan, maturing June 16, 2011 Michael Foods, Inc. | B1 | B+ | 4,459,858 |
| 3,960,000 | Term Loan, maturing November 21, 2010 Pierre Foods, Inc. | B1 | B+ | 4,024,968 |
| 4,737,500 | Term Loan, maturing June 30, 2010 Pinnacle Foods Corporation | B1 | B+ | 4,789,811 |
| 2,985,000 | Term Loan, maturing November 25, 2010 | | | 2,985,621 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|-----------------------------------------|----------------------------------------------------------------------------------------|----------------------|-----|--------------|
| | | Moody's | S&P | |
| Beverage, Food and Tobacco: (continued) | | | | |
| \$ 2,944,982 | Southern Wine & Spirits Of America, Inc. Term Loan, maturing July 02, 2008 | Ba3 | BB+ | \$ 2,984,094 |
| 1,142,087 | Swift & Company Term Loan, maturing September 19, 2008 | Ba2 | BB | 1,166,356 |
| | | | | 48,355,152 |
| Buildings and Real Estate: 7.0% | | | | |
| 1,400,000 | Associated Materials, Inc. Term Loan, maturing August 29, 2010 | Ba3 | B+ | 1,419,250 |
| 2,977,500 | Atrium Companies, Inc. Term Loan, maturing December 10, 2008 | B1 | B+ | 3,019,682 |
| 3,980,000 | Builders Firstsource, Inc. Term Loan, maturing February 25, 2010 | B1 | B+ | 4,014,825 |
| 1,975,000 | Building Materials Holding Corporation Term Loan, maturing August 21, 2010 | Ba2 | BB- | 1,989,813 |
| 1,500,000 | Contech Construction Products, Inc. Term Loan, maturing November 9, 2010 | Ba3 | BB- | 1,500,000 |
| 2,545,388 | Crescent Real Estate Equities, L.P. Term Loan, maturing January 12, 2006 | B1 | BB+ | 2,570,842 |
| 6,514,344 | DMB Newco, LLC Term Loan, maturing February 28, 2009 | NR | NR | 6,530,630 |
| 10,000,000 | GGPLP, LLC Term Loan, maturing November 10, 2007 | Ba2 | BB+ | 9,984,720 |
| 17,000,000 | Term Loan, maturing November 10, 2008 | | | 17,082,348 |
| 5,368,750 | Headwaters, Inc. Term Loan, maturing April 30, 2011 | B1 | B+ | 5,444,809 |
| 1,496,250 | NCI Building Systems, Inc. Term Loan, maturing September 15, 2008 | Ba2 | BB | 1,514,953 |
| 5,985,000 | Nortek, Inc. Term Loan, maturing August 27, 2011 | B1 | B+ | 6,094,723 |
| | | B1 | B+ | |

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| | | | | |
|-------------------------|------------------------------------------------------------------|----|-----|------------|
| | Ply Gem Industries, Inc. | | | |
| 321,429 | Revolver, maturing February 12, 2009 | | | 314,599 |
| 746,250 | Term Loan, maturing March 15, 2010 | | | 755,112 |
| 1,500,000 | Term Loan, maturing February 12, 2011 | | | 1,517,813 |
| 4,228,750 | Term Loan, maturing October 01, 2011 | | | 4,278,966 |
| | St. Marys Cement, Inc. | B1 | BB- | |
| 5,466,231 | Term Loan, maturing December 04, 2009 | | | 5,531,142 |
| | Werner Holdings Company, Inc. | B1 | B | |
| 916,667 | Term Loan, maturing June 11, 2009 | | | 896,042 |
| | | | | 74,460,269 |
| Cable Television: 17.2% | | | | |
| | (2) Adelphia Communications Corporation | NR | BBB | |
| 2,956,684 | Debtor in Possession Term Loan, maturing March 31, 2005 | | | 2,975,778 |
| | Atlantic Broadband Finance, LLC | B2 | B | |
| 2,000,000 | Term Loan, maturing September 01, 2011 | | | 2,045,834 |
| | Bragg Communications, Inc. | B1 | NR | |
| 2,493,750 | Term Loan, maturing August 31, 2011 | | | 2,526,480 |
| | Bresnan Communications, LLC | B1 | BB- | |
| 5,000,000 | Term Loan, maturing December 31, 2007 | | | 5,073,440 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|-------------------------------|---------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| Cable Television: (continued) | | | | |
| | Cebridge Connections, Inc. | NR | NR | |
| \$ | Term Loan, maturing February 23, 2009 | | | \$ 1,496,698 |
| | Term Loan, maturing February 23, 2010 | | | 4,455,113 |
| | (2) Century Cable Holdings, LLC | Caa1 | NR | |
| | Revolver, maturing March 31, 2009 | | | 1,213,856 |
| | Term Loan, maturing June 30, 2009 | | | 19,259,427 |
| | Term Loan, maturing December 31, 2009 | | | 5,467,919 |
| | Charter Communications Operating, LLC | B2 | B | |
| | Term Loan, maturing April 27, 2010 | | | 6,920,242 |
| | Term Loan, maturing April 27, 2011 | | | 49,817,095 |
| | (2) Hilton Head Communications, L.P. | Caa1 | NR | |
| | Revolver, maturing September 30, 2007 | | | 6,872,250 |
| | Term Loan, maturing March 31, 2008 | | | 8,387,375 |
| | Insight Midwest Holdings, LLC | Ba3 | BB | |
| | Term Loan, maturing June 30, 2009 | | | 1,821,707 |
| | Term Loan, maturing December 31, 2009 | | | 2,019,462 |
| | Term Loan, maturing December 31, 2009 | | | 16,674,199 |
| | Mediacom Communications Corporation | Ba3 | BB- | |
| | Term Loan, maturing September 30, 2010 | | | 16,222,350 |
| | (2) Olympus Cable Holdings, LLC | B2 | NR | |
| | Term Loan, maturing June 30, 2010 | | | 4,947,655 |
| | Term Loan, maturing September 30, 2010 | | | 20,835,948 |
| | Persona Communication, Inc. | B2 | B+ | |
| | Term Loan, maturing August 01, 2011 | | | 3,532,813 |
| | | | | 182,565,641 |
| Cargo Transport: 3.2% | | | | |
| | Atlantic Express Transportation Corporation | B3 | B | |

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| | | | | |
|-----------|----------------------------------------------------------------------|-----|-----|-----------|
| 6,000,000 | Floating Rate Note, maturing April 15, 2008 | | | 5,880,000 |
| 971,000 | Baker Tanks, Inc. Term Loan, maturing January 30, 2011 | B1 | B+ | 985,262 |
| 1,917,447 | Gemini Leasing, Inc. Term Loan, maturing December 31, 2011 | NR | NR | 1,246,341 |
| 3,500,000 | Helm Holding Corporation Term Loan, maturing July 02, 2010 | B2 | B+ | 3,553,228 |
| 2,493,750 | Horizon Lines, LLC Term Loan, maturing July 04, 2011 | B2 | B+ | 2,539,468 |
| 1,867,500 | Neoplan USA Corporation Revolver, maturing June 30, 2006 | NR | NR | 1,867,500 |
| 5,387,690 | Term Loan, maturing June 30, 2006 | | | 5,387,690 |
| 1,847,059 | Pacer International, Inc. Term Loan, maturing June 10, 2010 | B1 | BB- | 1,873,610 |
| 396,429 | Railamerica, Inc. Term Loan, maturing September 29, 2011 | Ba3 | BB | 402,623 |
| 3,353,571 | Term Loan, maturing September 29, 2011 | | | 3,405,971 |
| 945,013 | Terex Corporation Term Loan, maturing July 03, 2009 | B1 | BB- | 957,220 |
| 1,312,266 | Term Loan, maturing December 31, 2009 | | | 1,329,217 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|--------------------------------------|----------------------------------------------------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| Cargo Transport: (continued) | | | | |
| \$ 2,899,500 | Transport Industries, L.P. Term Loan, maturing June 13, 2010 | B2 | B+ | \$ 2,904,937 |
| 1,923,077 | United States Shipping, LLC Term Loan, maturing April 30, 2010 | Ba3 | BB- | 1,944,712 |
| | | | | 34,277,779 |
| Cellular: 8.1% | | | | |
| 1,995,000 | Cellular South, Inc. Term Loan, maturing May 04, 2011 | Ba3 | B+ | 2,033,653 |
| 10,919,987 | Centennial Cellular Operating Company Term Loan, maturing February 09, 2011 | B2 | B- | 11,055,309 |
| 4,304,714 | Independent Wireless One Corporation Term Loan, maturing December 20, 2007 | Caa1 | NR | 4,261,667 |
| 10,912,873 | Term Loan, maturing June 20, 2008 | | | 10,803,744 |
| 28,787,475 | Nextel Finance Company Term Loan, maturing December 15, 2010 | Ba1 | BB+ | 28,856,363 |
| 8,000,000 | Nextel Partners Operating Corporation Term Loan, maturing May 31, 2011 | Ba3 | B+ | 8,141,664 |
| 2,500,000 | Rogers Wireless Communications, Inc. Floating Rate Note, maturing December 15, 2010 | Ba3 | BB | 2,587,500 |
| 2,500,000 | Rural Cellular Corporation Floating Rate Note, maturing March 15, 2010 | B2 | B- | 2,568,750 |
| 14,962,500 | Western Wireless Corporation Term Loan, maturing May 31, 2011 | B2 | B- | 15,229,685 |
| | | | | 85,538,335 |
| Chemicals, Plastics and Rubber: 8.9% | | | | |
| 4,000,000 | Brenntag, AG Term Loan, maturing February 27, 2012 | B1 | BB- | 4,072,500 |
| 48,246 | (2) GEO Specialty Chemicals, Inc. | NR | NR | |

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| | | | | |
|------------|--------------------------------------------------------------------|-----|-----|------------|
| | Debtor in Possession Revolver, maturing December 31, 2004 | | | 48,246 |
| 1,740,101 | Term Loan, maturing December 31, 2007 | | | 1,689,186 |
| | Hercules, Inc. | Ba1 | BB | |
| 9,278,375 | Term Loan, maturing October 08, 2010 | | | 9,357,241 |
| | Huntsman International, LLC | B1 | B | |
| 18,500,000 | Term Loan, maturing December 31, 2010 | | | 18,874,625 |
| | Huntsman, LLC | B2 | B | |
| 13,000,000 | Term Loan, maturing March 31, 2010 | | | 13,246,454 |
| | Innophos, Inc. | B1 | B+ | |
| 1,213,636 | Term Loan, maturing August 13, 2010 | | | 1,234,875 |
| | JohnsonDiversey, Inc. | Ba3 | BB- | |
| 3,078,229 | Term Loan, maturing November 03, 2009 | | | 3,134,502 |
| | Kraton Polymers, LLC | B1 | B+ | |
| 1,463,411 | Term Loan, maturing December 23, 2010 | | | 1,482,923 |
| | Nalco Company | B1 | BB- | |
| 14,982,417 | Term Loan, maturing November 04, 2010 | | | 15,153,306 |
| | Polypore, Inc. | B1 | B | |
| 9,975,000 | Term Loan, maturing November 12, 2011 | | | 10,124,625 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|---------------------------------------------|----------------------------------------------------------------------------------|----------------------|------|---------------|
| | | Moody's | S&P | |
| Chemicals, Plastics and Rubber: (continued) | | | | |
| \$ 13,250,000 | Rockwood Specialties Group, Inc. Term Loan, maturing July 30, 2012 | B1 | B+ | \$ 13,352,926 |
| 2,743,125 | Supresta, LLC Term Loan, maturing June 21, 2011 | NR | B+ | 2,791,130 |
| | | | | 94,562,539 |
| Containers, Packaging and Glass: 9.8% | | | | |
| 1,496,250 | Appleton Papers, Inc. Term Loan, maturing June 11, 2010 | Ba3 | BB | 1,516,075 |
| 3,479,134 | Berry Plastics Corporation Term Loan, maturing June 30, 2010 | B1 | B+ | 3,526,972 |
| 12,089,041 | Boise Cascade Corporation Term Loan, maturing October 28, 2010 | Ba3 | BB | 12,188,643 |
| 10,410,959 | Term Loan, maturing October 29, 2011 | | | 10,598,575 |
| 1,433,333 | BWAY Corporation Term Loan, maturing June 30, 2011 | B1 | B+ | 1,456,027 |
| 7,500,000 | Graham Packaging Company, L.P. Term Loan, maturing October 07, 2011 | B2 | B | 7,623,885 |
| 1,500,000 | Term Loan, maturing March 15, 2012 | B3 | CCC+ | 1,540,688 |
| 9,536,368 | Graphic Packaging International, Inc. Term Loan, maturing June 30, 2010 | B1 | B+ | 9,723,519 |
| 642,675 | Greif Bros. Corporation Term Loan, maturing August 23, 2009 | Ba3 | BB | 650,307 |
| 2,750,000 | Intertape Polymer Group, Inc. Term Loan, maturing July 28, 2011 | Ba3 | B+ | 2,798,125 |
| 2,178,547 | Kerr Group, Inc. Term Loan, maturing August 13, 2010 | B1 | BB- | 2,202,376 |
| 1,782,357 | Koch Cellulose, LLC Term Loan, maturing May 07, 2011 | B1 | BB | 1,811,320 |
| 117,581 | Lincoln Paper and Tissue, LLC Term Loan, maturing November 28, 2005 | NR | NR | 117,581 |

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| | | | | |
|------------|-----|------------------------------------------|---------|-------------|
| 6,700,000 | | Term Loan, maturing May 01, 2009 | | 6,700,000 |
| 1,800,000 | | Term Loan, maturing May 01, 2009 | | 1,800,000 |
| 12,239,568 | (3) | Term Loan, maturing August 28, 2009 | | 2,921,418 |
| | | Owens-Illinois Group, Inc. | B1 BB- | |
| 3,571,429 | | Term Loan, maturing April 01, 2008 | | 3,646,950 |
| | | Silgan Holdings, Inc. | Ba3 BB | |
| 5,164,380 | | Term Loan, maturing November 30, 2008 | | 5,229,740 |
| | | Smurfit-Stone Container Corporation | Ba3 BB- | |
| 10,468,862 | | Term Loan, maturing November 01, 2011 | | 10,648,141 |
| 3,221,188 | | Term Loan, maturing November 01, 2011 | | 3,278,061 |
| | | Solo Cup, Inc. | B1 B+ | |
| 9,428,750 | | Term Loan, maturing February 27, 2011 | | 9,618,796 |
| | | U.S. Can Company | B2 B | |
| 4,487,500 | | Term Loan, maturing January 10, 2010 | | 4,504,328 |
| | | | | 104,101,527 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|----------------------------------------------|------------------------------------------------------------------------------|-------------------|------|------------|
| | | Moody's | S&P | |
| Data and Internet Services: 0.2% | | | | |
| \$ 1,312,794 | McLeodUSA, Inc. Term Loan, maturing May 30, 2008 | Caa2 | NR | \$ 669,525 |
| 1,466,250 | Mitchell International, Inc. Term Loan, maturing August 15, 2011 | B1 | B+ | 1,487,786 |
| | | | | 2,157,311 |
| Diversified/Conglomerate Manufacturing: 3.9% | | | | |
| 1,883,333 | Axia, Inc. Term Loan, maturing November 30, 2010 | B2 | B | 1,911,583 |
| 4,000,000 | Cinram International, Inc. Term Loan, maturing September 30, 2009 | Ba3 | BB | 4,055,624 |
| 2,000,000 | Dresser Rand, Inc. Term Loan, maturing October 01, 2010 | B1 | B+ | 2,034,000 |
| 2,866,154 | Dresser, Inc. Term Loan, maturing April 10, 2009 | Ba3 | BB- | 2,905,564 |
| 785,067 | Flowserve Corporation Term Loan, maturing June 30, 2006 | Ba3 | BB- | 790,792 |
| 2,726,400 | Term Loan, maturing June 30, 2009 | | | 2,771,557 |
| 889,392 | Itron, Inc. Term Loan, maturing June 28, 2011 | Ba3 | BB- | 898,286 |
| 9,449,541 | Mueller Group, Inc. Term Loan, maturing April 23, 2011 | B2 | B+ | 9,526,319 |
| 942,788 | Norcross Safety Products, LLC Term Loan, maturing March 20, 2009 | B1 | B+ | 954,279 |
| 2,347,846 | RLC Industries Company Term Loan, maturing February 26, 2010 | B1 | BB+ | 2,362,520 |
| 3,224,375 | Roper Industries, Inc. Term Loan, maturing December 29, 2008 | Ba2 | BB+ | 3,235,460 |
| 1,713,043 | Sensus Metering Systems, Inc. Term Loan, maturing December 17, 2010 | B2 | B+ | 1,728,388 |
| 256,957 | Term Loan, maturing December 17, 2010 | | | 259,259 |
| 8,423,508 | SPX Corporation | Ba2 | BBB- | 8,479,314 |

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| | | | | | |
|----------------------------------------|------------|----------------------------------------------------------------------------|----|-----|------------|
| | | Term Loan, maturing September 30, 2009 | | | 41,912,945 |
| Diversified/Conglomerate Service: 2.1% | | | | | |
| | 12,934,726 | Amerco, Inc. Term Loan, maturing February 27, 2009 | NR | BB | 13,217,673 |
| | 3,165,435 | Brand Services, Inc. Term Loan, maturing October 16, 2009 | B1 | B | 3,193,133 |
| | 4,000,000 | Iron Mountain, Inc. Term Loan, maturing April 02, 2011 | B2 | BB- | 4,033,332 |
| | 2,280,520 | Term Loan, maturing April 02, 2011 | | | 2,297,624 |
| | | | | | 22,741,762 |
| Ecological: 2.2% | | | | | |
| | 16,700 | Allied Waste North America, Inc. Revolver, maturing June 30, 2010 | B1 | BB | 16,417 |
| | 12,860,457 | Term Loan, maturing January 15, 2010 | | | 13,052,219 |
| | 1,967,902 | Term Loan, maturing January 15, 2010 | | | 1,997,694 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value | |
|-------------------------------|------------------------------|---------------------------------------------------------------------------------------|-----|-------|--------------|
| | | Moody's | S&P | | |
| Ecological: (continued) | | | | | |
| \$ | 3,559,091 | Envirosolutions, Inc. Term Loan, maturing March 01, 2009 | NR | NR | \$ 3,559,091 |
| | 1,163,636 | Term Loan, maturing March 01, 2009 Great Lakes Dredge & Dock Corporation | B2 | B- | 1,163,636 |
| | 1,917,081 | Term Loan, maturing December 22, 2010 IESI Corporation | B1 | B+ | 1,917,081 |
| | 169,375 | Revolver, maturing September 30, 2008 | | | 169,163 |
| | 990,000 | Term Loan, maturing September 30, 2010 | | | 1,000,210 |
| | | | | | 22,875,511 |
| Electronics: 1.0% | | | | | |
| | 645,669 | Acterna, LLC Term Loan, maturing October 14, 2008 | NR | NR | 555,275 |
| | 10,541,011 | (3) Decision One Corporation Term Loan, maturing April 18, 2005 | B3 | CCC | 5,428,621 |
| | 1,977,157 | Invensys International Holdings, Ltd. Term Loan, maturing September 05, 2009 | Ba3 | B+ | 2,005,579 |
| | 2,074,883 | Knowles Electronics, Inc. Term Loan, maturing June 29, 2007 | B3 | B- | 2,090,445 |
| | 467,901 | Worldspan, L.P. Term Loan, maturing June 30, 2007 | B1 | BB- | 469,071 |
| | | | | | 10,548,991 |
| Farming and Agriculture: 2.0% | | | | | |
| | 4,603,333 | AGCO Corporation Term Loan, maturing January 31, 2006 | Ba1 | BB+ | 4,688,209 |
| | 153,846 | United Industries Corporation Revolver, maturing April 30, 2010 | B1 | B+ | 151,538 |
| | 9,957,544 | Term Loan, maturing April 29, 2011 | | | 10,125,578 |
| | 5,882,159 | Vicar Operating, Inc. Term Loan, maturing June 30, 2009 | Ba3 | BB- | 5,959,362 |
| | | | | | 20,924,687 |
| Finance: 1.0% | | | | | |
| | | | B1 | BB- | |

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| | | | | | |
|--------------|-----------|------------------------------------------------------------------------|-----|-----|------------|
| | 5,000,000 | Refco Finance Holdings, LLC Term Loan, maturing August 05, 2011 | | | 5,060,625 |
| | 5,985,000 | Rent-A-Center, Inc. Term Loan, maturing June 30, 2010 | Ba2 | BB+ | 6,065,798 |
| | | | | | 11,126,423 |
| Gaming: 5.7% | | | | | |
| | 7,257,303 | Alliance Gaming Corporation Term Loan, maturing September 04, 2009 | Ba3 | BB- | 7,329,876 |
| | 2,358,055 | Ameristar Casinos, Inc. Term Loan, maturing December 20, 2006 | Ba3 | BB- | 2,395,390 |
| | 2,000,000 | Argosy Gaming Company Term Loan, maturing July 31, 2008 | Ba2 | BB | 2,014,376 |
| | 6,483,750 | Boyd Gaming Corporation Term Loan, maturing June 30, 2011 | Ba2 | BB | 6,580,196 |
| | 2,925,000 | Global Cash Access, LLC Term Loan, maturing March 10, 2010 | B2 | B+ | 2,981,672 |
| | 350,000 | Green Valley Ranch Gaming, LLC Revolver, maturing December 23, 2008 | B1 | B+ | 349,125 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|--------------------------------------------|-----------------------------------------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| Gaming: (continued) | | | | |
| \$ 1,985,000 | Term Loan, maturing December 24, 2010 Isle of Capri Casinos, Inc. | Ba2 | BB- | \$ 2,014,775 |
| 2,152,373 | Term Loan, maturing April 26, 2008 Marina District Finance Company, Inc. | NR | NR | 2,180,623 |
| 2,000,000 | Term Loan, maturing October 20, 2011 Opbiz, LLC | NR | NR | 2,016,666 |
| 14,228,479 | Term Loan, maturing September 01, 2010 | | | 13,766,053 |
| 33,068 | Term Loan, maturing September 01, 2010 Penn National Gaming, Inc. | Ba3 | BB- | 31,993 |
| 1,869,854 | Term Loan, maturing September 01, 2007 Pinnacle Entertainment, Inc. | B1 | B+ | 1,879,203 |
| 1,500,000 | Term Loan, maturing August 27, 2010 Ruffin Gaming, LLC | NR | NR | 1,522,500 |
| 4,000,000 | Term Loan, maturing July 14, 2007 United Auburn Indian Community | Ba3 | BB+ | 4,055,000 |
| 2,845,560 | Term Loan, maturing January 24, 2009 Venetian Casino Resorts, LLC | B1 | B+ | 2,859,788 |
| 8,636,364 | Term Loan, maturing June 15, 2011 | | | 8,796,499 |
| | | | | 60,773,735 |
| Grocery: 0.3% | | | | |
| | Giant Eagle, Inc. Term Loan, maturing August 06, 2009 | Ba2 | BB+ | 1,050,331 |
| 1,036,297 | Term Loan, maturing August 06, 2009 | | | 1,919,724 |
| 1,894,074 | | | | 2,970,055 |
| Healthcare, Education and Childcare: 12.5% | | | | |
| | Accredo Health, Inc. Term Loan, maturing March 31, 2009 | Ba2 | BB | 6,550,113 |
| 6,481,250 | Advanced Medical Optics, Inc. Term Loan, maturing June 25, 2009 | B1 | BB- | 3,532,778 |
| 3,476,288 | AI Asset Acquisition Company, LLC | B1 | B | 754,688 |
| 750,000 | | | | |

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| | | | | |
|------------|----------------------------------------------------------------------------------|-----|------|------------|
| | Term Loan, maturing November 30, 2010 AI Asset Acquisition Company, LLC | B3 | CCC+ | |
| 500,000 | Term Loan, maturing May 31, 2011 Arden Health Services, Inc. | B1 | B+ | 507,500 |
| 5,000,000 | Term Loan, maturing August 12, 2011 Block Vision Holdings Corporation | NR | NR | 5,018,750 |
| 26,956 | Revolver, maturing December 31, 2005 Community Health Systems, Inc. | Ba3 | BB- | - |
| 18,420,900 | Term Loan, maturing August 19, 2011 Concentra Operating Corporation | B1 | B+ | 18,600,799 |
| 1,492,509 | New Term Loan, maturing June 30, 2010 Cooper Companies | Ba3 | BB | 1,509,922 |
| 2,000,000 | Term Loan, maturing November 15, 2011 Davita, Inc. | Ba2 | BB | 2,029,376 |
| 3,437,500 | Term Loan, maturing March 31, 2007 | | | 3,471,875 |
| 12,354,392 | Term Loan, maturing March 31, 2009 | | | 12,529,095 |
| 3,000,000 | Term Loan, maturing June 30, 2010 | | | 3,036,162 |
| 962,500 | dj Orthopedics, LLC Term Loan, maturing May 15, 2009 | Ba3 | BB- | 972,727 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|--------------------------------------------------|--------------------------------------------------------------------------------|-------------------|------|--------------|
| | | Moody's | S&P | |
| Healthcare, Education and Childcare: (continued) | | | | |
| \$ 2,000,000 | Encore Medical IHC, Inc. Term Loan, maturing October 04, 2010 | B1 | B | \$ 2,036,250 |
| 2,985,000 | Express Scripts, Inc. Term Loan, maturing February 13, 2010 | Ba1 | BBB | 3,013,605 |
| 2,493,750 | Fisher Scientific International, Inc. Term Loan, maturing August 02, 2011 | Ba2 | BBB | 2,519,468 |
| 9,181,362 | Fresenius Medical Care Holdings, Inc. Term Loan, maturing February 21, 2010 | Ba1 | BB+ | 9,235,881 |
| 8,977,500 | Iasis Healthcare Corporation Term Loan, maturing June 30, 2011 | B1 | B+ | 9,118,707 |
| 597,614 | Insight Health Services Corporation Term Loan, maturing October 17, 2008 | B1 | B | 596,120 |
| 137,911 | Term Loan, maturing October 17, 2008 | | | 137,566 |
| 68,955 | Term Loan, maturing October 17, 2008 | | | 68,783 |
| 3,624,296 | Term Loan, maturing October 17, 2008 | | | 3,656,009 |
| 6,556,196 | Kinetic Concepts, Inc. Term Loan, maturing August 11, 2010 | B1 | BB- | 6,653,175 |
| 4,488,750 | Leiner Health Products Group, Inc. Term Loan, maturing May 27, 2011 | B1 | B | 4,567,303 |
| 1,479,167 | Magellan Health Services, Inc. Term Loan, maturing August 15, 2008 | B1 | B+ | 1,497,657 |
| 1,745,625 | Medical Device Manufacturing, Inc. Term Loan, maturing June 30, 2010 | B2 | B+ | 1,769,627 |
| 987,500 | Pacificare Health Systems, Inc. Term Loan, maturing June 03, 2008 | Ba2 | BBB- | 990,381 |
| 3,990,000 | Skilled Healthcare Group, Inc. Term Loan, maturing July 31, 2010 | B1 | B | 4,034,888 |
| 1,950,000 | Sola International, Inc. Term Loan, maturing December 11, 2009 | Ba3 | BB- | 1,976,813 |

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| | | | | |
|-----------------------------------|-------------------------------------------|-----|-----|-------------|
| | Sterigenics International, Inc. | B2 | B+ | |
| 4,488,750 | Term Loan, maturing June 14, 2011 | | | 4,544,859 |
| | Sybron Dental Management, Inc. | Ba2 | BB+ | |
| 625,107 | Term Loan, maturing June 06, 2009 | | | 629,307 |
| | Triad Hospitals, Inc. | Ba3 | BB | |
| 1,480,536 | Term Loan, maturing September 30, 2008 | | | 1,503,080 |
| | Vanguard Health Systems, Inc. | B2 | B | |
| 10,500,000 | Term Loan, maturing September 23, 2011 | | | 10,686,375 |
| | VWR International, Inc. | B1 | BB- | |
| 5,034,334 | Term Loan, maturing April 07, 2011 | | | 5,132,504 |
| | | | | 132,882,143 |
| Home and Office Furnishings: 3.6% | | | | |
| | Buhrmann U.S., Inc. | Ba3 | BB- | |
| 3,975,038 | Term Loan, maturing December 31, 2010 | | | 4,030,939 |
| | Global Imaging Systems, Inc. | Ba3 | BB- | |
| 2,496,250 | Term Loan, maturing May 10, 2010 | | | 2,532,915 |
| | Hillman Group, Inc. | B2 | B | |
| 2,985,000 | Term Loan, maturing March 30, 2011 | | | 3,016,716 |
| | Holmes Group, Inc. | B1 | B | |
| 3,987,500 | Term Loan, maturing November 08, 2010 | | | 3,997,469 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|------------------------------------------|-------------------------------------------------------------------------------------|----------------------|-----|--------------|
| | | Moody's | S&P | |
| Home and Office Furnishings: (continued) | | | | |
| \$ 3,869,203 | Identity Group, Inc. Term Loan, maturing April 30, 2006 | NR | NR | \$ 2,631,058 |
| 3,990,000 | Maax Corporation Term Loan, maturing June 04, 2011 | B1 | B+ | 4,029,900 |
| 7,553,571 | Sealy Mattress Company Term Loan, maturing April 06, 2012 | B2 | B+ | 7,679,466 |
| 8,323,704 | Simmons Company Term Loan, maturing December 19, 2011 | B2 | B+ | 8,434,684 |
| 2,000,000 | Xerox Corporation Term Loan, maturing September 30, 2008 | Ba1 | BB- | 2,016,250 |
| | | | | 38,369,397 |
| Insurance: 1.4% | | | | |
| 14,962,500 | Conseco, Inc. Term Loan, maturing June 22, 2010 | B2 | BB- | 15,280,453 |
| | | | | 15,280,453 |
| Leisure, Amusement, Entertainment: 8.7% | | | | |
| 2,183,714 | AMF Bowling Worldwide, Inc. Term Loan, maturing August 27, 2009 | B1 | B | 2,206,916 |
| 1,492,500 | Cinemark USA, Inc. Term Loan, maturing March 31, 2011 | Ba3 | BB- | 1,514,265 |
| 4,962,500 | Fitness Holdings Worldwide, Inc. Term Loan, maturing July 01, 2009 | B1 | B | 5,027,633 |
| 2,743,125 | Hollywood Theaters, Inc. Term Loan, maturing July 31, 2009 | B2 | B | 2,785,986 |
| 6,000,000 | Kerasotes Theatres, Inc. Term Loan, maturing October 31, 2011 | B1 | B | 6,097,500 |
| 3,716,865 | Lodgenet Entertainment Corporation Term Loan, maturing August 29, 2008 | B1 | B+ | 3,740,095 |
| 7,500,000 | Loews Cineplex Entertainment Corporation Term Loan, maturing July 31, 2011 | B1 | B | 7,608,398 |
| 19,000,000 | Metro-Goldwyn-Mayer Studios, Inc. Term Loan, maturing April 30, 2011 | Ba3 | B+ | 19,087,875 |

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| | | | | |
|---------------|-------------------------------------------------|-----|-----|------------|
| | Pure Fishing, Inc. | B1 | BB- | |
| 2,985,000 | Term Loan, maturing September 30, 2010 | | | 3,033,506 |
| | Regal Cinemas, Inc. | Ba3 | BB- | |
| 13,506,821 | Term Loan, maturing November 10, 2010 | | | 13,662,149 |
| | Riddell Bell Holding, Inc. | B1 | BB- | |
| 1,500,000 | Term Loan, maturing September 28, 2011 | | | 1,522,812 |
| | Six Flags Theme Parks, Inc. | B1 | B- | |
| 5,944,970 | Term Loan, maturing June 30, 2009 | | | 6,011,851 |
| | Universal City Development Partners, L.P. | B1 | B+ | |
| 4,990,166 | Term Loan, maturing June 30, 2007 | | | 5,008,879 |
| | WMG Acquisition Corporation | B1 | B+ | |
| 14,887,500 | Term Loan, maturing February 28, 2011 | | | 15,143,386 |
| | | | | 92,451,251 |
| Lodging: 1.4% | | | | |
| | Boca Resorts Hotel Corporation | NR | NR | |
| 7,000,000 | Term Loan, maturing July 22, 2009 | | | 7,000,000 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|--------------------------------------------------|----------------------------------------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| Lodging: (continued) | | | | |
| \$ 8,295,070 | Wyndham International, Inc. Term loan, maturing June 30, 2006 | NR | NR | \$ 8,361,605 |
| | | | | 15,361,605 |
| Machinery: 3.7% | | | | |
| | Alliance Laundry Holdings, LLC Term Loan, maturing August 02, 2007 | B1 | B | 2,880,172 |
| 2,869,412 | (2) Anthony Crane Rental, L.P. Term Loan, maturing July 20, 2006 | Caa2 | CC | 4,004,169 |
| 4,757,427 | (3) Blount, Inc. Term Loan, maturing August 09, 2010 | B2 | B+ | 2,028,251 |
| 1,995,000 | Bucyrus International, Inc. Term Loan, maturing July 28, 2010 | Ba3 | BB- | 2,511,953 |
| 2,468,750 | Energys, Inc. Term Loan, maturing March 17, 2011 | Ba3 | BB | 4,329,920 |
| 4,265,931 | Juno Lighting, Inc. Term Loan, maturing November 21, 2010 | B1 | B+ | 2,251,605 |
| 2,219,697 | National Waterworks, Inc. Term Loan, maturing November 22, 2009 | B1 | B+ | 2,833,700 |
| 2,801,020 | Rexnord Corporation Term Loan, maturing November 25, 2009 | B1 | B+ | 6,127,333 |
| 6,066,666 | United Rentals (North America), Inc. Term Loan, maturing February 14, 2011 | Ba3 | BB | 10,423,039 |
| 10,281,666 | Vutek, Inc. Term Loan, maturing June 25, 2010 | B1 | B+ | 1,952,469 |
| 1,975,000 | | | | 39,342,611 |
| Mining, Steel, Iron and Nonprecious Metals: 0.5% | | | | |
| | Foundation Coal Corporation Term Loan, maturing July 30, 2011 | Ba3 | BB- | 3,810,469 |
| 3,750,000 | International Coal Group, LLC Term Loan, maturing October 01, 2010 | B2 | B- | 1,524,375 |
| 1,500,000 | | | | 5,334,844 |

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Oil and Gas: 3.0%

| | | | | |
|-----------|---------------------------------------------------------------------------|-----|-----|------------|
| 7,500,000 | El Paso Corporation Term Loan, maturing November 23, 2009 | B3 | B- | 7,563,870 |
| 5,900,000 | Getty Petroleum Marketing, Inc. Term Loan, maturing May 19, 2010 | B1 | BB- | 6,014,313 |
| 5,500,000 | La Grange Acquisition, L.P. Term Loan, maturing January 18, 2008 | NR | NR | 5,591,097 |
| 1,995,000 | Lyondell-Citgo Refining, L.P. Term Loan, maturing May 21, 2007 | Ba3 | BB | 2,009,963 |
| 2,625,000 | Semcrude, L.P. Term Loan, maturing August 27, 2010 | B1 | NR | 2,657,813 |
| 3,921,429 | Vulcan Energy Corporation Term Loan, maturing July 23, 2010 | B1 | BB | 3,976,576 |
| 3,961,325 | Williams Production RMT Company Term Loan, maturing May 30, 2008 | B2 | BB | 4,027,348 |
| | | | | 31,840,980 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|--------------------------------------------|------------------------------------------------------------------------------|-------------------|------|--------------|
| | | Moody's | S&P | |
| Other Broadcasting and Entertainment: 5.2% | | | | |
| \$ 2,500,000 | Alliance Atlantis Communications, Inc. Term Loan, maturing November 30, 2011 | Ba2 | BB | \$ 2,534,375 |
| 7,020,306 | DirecTV Holdings, LLC Term Loan, maturing March 06, 2010 | Ba2 | BB | 7,131,753 |
| 12,000,000 | Echostar DBS Corporation Floating Rate Note, maturing October 01, 2008 | Ba3 | BB- | 12,450,000 |
| 3,750,000 | Level 3 Communications, Inc. Term Loan, maturing November 30, 2011 | B3 | CCC | 3,866,018 |
| 15,000,000 | Liberty Media Corporation Floating Rate Note, maturing September 17, 2006 | Baa3 | BBB- | 15,193,650 |
| 10,000,000 | Rainbow National Services, LLC Term Loan, maturing March 31, 2012 | B1 | B+ | 10,170,830 |
| 2,742,857 | YankeeNets, LLC Term Loan, maturing June 25, 2007 | NR | NR | 2,790,857 |
| 1,257,143 | Yankees Holdings, L.P. Term Loan, maturing June 25, 2007 | NR | NR | 1,279,143 |
| | | | | 55,416,626 |
| Other Telecommunications: 7.8% | | | | |
| 8,535,685 | Cincinnati Bell, Inc. Term Loan, maturing June 30, 2008 | B1 | B+ | 8,634,912 |
| 3,404,372 | Consolidated Communications, Inc. Term Loan, maturing April 14, 2010 | B1 | B+ | 3,412,883 |
| 3,481,667 | Term Loan, maturing October 14, 2011 | | | 3,540,420 |
| 2,977,342 | D&E Communications, Inc. Term Loan, maturing December 31, 2011 | Ba3 | BB- | 2,995,950 |
| 2,087,144 | GCI Holdings, Inc. Term Loan, maturing October 31, 2007 | Ba2 | BB+ | 2,105,407 |
| 2,591,325 | (3) Intera Group, Inc. | NR | NR | 1,177,535 |

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| | | | | | |
|------------|-----|-----------------------------------------------------------------------------------------------|-----|------|------------|
| | | Term Loan, maturing December 31, 2005 | | | |
| 1,051,830 | (3) | Term Loan, maturing December 31, 2005 | | | - |
| 2,062,656 | (3) | Term Loan, maturing December 31, 2005 | | | - |
| | | Iowa Telecommunications Services, Inc. | Ba3 | BB- | |
| 5,250,000 | | Term Loan, maturing November 30, 2011 | | | 5,300,311 |
| 11,909,639 | | Panamsat Corporation Term Loan, maturing August 20, 2011 | B1 | BB+ | 12,006,405 |
| | | Qwest Communications International, Inc. | B3 | CCC+ | |
| 15,000,000 | | Floating Rate Note, maturing February 15, 2009 | | | 14,962,500 |
| 2,000,000 | | Qwest Corporation Term Loan, maturing June 30, 2007 | B2 | BB- | 2,087,916 |
| 3,000,000 | | Time Warner Telecom Holdings, Inc. Floating Rate Note, maturing February 15, 2011 | B1 | B | 2,955,042 |
| 3,000,000 | | Triton PCS, Inc. Term Loan, maturing November 18, 2009 | B2 | BB+ | 3,036,876 |
| 1,500,000 | | USA Mobility, Inc. Term Loan, maturing November 10, 2006 | Ba3 | NR | 1,515,000 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|-------------------------------------------------|---------------------------------------------|-------------------|------|---------------|
| | | Moody's | S&P | |
| Other Telecommunications: (continued) | | | | |
| | Valor Telecommunications, LLC | | | |
| \$ 12,000,000 | Term Loan, maturing November 10, 2011 | B2 | B+ | \$ 12,150,000 |
| 4,000,000 | Term Loan, maturing November 16, 2011 | B3 | B- | 4,051,252 |
| | Wiltel Communications, LLC | | | |
| 1,750,000 | Term Loan, maturing October 01, 2009 | B2 | B- | 1,751,642 |
| 750,000 | Term Loan, maturing January 01, 2010 | Caa1 | CCC+ | 750,938 |
| | | | | 82,434,989 |
| Personal and Nondurable Consumer Products: 3.2% | | | | |
| | Amscan Holdings, Inc. | B1 | B+ | |
| 2,992,500 | Term Loan, maturing April 30, 2012 | | | 3,022,425 |
| | Church & Dwight Company, Inc. | Ba2 | BB | |
| 6,483,750 | Term Loan, maturing May 30, 2011 | | | 6,566,826 |
| | Jarden Corporation | Ba3 | B+ | |
| 1,330,000 | Term Loan, maturing April 24, 2008 | | | 1,332,494 |
| 1,980,000 | Term Loan, maturing April 24, 2008 | | | 1,983,713 |
| | Norwood Promotional Products, Inc. | NR | NR | |
| 12,734,461 | Term Loan, maturing August 16, 2009 | | | 12,225,083 |
| | Norwood Promotional Products Holdings, Inc. | NR | NR | |
| 7,300,828 | (3) Term Loan, maturing August 16, 2011 | | | 3,431,389 |
| | Prestige Brands Holdings, Inc. | B1 | B | |
| 1,980,025 | Term Loan, maturing April 06, 2011 | | | 2,010,551 |
| | Rayovac Corporation | B1 | B+ | |
| 3,607,729 | Term Loan, maturing September 30, 2009 | | | 3,666,355 |
| | | | | 34,238,835 |
| Personal, Food and Miscellaneous: 3.0% | | | | |
| | AFC Enterprises, Inc. | B1 | B | |
| 1,137,760 | Term Loan, maturing May 23, 2009 | | | 1,151,982 |
| | Alderwoods Group, Inc. | B1 | BB- | |
| 2,651,077 | Term Loan, maturing August 19, 2010 | | | 2,679,245 |
| | | B2 | B+ | |

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| | | | | |
|-----------|------------------------------------------------------------------------------------|-----|-----|------------|
| 2,000,000 | Allied Security Holdings, LLC Term Loan, maturing June 30, 2010 | | | 2,025,000 |
| 4,875,000 | Coinmach Corporation Term Loan, maturing July 25, 2009 | B2 | B | 4,934,417 |
| 3,241,875 | Coinstar, Inc. Term Loan, maturing July 07, 2011 | Ba3 | BB- | 3,298,608 |
| 2,500,000 | Culligan International Company Term Loan, maturing September 30, 2011 | B1 | B+ | 2,546,355 |
| 7,819,237 | Domino's, Inc. Term Loan, maturing June 25, 2010 | Ba3 | B+ | 7,885,216 |
| 5,466,231 | Jack in the Box, Inc. Term Loan, maturing January 09, 2010 | Ba2 | BB | 5,549,935 |
| 1,666,667 | N.E.W. Customer Services Companies, Inc. Term Loan, maturing August 01, 2009 | B1 | B+ | 1,679,167 |
| | | | | 31,749,925 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|------------------|-----------------------------------------------------------------------------|-------------------|-----|--------------|
| | | Moody's | S&P | |
| | Printing and Publishing: 14.4% | | | |
| \$ 4,987,500 | Adams Outdoor Advertising, L.P. Term Loan, maturing October 15, 2011 | B1 | B+ | \$ 5,060,233 |
| | Advertising Directory Solutions, Inc. Term Loan, maturing November 09, 2011 | B1 | BB- | 6,055,626 |
| 2,000,000 | Term Loan, maturing May 09, 2012 | B3 | B- | 2,044,250 |
| | American Achievement Corporation Term Loan, maturing March 25, 2011 | B1 | B+ | 1,007,388 |
| 992,500 | American Media Operations, Inc. Term Loan, maturing April 01, 2007 | Ba3 | B+ | 3,730,303 |
| 3,671,782 | American Reprographics Company Term Loan, maturing June 18, 2009 | B1 | BB | 2,420,805 |
| 2,376,250 | American Reprographics Company Term Loan, maturing December 18, 2009 | B3 | B | 999,509 |
| 925,471 | Canwest Media, Inc. Term Loan, maturing August 15, 2009 | Ba3 | B+ | 7,595,842 |
| 7,492,816 | Dex Media East, LLC Term Loan, maturing November 08, 2008 | Ba2 | BB- | 6,956,332 |
| 6,876,394 | Term Loan, maturing May 08, 2009 | | | 3,965,564 |
| 3,916,606 | Dex Media West, LLC Term Loan, maturing September 09, 2009 | Ba2 | BB- | 3,706,505 |
| 3,671,701 | Term Loan, maturing March 09, 2010 | | | 18,898,603 |
| 18,703,766 | Freedom Communications, Inc. Term Loan, maturing May 18, 2012 | Ba3 | BB | 12,210,000 |
| 12,000,000 | Jostens, Inc. Term Loan, maturing October 04, 2011 | B1 | B+ | 7,067,501 |
| 7,000,000 | Journal Register Company Term Loan, maturing August 12, 2012 | Ba2 | BB+ | 5,404,047 |
| 5,368,811 | Lamar Media Corporation | Ba2 | BB- | |

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| | | | | |
|------------|-------------------------------------------------------------------------------|-----|----|------------|
| 12,370,370 | Term Loan, maturing June 30, 2010 MC Communications, LLC | B2 | B | 12,503,735 |
| 3,500,000 | Term Loan, maturing December 31, 2010 Merrill Communications, LLC | B1 | B | 3,508,750 |
| 2,154,500 | Term Loan, maturing July 30, 2009 | | | 2,180,759 |
| 840,939 | Term Loan, maturing July 30, 2009 Newspaper Holdings, Inc. | NR | NR | 853,322 |
| 2,500,000 | Term Loan, maturing August 24, 2011 Primedia, Inc. | B3 | B | 2,499,220 |
| 1,945,375 | Revolver, maturing June 30, 2008 | | | 1,869,992 |
| 7,117,339 | Term Loan, maturing June 30, 2009 | | | 6,960,758 |
| 1,500,000 | Term Loan, maturing December 31, 2009 R.H. Donnelley, Inc. | Ba3 | BB | 1,504,376 |
| 13,466,250 | Term Loan, maturing June 30, 2011 Reader's Digest Associations, Inc. | Ba1 | BB | 13,616,978 |
| 1,990,000 | Term Loan, maturing May 20, 2008 Transwestern Publishing Company | | | 2,017,673 |
| 5,980,000 | Term Loan, maturing February 25, 2011 | B1 | B+ | 6,057,555 |
| 3,980,003 | Term Loan, maturing February 25, 2012 | B3 | B- | 4,044,057 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|--------------------------------------|------------------------------------------------------------------------------------------------|----------------------|-----|--------------|
| | | Moody's | S&P | |
| Printing and Publishing: (continued) | | | | |
| \$ 8,751,856 | Ziff Davis Media, Inc. Term Loan, maturing March 31, 2007 | B3 | CCC | \$ 8,715,387 |
| | | | | 153,455,070 |
| Radio and TV Broadcasting: 7.5% | | | | |
| 2,789,884 | Block Communications, Inc. Term Loan, maturing November 15, 2009 | Ba2 | BB- | 2,810,808 |
| 1,925,000 | Cumulus Media, Inc. Term Loan, maturing March 28, 2009 | Ba3 | B+ | 1,943,649 |
| 3,491,250 | Term Loan, maturing March 28, 2010 | | | 3,547,257 |
| 10,000,000 | Emmis Operating Company Term Loan, maturing November 10, 2011 | Ba2 | B+ | 10,116,880 |
| 750,000 | Entravision Communications Corporation Term Loan, maturing February 24, 2012 | B1 | B+ | 759,375 |
| 2,500,000 | Term Loan, maturing February 24, 2012 | | | 2,531,250 |
| 6,000,000 | Gray Television, Inc. Term Loan, maturing June 30, 2011 | Ba2 | B+ | 6,082,500 |
| 1,960,000 | LIN Television Corporation Term Loan, maturing December 31, 2007 | Ba1 | BB | 1,984,908 |
| 3,064,660 | Mission Broadcasting, Inc. Term Loan, maturing December 31, 2010 | Ba3 | B+ | 3,079,983 |
| 3,000,000 | NEP Supershooters, L.P. Term Loan, maturing November 30, 2010 | B1 | B | 3,054,375 |
| 2,173,466 | Nexstar Broadcasting, Inc. Term Loan, maturing December 31, 2010 | Ba3 | B+ | 2,184,333 |
| 18,000,000 | Paxson Communications Corporation Floating Rate Note, maturing January 15, 2010 | B1 | B | 18,090,000 |
| 4,750,000 | Raycom Media, Inc. Term Loan, maturing March 31, 2012 | NR | NR | 4,809,375 |

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| | | | | |
|---------------------|------------------------------------------------------|-----|-----|------------|
| | Sinclair Broadcast Group, Inc. | Ba2 | BB | |
| 3,000,000 | Term Loan, maturing June 30, 2009 | | | 3,020,625 |
| 5,000,000 | Term Loan, maturing December 31, 2009 | | | 5,054,165 |
| | Spanish Broadcasting System, Inc. | B1 | B+ | |
| 1,985,000 | Term Loan, maturing October 30, 2009 | | | 2,014,775 |
| | Susquehanna Media Company | Ba2 | BB- | |
| 7,000,000 | Term Loan, maturing March 31, 2012 | | | 7,094,066 |
| | Televiscentro of Puerto Rico, LLC | Ba1 | BB | |
| 1,840,000 | Term Loan, maturing December 31, 2007 | | | 1,863,383 |
| | | | | 80,041,707 |
| Retail Stores: 5.9% | | | | |
| | Advance Stores Company, Inc. | Ba2 | BB+ | |
| 4,334,004 | Term Loan, maturing September 30, 2010 | | | 4,392,244 |
| | Alimentation Couche-Tard, Inc. | Ba2 | BB | |
| 1,215,306 | Term Loan, maturing December 17, 2010 | | | 1,230,497 |
| | Baker & Taylor, Inc. Revolver, maturing May 06, 2009 | B1 | B | |
| 1,102,500 | Term Loan, maturing May 06, 2011 | | | 1,091,475 |
| 1,000,000 | Blockbuster Entertainment Corporation | Ba2 | BB | |
| 15,000,000 | Term Loan, maturing August 19, 2011 | | | 14,974,215 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value | |
|------------------|------------------------------------|-------------------------------------------------------------------------------|-----|-------|--------------|
| | | Moody's | S&P | | |
| | Retail Stores: (continued) | | | | |
| \$ | 1,599,365 | CH Operating, LLC Term Loan, maturing June 21, 2007 | B2 | B+ | \$ 1,595,367 |
| | 2,492,500 | CSK Automotive, Inc. Term Loan, maturing June 19, 2009 | Ba3 | B+ | 2,522,098 |
| | 5,000,000 | Harbor Freight Tools USA, Inc. Term Loan, maturing June 24, 2010 | B1 | B+ | 5,029,165 |
| | 9,975,000 | Jean Coutu Group, Inc. Term Loan, maturing July 30, 2011 | B1 | BB | 10,122,298 |
| | 2,487,500 | Nebraska Book Company, Inc. Term Loan, maturing March 04, 2011 | B2 | B | 2,523,258 |
| | 2,828,415 | Oriental Trading Company, Inc. Term Loan, maturing August 06, 2010 | B1 | B+ | 2,871,430 |
| | 1,000,000 | Oriental Trading Company, Inc. Term Loan, maturing January 08, 2011 | B2 | B- | 1,020,625 |
| | 8,269,565 | Pantry, Inc. Term Loan, maturing March 12, 2011 | B1 | B+ | 8,401,365 |
| | 2,075,129 | Petco Animal Supplies, Inc. Term Loan, maturing October 26, 2008 | Ba3 | BB | 2,101,718 |
| | 1,995,000 | Rite Aid Corporation Term Loan, maturing August 31, 2009 | NR | NR | 2,016,821 |
| | 2,181,560 | Travelcenters Of America, Inc. Term Loan, maturing November 14, 2008 | Ba3 | BB | 2,192,468 |
| | | | | | 63,085,044 |
| | Telecommunications Equipment: 2.9% | | | | |
| | 3,500,000 | AAT Communications Corporation Term Loan, maturing January 16, 2012 | B1 | B- | 3,548,125 |
| | 9,975,000 | American Tower, L.P. Term Loan, maturing August 31, 2011 | B1 | B | 10,116,056 |
| | 7,231,875 | SBA Senior Finance, Inc. Term Loan, maturing October 31, 2008 | B2 | CCC+ | 7,310,977 |

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| | | | | | | |
|----------------------------|------------|-----|-------------------------------------------|-----|-----|------------|
| | | | Spectrasite Communications, Inc. | Ba3 | BB- | |
| | 10,000,000 | | Term Loan, maturing May 12, 2010 | | | 10,095,830 |
| | | | | | | 31,070,988 |
| Textiles and Leather: 0.7% | | | | | | |
| | | (2) | Galey & Lord, Inc. | NR | NR | |
| | 2,635,958 | (3) | Term Loan, maturing September 05, 2009 | | | 720,951 |
| | | | Malden Mills Industries, Inc. | NR | NR | |
| | 2,573,615 | (3) | Term Loan, maturing October 01, 2008 | | | 867,308 |
| | 735,319 | (3) | Term Loan, maturing October 01, 2008 | | | - |
| | | | Polymer Group, Inc. | B2 | B+ | |
| | 2,822,500 | | Term Loan, maturing April 27, 2010 | | | 2,856,604 |
| | | | William Carter Company | Ba3 | BB+ | |
| | 1,508,347 | | Term Loan, maturing September 30, 2008 | | | 1,530,972 |
| | | | | | | 5,975,835 |
| Utilities: 5.7% | | | | | | |
| | | | Allegheny Energy Supply Company | B1 | B+ | |
| | 17,000,000 | | Term Loan, maturing March 08, 2011 | | | 17,318,750 |
| | | | Astoria Energy, LLC | Ba3 | B+ | |
| | 14,500,000 | | Term Loan, maturing April 15, 2012 | | | 14,753,750 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Principal Amount | Borrower/Tranche Description | Bank Loan Ratings | | Value |
|-------------------------------------------|------------------------------|-------------------|-----|----------------------------------------------|
| | | Moody's | S&P | |
| | Utilities: (continued) | | | |
| \$ | 1,980,000 | NR | B+ | \$ 2,136,420 |
| | 3,942,588 | B2 | B | 3,439,202 |
| | 2,500,000 | B1 | B+ | 2,552,138 |
| | 3,462,162 | Ba1 | BBB | 3,478,393 |
| | 997,500 | Ba2 | BB | 1,015,164 |
| | 1,000,000 | Ba3 | BB- | 1,016,875 |
| | 2,992,500 | B2 | BB- | 3,058,898 |
| | 1,000,000 | Ba1 | BB | 1,013,750 |
| | 4,190,534 | Ba3 | BB | 4,235,180 |
| | 276,115 | Ba3 | BB- | 278,876 |
| | 2,602,945 | | | 2,628,974 |
| | 3,620,937 | | | 3,657,146 |
| | | | | 60,583,516 |
| | | | | Total Senior Loans (Cost \$1,893,845,309) |
| | | | | 1,905,954,698 |
| | Other Corporate Debt: 0.9% | | | |
| Finance: 0.7% | | | | |
| | 7,424,894 | B3 | B | 7,276,396 |
| | | | | 7,276,396 |
| Healthcare, Education and Childcare: 0.0% | | | | |
| | | NR | NR | |

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| | | | | |
|-----------------------------------|----------------------------------------------------------------------------------|----|----|-----------|
| | Block Vision Holdings Corporation Junior Term Loan, maturing July 30, 2007 | | | - |
| | | | | - |
| Home and Office Furnishings: 0.2% | | | | |
| | MP Holdings, Inc. Subordinated Note, maturing March 14, 2007 | NR | NR | 42,968 |
| 45,229 | Sealy Mattress Company Unsecured Term Loan, maturing April 05, 2013 | B2 | B+ | 2,070,000 |
| 2,000,000 | | | | 2,112,968 |
| | Total Other Corporate Debt (Cost \$9,466,603) | | | 9,389,364 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| Equities and Other Assets: 2.4% | Description | Value |
|---------------------------------|-----------------------------------------------------------------------------------------------|--------------|
| (@), (R) | Acterna, LLC (85,722 Common Shares) | \$ 1,090,731 |
| (@), (R) | Acterna, Inc. - Contingent Right | - |
| (1), (@), (R) | Allied Digital Technologies Corporation (Residual Interest in Bankruptcy Estate) | 186,961 |
| (@), (R) | AM Cosmetics Corporation (Liquidation Interest) | 50 |
| (@), (R) | Block Vision Holdings Corporation (571 Common Shares) | - |
| (2), (@), (R) | Boston Chicken, Inc. (Residual Interest in Boston Chicken Plan Trust) | 6,728,959 |
| (@), (R) | Cedar Chemical (Liquidation Interest) | - |
| (@), (R) | Covenant Care, Inc. (Warrants for 19,000 Common Shares, Expires January 13, 2005) | - |
| (@), (R) | Covenant Care, Inc. (Warrants for 26,901 Common Shares, Expires March 31, 2013) | - |
| (@), (R) | Decision One Corporation (350,065 Common Shares) | - |
| (2), (@), (R) | Electro Mechanical Solutions (Residual Interest in Bankruptcy Estate) | 1,112 |
| (@), (R) | Enginen Realty (857 Common Shares) | - |
| (@), (R) | Enterprise Profit Solutions (Liquidation Interest) | - |
| (4), (@), (R) | Euro United Corporation (Residual Interest in Bankruptcy Estate) | 2,335,366 |
| (2), (@), (R) | Exide Technologies (Warrants for 16,501 Common Shares, Expires March 16, 2006) | 165 |
| (@), (R) | Galey & Lord, Inc. (203,345 Common Shares) | - |
| (@), (R) | Gate Gourmet Borrower, LLC (Warrants for | - |

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| | | |
|---------------|-----------------------------------------------------|-----------|
| | 101 Common Shares) | |
| | Gemini Leasing, Inc. | |
| (@), (R) | (143,079 common shares) | - |
| | Grand Union Company (Residual Interest in | |
| (2), (@), (R) | Bankruptcy Estate) | 54,523 |
| | Hayes Lemmerz International, Inc. | |
| (@) | (73,835 Common Shares) | 562,623 |
| | Hayes Lemmerz International, Inc. | |
| (@) | (246 Preferred Shares) | 1,875 |
| | Holmes Group, Inc. | |
| (@), (R) | (2,303 Common Shares) | 22,731 |
| | Humphreys, Inc. (Residual Interest in | |
| (2), (@), (R) | Bankruptcy Estate) | - |
| | Imperial Home Décor Group, Inc. (300,141 | |
| (2), (@), (R) | Common Shares) | 1 |
| | Imperial Home Décor Group, Inc. | |
| (2), (@), (R) | (Liquidation Interest) | - |
| | Insilco Technologies (Residual Interest in | |
| (2), (@), (R) | Bankruptcy Estate) | 20,586 |
| | Intera Group, Inc. | |
| (@), (R) | (864 Common Shares) | - |
| | IT Group, Inc. (Residual Interest in | |
| (2), (@), (R) | Bankruptcy Estate) | 87,001 |
| | Kevco, Inc. (Residual Interest in Bankruptcy | |
| (2), (@), (R) | Estate) | 147,443 |
| | Lincoln Pulp and Eastern Fine (Residual Interest in | |
| (2), (@), (R) | Bankruptcy Estate) | - |
| | Malden Mills Industries, Inc. | |
| (@), (R) | (436,865 Common Shares) | - |
| | Malden Mills Industries, Inc. | |
| (@), (R) | (1,427,661 Preferred Shares) | - |
| | Morris Material Handling, Inc. | |
| (@), (R) | (481,373 Common Shares) | 1,078,276 |
| | MP Holdings, Inc. | |
| (@), (R) | (590 Common Shares) | 6 |
| | Murray's Discount Auto Stores, Inc. | |
| (@), (R) | (Escrow Interest) | 40,136 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

| | Description | Value |
|---------------|--------------------------------------------------------------------------------------------|-----------|
| (@), (R) | Neoplan USA Corporation (17,348 Common Shares) | \$ - |
| (@), (R) | Neoplan USA Corporation (1,814,180 Series B Preferred Shares) | - |
| (@), (R) | Neoplan USA Corporation (1,084,000 Series C Preferred Shares) | 205,960 |
| (@), (R) | Neoplan USA Corporation (3,524,300 Series D Preferred Shares) | 3,524,300 |
| (@), (R) | New Piper Aircraft, Inc. (Residual Interest in Litigation Proceeds) | - |
| (@), (R) | New World Restaurant Group, Inc. (Warrants for 4,489 Common Shares, Expires June 15, 2006) | 61,589 |
| (@), (R) | Norwood Promotional Products, Inc. (72,238 Common Shares) | - |
| (@) | Outsourcing Solutions, Inc. (31,460 Common Shares) | 863,892 |
| (@), (R) | Safelite Glass Corporation (810,050 Common Shares) | 6,553,305 |
| (@), (R) | Safelite Realty Corporation (54,679 Common Shares) | 300,735 |
| (@), (R) | Scientific Games Corporation (48,930 Non-Voting Common Shares) | 1,169,427 |
| (@), (R) | Soho Publishing (17,582 Common Shares) | 176 |
| (@), (R) | Targus Group, Inc. (Warrants for 66,824 Common Shares, Expires December 6, 2012) | - |
| (1), (@), (R) | Transtar Metals (Residual Interest in Bankruptcy Estate) | - |
| (1), (@), (R) | TSR Wireless, LLC (Residual Interest in Bankruptcy Estate) | - |

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| | | | | |
|---------------|------------------------------------------------------------------------------------|--------|----|---------------|
| | U.S. Aggregates (Residual Interest in Bankruptcy Estate) | | | - |
| (2), (@), (R) | U.S. Office Products Company (Residual Interest in Bankruptcy Estate) | | | - |
| (2), (@), (R) | Total for Equity and Other Assets (Cost \$21,536,034) | | | 25,037,929 |
| | Total Investments (Cost \$1,924,847,946) | 182.6% | \$ | 1,940,381,991 |
| | Preferred Shares and Liabilities in Excess of Cash and Other Assets - net | (82.6) | | (877,967,289) |
| | Net Assets | 100.0% | \$ | 1,062,414,702 |

(@) Non-income producing security.

(R) Restricted security.

* Senior loans, while exempt from registration under the Security Act of 1933, as amended contain certain restrictions on resale and cannot be sold publicly. These senior loans bear interest (unless otherwise noted) at rates that float periodically at a margin above the London Inter-Bank Offered Rate ("LIBOR") and other short-term rates.

NR Not Rated

Bank Loans rated below Baa3 by Moody's Investor Services, Inc. or BBB- by Standard & Poor's Group are considered to be below investment grade.

(1) The borrower filed for protection under Chapter 7 of the U.S. Federal bankruptcy code.

(2) The borrower filed for protection under Chapter 11 of the U.S. Federal bankruptcy code.

(3) Loan is on non-accrual basis.

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of November 30, 2004 (unaudited) (continued)

(4) The borrower filed for protection under the Canadian Bankruptcy and Insolvency Act.

(5) For federal income tax purposes, the cost of investment is \$1,925,761,759 and net unrealized appreciation consists of the following:

| | | |
|-------------------------------|----|--------------|
| Gross Unrealized Appreciation | \$ | 28,892,370 |
| Gross Unrealized Depreciation | | (14,272,138) |
| Net Unrealized Appreciation | \$ | 14,620,232 |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

SHAREHOLDER MEETING INFORMATION (Unaudited)

A special meeting of shareholders of the ING Prime Rate Trust was held June 15, 2004, at the offices of ING Funds, 7337 East Doubletree Ranch Road, Scottsdale, AZ 85258.

A brief description of each matter voted upon as well as the results are outlined below:

Matters:

ING PRIME RATE TRUST, COMMON SHARES

1. To elect nine members of the Board of Trustees to represent the interests of the holders of Common Shares of the Trust until the election and qualifications of their successors.

ING PRIME RATE TRUST, PREFERRED SHARES

2. To elect two members of the Board of Trustees to represent the interests of the holders of Auction Rate Cumulative Preferred Shares Series M, T, W, TH, and F of the Trust until the election and qualification of their successors.

Results:

| | Proposal | Shares voted for | Shares voted against or withheld | Shares abstained | Broker non-vote | Total Shares Voted |
|---------------------|-----------------|---------------------|----------------------------------------|---------------------|--------------------|-----------------------|
| Common | Paul S. Doherty | 117,790,259 | 2,558,077 | - | - | 120,348,336 |
| | J. Michael | | | | | |
| Shares | Earley | 117,897,099 | 2,451,237 | - | - | 120,348,336 |
| | R. Barbara | | | | | |
| Trustees | Gitenstein | 117,787,359 | 2,560,977 | - | - | 120,348,336 |
| | Thomas J. | | | | | |
| | McInerney | 117,807,436 | 2,540,899 | - | - | 120,348,336 |
| | David W.C. | | | | | |
| | Putnam | 117,655,942 | 2,692,393 | - | - | 120,348,336 |
| | Blaine E. Rieke | 117,747,937 | 2,600,399 | - | - | 120,348,336 |
| | John G. Turner | 117,870,513 | 2,477,823 | - | - | 120,348,336 |
| | Roger B. | | | | | |
| | Vincent | 117,888,751 | 2,459,585 | - | - | 120,348,336 |
| | Richard A. | | | | | |
| | Wedemeyer | 117,806,444 | 2,541,892 | - | - | 120,348,336 |
| Preferred Shares | Walter H. May | 17,399 | 47 | - | - | 17,446 |
| Trustees | Jock Patton | 17,396 | 50 | - | - | 17,446 |

ING Prime Rate Trust

ADDITIONAL INFORMATION (Unaudited)

SHAREHOLDER INVESTMENT PROGRAM

The Trust offers a Shareholder Investment Program (the "Program," formerly known as the Dividend Reinvestment and Cash Purchase Plan) which allows holders of the Trust's common shares a simple way to reinvest dividends and capital gains distributions, if any, in additional common shares of the Trust. The Program also offers holders of the Trust's common shares the ability to make optional cash investments in any amount from \$100 to \$100,000 on a monthly basis.

For dividend reinvestment purposes, DST Systems, Inc. will purchase shares of the Trust on the open market when the market price plus estimated commissions is less than the net asset value on the valuation date. The Trust will issue new shares for dividend reinvestment purchases when the market price plus estimated commissions is equal to or exceeds the net asset value on the valuation date. New shares may be issued at the greater of (i) net asset value or (ii) the market price of the shares during the pricing period, minus a discount of 5%.

For optional cash investments, shares will be purchased on the open market by the DST Systems, Inc. when the market price plus estimated commissions is less than the net asset value on the valuation date. New shares will be issued by the Trust for optional cash investments when the market price plus estimated commissions is equal to or exceeds the net asset value on the valuation date. Such shares will be issued at a discount to market, determined by the Trust, between 0% and 5%.

There is no charge to participate in the Program. Participants may elect to discontinue participation in the Program at any time. Participants will share, on a pro rata basis, in the fees or expenses of any shares acquired in the open market.

Participation in the Program is not automatic. If you would like to receive more information about the Program or if you desire to participate, please contact your broker or the Trust's Shareholder Services Department at (800) 992-0180.

KEY FINANCIAL DATES - CALENDAR 2005 DIVIDENDS:

| DECLARATION DATE | EX-DIVIDEND DATE | PAYABLE DATE |
|------------------|------------------|--------------|
| January 31 | February 8 | February 23 |
| February 28 | March 8 | March 22 |
| March 31 | April 7 | April 22 |
| April 29 | May 6 | May 23 |
| May 31 | June 8 | June 22 |
| June 30 | July 7 | July 22 |
| July 29 | August 8 | August 22 |
| August 31 | September 8 | September 22 |
| September 30 | October 5 | October 24 |
| October 31 | November 8 | November 22 |
| November 30 | December 8 | December 22 |
| December 20 | December 28 | January 11 |

Record date will be two business days after each Ex-Dividend Date. These dates are subject to change.

ING Prime Rate Trust

ADDITIONAL INFORMATION (Unaudited) (continued)

STOCK DATA

The Trust's common shares are traded on the New York Stock Exchange (Symbol: PPR). Effective March 1, 2002, the Trust's name changed to ING Prime Rate Trust and its CUSIP number changed to 44977W106. The Trust's NAV and market price are published daily under the "Closed-End Funds" feature in Barron's, The New York Times, The Wall Street Journal and many other regional and national publications.

REPURCHASE OF SECURITIES BY CLOSED-END COMPANIES

In accordance with Section 23(c) of the 1940 Act, and Rule 23c-1 under the 1940 Act the Trust may from time to time purchase shares of beneficial interest of the Trust in the open market, in privately negotiated transactions and/or purchase shares to correct erroneous transactions.

NUMBER OF SHAREHOLDERS

The approximate number of record holders of Common Stock as of November 30, 2004 was 7,087 which does not include approximately 49,493 beneficial owners of shares held in the name of brokers of other nominees.

PROXY VOTING INFORMATION

A description of the policies and procedures that the Registrant uses to determine how to vote proxies related to portfolio securities is available (1) without charge, upon request, by calling Shareholder Services toll-free at 800-992-0180; (2) on the Registrant's website at www.ingfunds.com and (3) on the SEC's website at www.sec.gov.

Information regarding how the Registrant voted proxies related to portfolio securities during the most recent 12-month period ended June 30 is available without charge on the Registrant's website at www.ingfunds.com and on the SEC website at www.sec.gov.

QUARTERLY PORTFOLIO HOLDINGS

The Registrant files its complete schedule of portfolio holdings with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Registrant's Forms N-Q are available on the SEC's website at www.sec.gov. The Registrant's Forms N-Q may be reviewed and copied at the Commissions Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330; and is available upon request from the Registrant by calling Shareholder Services toll-free at 800-992-0180.

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Investment Manager

ING Investments, LLC

7337 E. Doubletree Ranch Road

Scottsdale, Arizona 85258

Sub-Adviser

ING Investment Management Co.

7337 E. Doubletree Ranch Road

Scottsdale, Arizona 85258

Administrator

ING Fund Services, LLC

7337 E. Doubletree Ranch Road

Scottsdale, Arizona 85258

1-800-992-0180

Institutional Investors and Analysts

Call ING Prime Rate Trust

1-800-336-3436, Extension 2217

Distributor

ING Funds Distributor, LLC

7337 E. Doubletree Ranch Road

Scottsdale, Arizona 85258

1-800-334-3444

Transfer Agent

DST Systems, Inc.

P.O. Box 219368

Kansas City, Missouri 64141

Custodian

State Street Bank and Trust Company

801 Pennsylvania Avenue

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Kansas City, Missouri 64105

Legal Counsel

Dechert LLP

1775 I Street, N.W.

Washington, D.C. 20006

Written Requests

Please mail all account inquiries and other comments to:

ING Prime Rate Trust Account

c/o ING Fund Services, LLC

7337 E. Doubletree Ranch Road

Scottsdale, Arizona 85258

Toll-Free Shareholder Information

Call us from 9:00 a.m. to 7:00 p.m. Eastern time on any business day for account or other information, at (800)-992-0180

For more complete information, or to obtain a prospectus on any ING fund, please call your Investment Professional or ING Funds Distributor, LLC at (800) 992-0180 or log on to www.ingfunds.com. The prospectus should be read carefully before investing. Consider the fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this information and other information about the fund.

PRQR-UFPRT3Q

(1104-012805)
