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ING PRIME RATE TRUST  
Form N-CSRS  
November 08, 2004

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OMB APPROVAL  
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OMB Number: 3235-0570  
Expires: October 31, 2006  
Estimated average burden  
hours per response.....19.3  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-5410  
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ING Prime Rate Trust  
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(Exact name of registrant as specified in charter)

7337 E. Doubletree Ranch Rd., Scottsdale, AZ 85258  
-----

(Address of principal executive offices)

(Zip code)

C T CORPORATION, 101 Federal Street, Boston, MA 02110  
-----

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-992-0180  
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Date of fiscal year end: February 28  
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Date of reporting period: March 1, 2004 to August 31, 2004  
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ITEM 1. REPORTS TO STOCKHOLDERS.

The following is a copy of the report transmitted to stockholders pursuant to  
Rule 30e-1 under the Act (17 CFR 270.30e-1):

SEMI-ANNUAL REPORT

[GRAPHIC]

FUNDS

SEMI-ANNUAL REPORT

AUGUST 31, 2004

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ING PRIME RATE TRUST

[ING LOGO]

ING PRIME RATE TRUST

SEMI-ANNUAL REPORT

August 31, 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 AUGUST 31, 2004

Net Assets	\$ 1,037,826,321
Total Assets	\$ 2,019,939,151

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Assets Invested in Senior Loans	\$ 1,945,548,616
Senior Loans Represented	414
Average Amount Outstanding per Loan	\$ 4,699,393
Industries Represented	37
Average Loan Amount per Industry	\$ 52,582,395
Portfolio Turnover Rate (YTD)	50%
Weighted Average Days to Interest Rate Reset	41
Average Loan Final Maturity	62 months
Total Leverage as a Percentage of Total Assets (including Preferred Shares)	45.69%

### PERFORMANCE SUMMARY

The Trust declared \$0.11 of dividends during the second fiscal quarter and \$0.21 for the six months ended August 31, 2004. Based on the average month-end net asset value ("NAV") per share of \$7.38, this resulted in an annualized distribution rate of 5.74%(1) for the quarter and 5.68%(1) for the six months. The Trust's total return for the second fiscal quarter, based on NAV, was 1.70%, versus a total return on the S&P/LSTA Leveraged Loan Index of 1.11% for the same quarter. For the six months, the total return, based on NAV, was 3.36%, 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 second fiscal quarter was 2.96% and 5.03% for the six months ended August 31, 2004.

### MARKET OVERVIEW

The non-investment grade loan market continued to exhibit both technical and fundamental strength during the most recent quarter. The primary drivers of loan performance continue to be credit market conditions and liquidity, the overall vigor of the U.S. economy, and the directional nature of short-term interest rates. Each of these elements has been favorably aligned for virtually all of this year; the most recent quarter offered no exception.

During the second calendar quarter of 2004, domestic GDP expanded at an approximate 2.8% pace. While revised downward from earlier estimates, this pace provides a solid footing from which most economists envision renewed acceleration into 2005. Clearly, a vigorous economic backdrop is an essential ingredient to a sustained level of corporate merger and acquisition ("M&A") activity, and in turn, a hearty pipeline of new loan transactions. Coinciding with increasingly robust growth, third quarter M&A-related loan volumes posted their highest totals

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(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.

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## ING Prime Rate Trust

### PORTFOLIO MANAGERS' REPORT (continued)

since the second quarter of 2000. Further, as the economy continues to expand, even at a somewhat uneven pace, and as commodity prices move ever upward, so has the expectation of a continued rise in short-term interest rates. Importantly, unlike fixed rate bonds, returns for which are inversely related to changes in interest rates, the loan asset class, by way of its floating rate profile, is expected to benefit as rates rise. Rounding out the triumvirate of positive factors affecting the loan market, credit trends continue to look relatively stable. Trailing default rates continue to hover near historical lows, and the percentage of the market comprised of loans rated CCC+ or lower by Standard & Poor's recently fell to a level not seen in roughly six years.

#### TOP TEN SENIOR LOAN INDUSTRY SECTORS AS OF AUGUST 31, 2004 AS A PERCENTAGE OF:

	TOTAL ASSETS -----	NET ASSETS -----
Cable Television	9.1%	17.7%
Healthcare, Education and Childcare	7.3%	14.2%
Printing and Publishing	6.2%	12.1%
Automobile	5.6%	10.9%
Chemicals, Plastics and Rubber	5.4%	10.5%
Cellular	5.2%	10.1%
Containers, Packaging and Glass	4.5%	8.7%
Leisure, Amusement, Entertainment	4.3%	8.4%
Radio and TV Broadcasting	3.7%	7.2%
Retail Stores	3.7%	7.1%

PORTFOLIO HOLDINGS ARE SUBJECT TO CHANGE DAILY.

For the considerable number of favorable trends impacting the loan market, there are a small number of emerging issues that offer a degree of pause. The price of oil, for one, if sustained at current levels, will certainly have a crimping effect on the pace of economic growth, and more specifically, those corporations that use crude oil as a direct or indirect input. Moreover, strong demand for loans, coupled with high levels of uninvested cash in the hands of investors, has bred a bit of an issuer's market. Not unexpectedly, as a result, we've seen both the compression of borrowing spreads to historical lows over the last few quarters and an increasing inflow of slightly lower quality loans coming to market. We are actively monitoring each of these developments.

#### TOP TEN SENIOR LOAN ISSUERS AS OF AUGUST 31, 2004 AS A PERCENTAGE OF:

	TOTAL ASSETS -----	NET ASSETS -----
--	--------------------------	------------------------

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Charter Communications Operating, LLC	2.8%	5.4%
Nextel Finance Company	1.4%	2.8%
Dex Media West, LLC	1.3%	2.5%
Century Cable Holdings, LLC	1.3%	2.5%
Olympus Cable Holdings, LLC	1.3%	2.4%
GGPLP, LLC	1.1%	2.1%
Insight Midwest Holdings, LLC	1.0%	2.0%
Federal-Mogul Corporation	1.0%	1.9%
Davita, Inc.	1.0%	1.9%
Allegheny Energy Supply Company	1.0%	1.9%

PORTFOLIO HOLDINGS ARE SUBJECT TO CHANGE DAILY.

### PORTFOLIO OVERVIEW

The Trust during the quarter benefited from the robust supply of new loans (permitting continued full investment), ongoing broad-based price support due to strong demand for floating rate assets, and solid performance by several of the Trust's larger individual holdings. Early in the quarter, the Trust increased its exposure to the healthcare sector to 7.3% of total assets at quarter-end, as several large cap issuers in the medical device sub-sector came to market. We continue to view favorably this component of the healthcare industry due to high barriers to entry and relative stability of cash flows. Conversely, exposure to the cellular industry declined to 5.2% of total assets as Nextel Finance Company, the bellwether issuer in the sector, significantly reduced its loan facility. Following in Nextel's path, several other issuers in the sector also took advantage of robust market conditions to refinance existing debt balances and improve liquidity.

We continue to maintain a high level of diversification of the portfolio, across both issuer and industry lines. As of August 31, 2004, the average individual position accounted for approximately

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### ING Prime Rate Trust

#### PORTFOLIO MANAGERS' REPORT (continued)

0.23% of the Trust's total assets, while the average amount invested per industry amounted to approximately 2.60% of total assets.

#### USE OF LEVERAGE

The Trust utilizes financial leverage to seek to increase the yield to the holders of common shares. As of August 31, 2004, the Trust had \$450 million of "Aaa/AAA(2)" rated cumulative auction rate preferred shares outstanding, and \$473 million of borrowings outstanding under \$525 million in available credit facilities. Total leverage, as a percentage of total assets (including preferred shares), was 45.69% at period end. The use of leverage for investment purposes increases both investment opportunity and investment risk.

[CHART]

INVESTMENT TYPES  
AS OF AUGUST 31, 2004  
(AS A PERCENT OF TOTAL INVESTMENTS)

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Equities and Other Assets	1.4%
Other Corporate Debt	0.5%
Senior Loans	98.1%

PORTFOLIO HOLDINGS ARE SUBJECT TO CHANGE DAILY.

### OUTLOOK

Fundamentally, our near-term outlook for the loan asset class remains positive. Investor demand for floating rate loans, already at a level not seen in several years, is expected to remain quite healthy if the Federal Reserve continues on its path of systematically increasing short-term interest rates. Strong demand typically translates into firm loan prices and stable net asset values. Further, at this point, there appears to be little on the immediate horizon that would threaten what is currently viewed as a fairly benign non-investment grade credit environment. We are on watch, however, for increasingly aggressive transaction structures (e.g., second lien and covenant-light loan facilities). Our strategy remains focused on delivering attractive risk-adjusted returns. As in the past, we will continue to forfeit yield in order to maintain credit discipline.

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

/s/ Jeffrey A. Bakalar

/s/ Daniel A. Norman

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  
 September 27, 2004

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(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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ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT (continued)

	AVERAGE ANNUAL TOTAL RETURNS PERIODS ENDED AUGUST 31,		
	1 YEAR	3 YEARS	5 YEARS
Based on Net Asset Value (NAV)	11.24%	5.42%	3.70%
Based on Market Value	13.16%	9.00%	4.67%
Credit Suisse First Boston Leveraged Loan Index	7.04%	4.85%	4.82%
S&P/LSTA Leveraged Loan Index(a)	6.55%	4.78%	4.99%

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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](http://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 5.30% 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.

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.

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## 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)	AVER ANNUA DISTR RATE AT
August 31, 2004	4.50%	6.03%	5.55%	5.74%	5.
May 31, 2004	4.00%	5.83%	5.44%	5.62%	5.
February 29, 2004	4.00%	5.56%	5.20%	5.82%	5.
November 30, 2003	4.00%	6.51%	6.30%	5.83%	5.

(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.



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## ING Prime Rate Trust

STATEMENT OF ASSETS AND LIABILITIES as of August 31, 2004 (Unaudited)

**ASSETS:**

Investments in securities at value (Cost \$1,971,365,393)		\$ 1,982,378
Cash		14,021
Receivables:		
Investment securities sold		14,590
Interest		8,694
Other		43
Prepaid expenses		211
		-----
Total assets		2,019,939
		-----

**LIABILITIES:**

Notes payable		473,000
Payable for investments purchased		52,877
Deferred arrangement fees on senior loans		2,515
Dividends payable - preferred shares		84
Payable to affiliates		1,729
Accrued trustee fees		53
Other accrued expenses and liabilities		1,852
		-----
Total liabilities		532,112
		-----

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

NET ASSETS		\$ 1,037,826
		=====

Net assets value per common share outstanding (net assets less preferred shares at liquidation value, divided by 140,648,915 shares of beneficial interest authorized and outstanding, no par value)		\$
--	--	----

**NET ASSETS CONSIST OF:**

Paid-in capital		\$ 1,312,160
Undistributed net investment income		7,407
Accumulated net realized loss on investments		(292,754)
Net unrealized appreciation on investments		11,013
		-----

NET ASSETS		\$ 1,037,826
		=====

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

STATEMENT OF OPERATIONS for the Six Months Ended August 31, 2004 (Unaudited)

**INVESTMENT INCOME:**

Interest		\$ 42,224
Arrangement fees earned		1,097
Dividends		106

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Other	1,288
	-----
Total investment income	44,716
	-----
EXPENSES:	
Investment management fees	7,480
Administration fees	2,337
Transfer agent and registrar fees	117
Interest	3,421
Shareholder reporting expense	74
Custodian fees	451
Professional fees	460
Preferred Shares - Dividend disbursing agent fees	596
Pricing expense	21
ICI fees	23
Postage expense	112
Trustee fees	36
Miscellaneous expense	105
	-----
Total expenses	15,238
	-----
Net investment income	29,478
	-----
REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS:	
Net realized loss on investments	(10,460)
Net change in unrealized appreciation or depreciation on investments	16,183
	-----
Net realized and unrealized gain on investments	5,723
	-----
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:	
From net investment income	(2,929)
	-----
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 32,271
	=====

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)

	SIX MONTHS ENDED AUGUST 31, 2004 ----	YEAR FEBRUARY 2004 ---
FROM OPERATIONS:		
Net investment income	\$ 29,478,158	\$ 6,111,158
Net realized loss on investments	(10,460,747)	(4,111,158)
Net change in unrealized appreciation or depreciation on investments	16,183,967	12,111,158
Distributions to preferred shareholders from net investment income	(2,929,980)	(2,929,980)
	-----	-----
Net increase in net assets resulting from operations	32,271,398	14,111,158

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FROM DISTRIBUTIONS TO COMMON SHAREHOLDERS:		
From net investment income	(28,802,518)	(5)
Total Distributions	(28,802,518)	(5)
FROM CAPITAL SHARE TRANSACTIONS:		
Dividends reinvested for common shares	3,755,812	
Sales of shares in connection with shelf offering	20,276,188	
Net increase from capital share transactions	24,032,000	
Net increase in net assets	27,500,880	8
NET ASSETS:		
Beginning of period	1,010,325,441	92
End of period (including undistributed net investment income of \$7,407,132 and \$9,661,472, respectively)	\$ 1,037,826,321	\$ 1,01
SUMMARY OF CAPITAL SHARE TRANSACTIONS:		
Shares issued in payment of distributions from net investments income	164,979	
Shares sold in connection with shelf offering	2,845,665	
Net increase in shares outstanding	3,010,644	

See Accompanying Notes to Financial Statements

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### ING Prime Rate Trust

#### STATEMENT OF CASH FLOWS for the Six Months Ended August 31, 2004 (Unaudited)

INCREASE (DECREASE) IN CASH	
CASH FLOWS FROM OPERATING ACTIVITIES:	
Interest received	\$
Dividends received	
Dividends paid to preferred shareholders	
Arrangement fee paid	
Other income received	
Interest paid	
Other operating expenses paid	(
Purchases of securities	(1,1
Proceeds from sales of securities	9
Net cash used in operating activities	(2
CASH FLOWS FROM FINANCING ACTIVITIES:	
Distributions paid to common shareholders	(
Proceeds from shelf offerings	
Net issuance of notes payable	2
Net cash flows provided by financing activities	2
Net increase in cash	

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Cash at beginning of period		-----
Cash 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	\$	-----
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:		
Change in unrealized depreciation on securities		(
Net accretion of discounts on securities		
Realized loss on sale of securities		
Purchase of securities		(1,1
Proceeds on sale of securities		9
Increase in other assets		
Decrease in interest receivable		
Increase in prepaid expenses		
Decrease in deferred arrangement fees on senior loans		
Increase in preferred shareholder dividend payable		
Increase in affiliate payable		
Increase in accrued trustee fees		
Increase in accrued expenses		
Total adjustments		----- (2
Net cash used in operating activities	\$	----- (2
=====		
NONCASH FINANCING ACTIVITIES		
Reinvestment of dividends	\$	

See Accompanying Notes to Financial Statements

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### ING PRIME RATE TRUST FINANCIAL HIGHLIGHTS

For a common share outstanding throughout the period

		SIX MONTHS ENDED AUGUST 31, 2004 (UNAUDITED)	YEARS ENDED FEB	
		-----	-----	-----
		2004	2003	
PER SHARE OPERATING PERFORMANCE				
Net asset value, beginning of period	\$	7.34	6.73	7.20
Income from investment operations:				
Net investment income	\$	0.23	0.46	0.50
Net realized and unrealized gain (loss) on investments	\$	0.04	0.61	(0.47)
Total from investment operations	\$	0.27	1.07	0.03
Distributions to Common Shareholders from net investment income	\$	(0.21)	(0.42)	(0.45)
Distribution to Preferred Shareholders	\$	(0.02)	(0.04)	(0.05)
Reduction in net asset value from Preferred Shares offerings	\$	--	--	--

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Net asset value, end of year	\$	7.38	7.34	6.73
Closing market price at end of period	\$	8.01	7.84	6.46
Total Investment Return(1)				
Total investment return at closing market price(2)	%	5.03	28.77	2.53
Total investment return at net asset value(3)	%	3.36	15.72	0.44
RATIOS/SUPPLEMENTAL DATA				
Net assets end of year (000's)	\$	1,037,826	1,010,325	922,383
Preferred Shares-Aggregate amount outstanding (000's)	\$	450,000	450,000	450,000
Liquidation and market value per share of Preferred Shares	\$	25,000	25,000	25,000
Borrowings at end of year (000's)	\$	473,000	225,000	167,000
Asset coverage per \$1,000 of debt(4)	\$	2,120	2,500	2,500
Average borrowings (000's)	\$	387,448	143,194	190,671
RATIOS TO AVERAGE NET ASSETS INCLUDING PREFERRED SHARES(5)				
Expenses (before interest and other fees related to revolving credit facility)(6)	%	1.61	1.45	1.49
Expenses(6)	%	2.06	1.65	1.81
Net investment income(6)	%	2.01	4.57	4.97
RATIOS TO AVERAGE NET ASSETS PLUS BORROWINGS				
Expenses (before interest and other fees related to revolving credit facility)(6)	%	1.67	1.84	1.82
Expenses(6)	%	2.16	2.09	2.23
Net investment income(6)	%	4.17	5.82	6.10
RATIOS TO AVERAGE NET ASSETS				
Expenses (before interest and other fees related to revolving credit facility)(6)	%	2.30	2.11	2.19
Expenses(6)	%	2.98	2.40	2.68
Net investment income(6)	%	5.75	6.68	7.33
Portfolio turnover rate	%	50	87	48
Common shares outstanding at end of period (000's)		140,649	137,638	136,973

- (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

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NOTES TO FINANCIAL STATEMENTS as of August 31, 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 August 31, 2004, 98.4% 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

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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;

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### ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of August 31, 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, are 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.

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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.

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### ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of August 31, 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 six months ended August 31, 2004, the cost of purchases and the proceeds from principal repayment and sales of investments, excluding short-term notes, totaled \$1,217,889,982 and \$934,673,546, respectively. At August 31, 2004, the Trust held senior loans valued at \$1,945,548,616 representing 98.1% 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



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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.

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### ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of August 31, 2004 (Unaudited) (continued)

#### NOTE 3 -- INVESTMENTS (CONTINUED)

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

	DATE OF ACQUISITION -----
Acterna, LLC -- Common Shares	11/24/03
Acterna, Inc. -- Contingent Right	11/24/03
Allied Digital Technologies Corporation -- Residual Interest in Bankruptcy Estate	06/05/02
AM Cosmetics Corporation -- Liquidation Interest	03/07/03
Block Vision Holdings Corporation -- Common Shares	09/30/02
Boston Chicken, Inc. -- Residual Interest in Boston Chicken Plan Trust	12/26/00
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
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
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
Holmes Group -- Common Shares	05/26/04
Humphreys, Inc. -- Residual Interest in Bankruptcy Estate	05/15/02
Imperial Home Decor Group, Inc. -- Common Shares	05/02/01
Imperial Home Decor Group, Inc. -- Liquidation Interest	01/22/04
Insilco Technologies -- Residual Interest in Bankruptcy Estate	05/02/03
Intera Group, Inc. -- Common Shares	11/29/02
IT Group, Inc. -- Residual Interest in Bankruptcy Estate	09/12/03
Kevco, Inc. -- Residual Interest in Bankruptcy Estate	06/05/02
Lincoln Paper And Tissue, LLC -- 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
Morris Material Handling, Inc. -- Common Shares	10/09/01
MP Holdings, Inc. -- Common Shares	04/16/01

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Murray's Discount Auto Stores, Inc. -- Escrow	08/11/03
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
Neoplan USA Corporation -- Series D Preferred Shares	08/29/03
New Piper Aircraft -- Residual Interest in Litigation Proceeds	07/02/03
New World Restaurant Group, Inc. -- Warrants	09/27/01
Norwood Promotional Products, Inc. -- Common Shares	08/23/04
Safelite Glass Corporation -- Common Shares	10/17/00
Safelite Realty -- Common Shares	10/17/00
Scientific Games Corporation -- Common Shares	10/30/03
Soho Publishing -- Common Shares	01/10/02
Stellex Aerostructures, Inc. -- Common Shares	10/17/01
Targus Group, Inc. -- Common Shares	03/11/03
Tartan Textile Services, Inc. -- Series D Preferred Shares	07/16/01
Tartan Textile Services, Inc. -- Series E Preferred Shares	07/16/01
Telinget, Inc. -- Common Shares	09/18/02
Tembec, Inc. -- Common Shares	01/08/02
Transtar Metals -- Residual Interest in Bankruptcy Estate	01/09/03
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  
\$25,445,720 WAS 2.5% OF NET ASSETS AT AUGUST 31, 2004)

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### ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of August 31, 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

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At August 31, 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
\$ 1,317,860	\$ 411,832	\$ 1,729,692

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 \$435 million 364-day revolving securitization facility which matures on June 13, 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 August 31, 2004, was \$473 million. Weighted average interest rate on outstanding borrowings was 1.99%, excluding fees related to the unused portion of the facilities, and other fees. The amount of borrowings represented 23.42% of total assets at August 31, 2004. Average borrowings for the six months ended August 31, 2004 were \$387,448,370 and the average annualized interest rate was 1.93% excluding other fees related to the unused portion of the facilities, and other fees.

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### ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of August 31, 2004 (Unaudited) (continued)

### NOTE 6 -- COMMITMENTS (CONTINUED)

As of August 31, 2004, the Trust had unfunded loan commitments pursuant to the terms of the following loan agreements:

Allied Waste North America, Inc.	\$ 1,440,650
Apria Healthcare Group, Inc.	2,000,000
Baker & Taylor, Inc.	525,000
Block Vision Holdings Corporation	118,771
Cincinnati Bell, Inc.	2,918,429
Entravision Communications Corporation	750,000
Envirosolutions, Inc.	1,363,636
Federal-Mogul Corporation	437,903
Geo Specialty Chemicals, Inc.	670,000
Green Valley Ranch Gaming, LLC	800,000
IESI Corporation	1,055,625
Innophos, Inc.	286,364
Neoplan USA Corporation	427,500
Nutrasweet Acquisition Company	\$ 472,250
Outsourcing Solutions, Inc.	63,692

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Peabody Energy Corporation	2,500,000
Pinnacle Entertainment	778,812
Ply Gem Industries	991,883
Primedia Inc.	4,714,105
Saguaro Utility Group	4,500,000
SBA Senior Finance, Inc.	780,769
Six Flags Theme Parks, Inc.	3,000,000
United Defense Industries, Inc.	3,000,000
United Industries Corporation	1,796,923
Venetian Casino Resorts, LLC	1,363,636
	-----
	\$ 36,755,948
	=====

### NOTE 7 -- RIGHTS AND OTHER OFFERINGS

As of August 31, 2004, outstanding share offerings pursuant to shelf registrations were as follows:

REGISTRATION DATE -----	SHARES REGISTERED -----	SHARES REMAINING -----
9/15/98	25,000,000	19,055,149
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 six months ended August 31, 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

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loans. As of August 31, 2004, the Trust held 0.48% of its total assets in subordinated loans and unsecured loans.

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### ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of August 31, 2004 (Unaudited) (continued)

#### NOTE 10 -- FEDERAL INCOME TAXES

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:

SIX MONTHS ENDED AUGUST 31, 2004	YEAR ENDED FEBRUARY 29, 2004
ORDINARY INCOME	ORDINARY INCOME
\$ 31,732,499	\$ 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
\$ 8,429,077	\$ --	\$ (6,655,665)	\$ (15,388,435)	\$ (12,542,170)
				(10,485,033)
				(38,118,850)
				(847,193)
				(47,376,376)
				(97,064,717)
				(57,686,392)
				\$ (264,120,731)
				=====

#### NOTE 11 -- SUBSEQUENT EVENTS

Subsequent to August 31, 2004, the Trust paid to Common Shareholders the

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following dividends from net investment income:

PER SHARE AMOUNT -----	DECLARATION DATE -----	RECORD DATE -----	PAYABLE DA -----
\$ 0.036	8/31/04	9/10/04	9/22/04

Subsequent to August 31, 2004, the Trust paid to Preferred Shareholders the following dividends from net investment income:

PREFERRED SHARES -----	TOTAL PER SHARE AMOUNT -----	AUCTION DATES -----	RECORD DATES -----	PAY DA -----
Series M	\$ 52.60	09/03/04 to 10/08/04	09/13/04 to 10/18/04	09/15/04 t
Series T	\$ 52.69	09/07/04 to 10/12/04	09/14/04 to 10/19/04	09/09/04 t
Series W	\$ 50.94	09/01/04 to 10/06/04	09/08/04 to 10/13/04	09/10/04 t
Series Th	\$ 52.48	09/02/04 to 10/07/04	09/09/04 to 10/14/04	09/14/04 t
Series F	\$ 50.84	09/03/04 to 10/08/04	09/10/04 to 10/15/04	09/14/04 t

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### ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited)

SENIOR LOANS\*: 187.5%

PRINCIPAL AMOUNT -----	BORROWER/TRANCHE DESCRIPTION -----	BANK LOAN RATINGS+ MOODY'S	S&P
AEROSPACE AND DEFENSE: 1.8%			
\$ 1,995,000	ALLIANT TECHSYSTEMS, INC. Term Loan, maturing March 31, 2011	Ba2	BB
997,500	ARINC, INC. Term Loan, maturing March 10, 2011	Ba3	BB
2,500,000	CERADYNE, INC. Term Loan, maturing August 18, 2011	Ba3	BB-
4,500,000	STANDARD AERO HOLDINGS, INC. Term Loan, maturing August 20, 2012	B2	B+
1,990,013	TRANSDIGM, INC. Term Loan, maturing July 22, 2010	B1	B+
6,054,771	UNITED DEFENSE INDUSTRIES, INC. Term Loan, maturing August 13, 2009	Ba2	BB
AUTOMOBILE: 10.9%			
956,171	AFTERMARKET TECHNOLOGY CORPORATION Term Loan, maturing February 08, 2008	Ba3	BB-
1,314,797	CCC INFORMATION SERVICES, INC. Term Loan, maturing February 08, 2008	B1	B+

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3,000,000	Term Loan, maturing August 20, 2010 COLLINS & AIKMAN PRODUCTS	B1	B+
1,229,416	Term Loan, maturing December 31, 2005 DAYCO PRODUCTS, LLC	B1	BB-
6,500,000	Term Loan, maturing June 23, 2011 DURA OPERATING CORPORATION	Ba3	BB
3,136,000	(2) Term Loan, maturing December 31, 2008 FEDERAL-MOGUL CORPORATION	Ca	NR
8,502,361	Revolver, maturing February 24, 2004		
4,583,621	Term Loan, maturing February 24, 2004		
7,975,500	Term Loan, maturing February 24, 2005 GOODYEAR TIRE & RUBBER COMPANY	B1	BB
5,500,000	Term Loan, maturing March 31, 2006 GOODYEAR TIRE & RUBBER COMPANY	B2	B
1,500,000	Term Loan, maturing March 31, 2006 GRAND VEHICLE WORKS HOLDINGS CORPORATION	B2	B+
3,000,000	Term Loan, maturing July 31, 2010 GUILFORD MILLS, INC.	B2	B+
2,739,130	Term Loan, maturing May 31, 2010 HLI OPERATING COMPANY, INC.	Ba3	BB-
4,772,222	Term Loan, maturing June 03, 2009 JL FRENCH AUTOMOTIVE CASTINGS	B3	B
3,500,000	Term Loan, maturing July 31, 2011 JL FRENCH AUTOMOTIVE CASTINGS	Caa1	CCC+
1,500,000	Term Loan, maturing July 31, 2012 KEY AUTOMOTIVE GROUP	B1	BB-
1,500,000	Term Loan, maturing June 29, 2010 KEYSTONE AUTOMOTIVE INDUSTRIES, INC.	B1	B+
1,428,261	Term Loan, maturing October 30, 2009		

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
AUTOMOBILE: (CONTINUED)			
\$ 2,995,000	MERIDIAN AUTOMOTIVE SYSTEMS, INC. Term Loan, maturing April 28, 2010	B2	B+
4,397,435	METALDYNE COMPANY, LLC Term Loan, maturing December 31, 2009	B2	BB-
1,979,310	PLASTECH, INC. Term Loan, maturing February 12, 2010	Ba3	BB-
6,000,000	RJ TOWER CORPORATION Term Loan, maturing May 21, 2009	B1	B+
6,729,690	SAFELITE GLASS CORPORATION Term Loan, maturing September 30, 2007	B3	B+
10,823,607	Term Loan, maturing September 30, 2007 TENNECO AUTOMOTIVE, INC.	B1	B+
2,059,650	Term Loan, maturing December 12, 2010 TRANSPORTATION TECHNOLOGIES INDUSTRIES, INC.	B2	B

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2,493,750	Term Loan, maturing March 14, 2009 TRW AUTOMOTIVE ACQUISITIONS CORPORATION	Ba2	BB+
1,600,000	Term Loan, maturing February 28, 2009		
9,888,261	Term Loan, maturing February 28, 2011 UNITED COMPONENTS, INC.	B1	BB-
2,998,333	Term Loan, maturing June 30, 2010		
BANKING: 0.1%			
	OUTSOURCING SOLUTIONS, INC.	NR	NR
2,978	Revolver, maturing December 09, 2008		
1,426,801	Term Loan, maturing December 09, 2008		
BEVERAGE, FOOD AND TOBACCO: 5.3%			
	B & G FOODS, INC.	B1	B
1,488,750	Term Loan, maturing August 31, 2009		
	BIRDS EYE FOODS, INC.	B1	B+
6,549,838	Term Loan, maturing June 30, 2008		
	COMMONWEALTH BRANDS, INC.	Ba3	BB-
5,296,417	Term Loan, maturing August 28, 2007		
	CONSTELLATION BRANDS, INC.	Ba1	BB
5,250,000	Term Loan, maturing November 30, 2008		
	DEL MONTE CORPORATION	Ba3	BB-
3,187,850	Term Loan, maturing December 20, 2010		
	DR. PEPPER BOTTLING COMPANY OF TEXAS	B1	BB-
3,760,822	Term Loan, maturing December 19, 2010		
	DS WATERS ENTERPRISES, L.P.	B3	B+
2,437,500	Term Loan, maturing November 07, 2009		
	GOLDEN STATE FOODS CORPORATION	B1	B+
3,990,000	Term Loan, maturing February 28, 2011		
	INTERSTATE BRANDS CORPORATION	B2	CCC+
2,447,157	Term Loan, maturing July 19, 2007		
	KEYSTONE FOODS HOLDINGS, LLC	Ba3	B+
4,500,000	Term Loan, maturing June 16, 2011		
	MAFCO WORLDWIDE CORPORATION	B1	B
843,929	Term Loan, maturing March 31, 2006		

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
-----			
BEVERAGE, FOOD AND TOBACCO: (CONTINUED)			
	MICHAEL FOODS, INC.	B1	B+
\$ 3,970,000	Term Loan, maturing November 21, 2010		
	PIERRE FOODS, INC.	B1	B+
5,000,000	Term Loan, maturing June 30, 2010		



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	PINNACLE FOODS CORPORATION	B1	BB-
2,992,500	Term Loan, maturing November 25, 2010		
	SOUTHERN WINE & SPIRITS OF AMERICA, INC.	Ba3	BB+
2,952,486	Term Loan, maturing July 02, 2008		
BUILDINGS AND REAL ESTATE: 5.9%			
	ASSOCIATED MATERIALS, INC.	Ba3	B+
1,473,684	Term Loan, maturing August 02, 2010		
	ATRIUM COMPANIES, INC.	B1	B+
2,985,000	Term Loan, maturing December 10, 2008		
	BUILDERS FIRSTSOURCE, INC.	B1	B+
3,990,000	Term Loan, maturing February 25, 2010		
	BUILDING MATERIALS HOLDING CORPORATION	Ba2	BB-
1,980,000	Term Loan, maturing August 21, 2010		
	CRESCENT REAL ESTATE EQUITIES, L.P.	B1	BB+
2,876,806	Term Loan, maturing January 12, 2006		
	DMB NEWCO, LLC	NR	NR
7,443,993	Term Loan, maturing February 28, 2009		
	GGPLP, LLC	Ba1	BBB-
6,472,265	Term Loan, maturing April 16, 2006		
15,101,952	Term Loan, maturing April 16, 2006		
	NCI BUILDING SYSTEMS, INC.	Ba2	BB
1,500,000	Term Loan, maturing September 15, 2008		
	NORTEK, INC.	B1	B+
6,000,000	Term Loan, maturing August 25, 2011		
	PLY GEM INDUSTRIES	B1	B+
258,117	Revolver, maturing February 12, 2009		
748,125	Term Loan, maturing March 15, 2010		
1,500,000	Term Loan, maturing February 12, 2011		
4,239,375	Term Loan, maturing October 01, 2011		
	ST. MARYS CEMENT, INC.	B1	BB-
2,985,000	Term Loan, maturing December 04, 2009		
	WERNER HOLDINGS COMPANY, INC.	B1	B
916,667	Term Loan, maturing June 11, 2009		
CABLE TELEVISION: 17.8%			
	(2) ADELPHIA COMMUNICATIONS CORPORATION	NR	BBB
2,956,684	Debtor In Possession Term Loan, maturing March 31, 2005		
	ATLANTIC BROADBAND FINANCE, LLC	B2	B
2,000,000	Term Loan, maturing September 01, 2011		
	BRAGG COMMUNICATIONS, INC.		
2,500,000	Term Loan, maturing August 31, 2011		
	BRESNAN COMMUNICATIONS, LLC	B1	BB-
5,000,000	Term Loan, maturing December 31, 2007		

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PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
CABLE TELEVISION: (CONTINUED)			
	CEBRIDGE CONNECTIONS, INC.	NR	NR
\$ 4,488,750	Term Loan, maturing February 04, 2009		
1,496,250	Term Loan, maturing February 23, 2009		
	(2) CENTURY CABLE HOLDINGS, LLC	Caa1	NR
1,230,000	Revolver, maturing March 31, 2009		
19,357,940	Term Loan, maturing June 30, 2009		
5,500,000	Term Loan, maturing December 31, 2009		
	CHARTER COMMUNICATIONS OPERATING, LLC	B2	B
7,000,000	Term Loan, maturing April 27, 2010		
50,000,000	Term Loan, maturing April 27, 2011		
	(2) HILTON HEAD COMMUNICATIONS, L.P.	Caa1	NR
7,000,000	Revolver, maturing September 30, 2007		
6,500,000	Term Loan, maturing March 31, 2008		
	INSIGHT MIDWEST HOLDINGS, LLC	Ba3	BB+
1,880,000	Term Loan, maturing June 30, 2009		
1,990,000	Term Loan, maturing December 31, 2009		
16,417,500	Term Loan, maturing December 31, 2009		
	MEDIACOM COMMUNICATIONS CORPORATION	Ba3	BB+
16,000,000	Term Loan, maturing September 30, 2010		
	(2) OLYMPUS CABLE HOLDINGS, LLC	B2	NR
5,000,000	Term Loan, maturing June 30, 2010		
21,000,000	Term Loan, maturing September 30, 2010		
	PERSONA COMMUNICATION, INC.	B2	B+
3,500,000	Term Loan, maturing May 31, 2011		
CARGO TRANSPORT: 3.3%			
	(2) AMERICAN COMMERCIAL LINES, LLC	Caa1	D
565,187	Debtor In Possession Term Loan, maturing December 31, 2004		
	ATLANTIC EXPRESS TRANSPORT	B3	B
6,000,000	Floating Rate Note, maturing April 15, 2008		
	BAKER TANKS, INC.	B1	B+
971,000	Term Loan, maturing January 30, 2011		
	GEMINI LEASING, INC.	NR	NR
1,942,090	Term Loan, maturing December 31, 2011		
	HELM HOLDING CORPORATION	B2	B+
3,500,000	Term Loan, maturing July 02, 2010		
	HORIZON LINES, LLC	B2	B+
2,500,000	Term Loan, maturing July 04, 2011		
	NEOPLAN USA CORPORATION	NR	NR
1,822,500	Revolver, maturing June 30, 2006		
5,387,690	Term Loan, maturing June 30, 2006		
	PACER INTERNATIONAL, INC.	B1	BB-
2,105,882	Term Loan, maturing June 10, 2010		
	TEREX CORPORATION	B1	BB-
945,013	Term Loan, maturing July 03, 2009		
1,312,266	Term Loan, maturing December 31, 2009		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
CARGO TRANSPORT: (CONTINUED)			
\$ 3,000,000	TRANSPORT INDUSTRIES, L.P. Term Loan, maturing June 13, 2010	B2	B+
3,424,383	UNITED STATES SHIPPING, LLC Term Loan, maturing April 14, 2010	Ba2	BB
584,416	YELLOW ROADWAY CORPORATION Term Loan, maturing June 11, 2008	Baa3	BBB
CELLULAR: 10.1%			
673,945	AIRGATE PCS, INC. Term Loan, maturing June 06, 2007	B2	CCC+
9,664,033	Term Loan, maturing September 30, 2008		
2,000,000	CELLULAR SOUTH, INC. Term Loan, maturing May 04, 2011	Ba3	B+
10,947,494	CENTENNIAL CELLULAR OPERATING COMPANY Term Loan, maturing February 09, 2011	B2	B-
4,955,044	DOBSON CELLULAR SYSTEMS, INC. Term Loan, maturing March 31, 2010	B1	B-
3,250,538	INDEPENDENT WIRELESS ONE CORPORATION Term Loan, maturing December 20, 2007	Caa1	NR
10,912,873	Term Loan, maturing June 20, 2008		
6,912,500	MICROCELL SOLUTIONS, INC. Term Loan, maturing March 17, 2011	B3	B-
997,500	MICROCELL SOLUTIONS, INC. Term Loan, maturing February 15, 2011	Caa2	CCC-
28,859,987	NEXTEL FINANCE COMPANY Term Loan, maturing December 15, 2010	Ba1	BBB
8,000,000	NEXTEL PARTNERS OPERATING CORPORATION Term Loan, maturing May 31, 2011	B1	B+
2,500,000	RURAL CELLULAR CORPORATION Floating Rate Note, maturing March 15, 2010	B2	B-
15,000,000	WESTERN WIRELESS CORPORATION Term Loan, maturing May 31, 2011	B2	B-
CHEMICALS, PLASTICS AND RUBBER: 10.5%			
8,430,657	ACADIA ELASTOMERS CORPORATION Term Loan, maturing March 31, 2004	NR	NR
4,000,000	BRENNTAG, AG Term Loan, maturing December 09, 2011	B1	BB-
2,190,168	CP KELCO APS Term Loan, maturing March 31, 2008	B3	B
718,760	Term Loan, maturing September 30, 2008		
3,877,824	FMC CORPORATION Term Loan, maturing December 22, 2007	Ba1	BBB-
1,740,101	(2) GEO SPECIALTY CHEMICALS, INC. Term Loan, maturing December 31, 2007	Caa1	NR
	HERCULES, INC.	Ba1	BB

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9,301,688	Term Loan, maturing October 08, 2010 HUNTSMAN INTERNATIONAL, LLC	B1	B
18,500,000	Term Loan, maturing December 31, 2010		

See Accompanying Notes to Financial Statements

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### ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	MOODY'S	S&P
<hr style="border-top: 1px dashed black;"/>				
CHEMICALS, PLASTICS AND RUBBER: (CONTINUED)				
	HUNTSMAN, LLC	B2		B
\$ 7,372,482	Term Loan, maturing March 31, 2007			
1,165,620	Term Loan, maturing March 31, 2007			
	INNOPHOS, INC.	B1		B+
1,213,636	Term Loan, maturing August 13, 2010			
	JOHNSON DIVERSEY, INC.	Ba3		BB-
3,094,700	Term Loan, maturing November 03, 2009			
	KRATON POLYMERS	B1		BB-
2,942,502	Term Loan, maturing December 23, 2010			
	NALCO COMPANY	B1		BB-
15,606,138	Term Loan, maturing November 04, 2010			
	NUTRASWEET ACQUISITION CORPORATION	Ba3		NR
243,787	Term Loan, maturing May 24, 2005			
207,979	Term Loan, maturing June 30, 2006			
2,852,564	Term Loan, maturing May 25, 2009			
	POLYPORE, INC.	B1		B+
10,000,000	Term Loan, maturing November 12, 2011			
	RIPPLEWOOD HOLDINGS, LLC	NR		B+
2,750,000	Term Loan, maturing June 21, 2011			
	ROCKWOOD SPECIALTIES GROUP, INC.	B1		B+
12,000,000	Term Loan, maturing July 30, 2012			
CONTAINERS, PACKAGING AND GLASS: 8.7%				
	APPLETON PAPERS, INC.	Ba3		BB
1,500,000	Term Loan, maturing June 11, 2010			
	BERRY PLASTICS CORPORATION	B1		B+
3,834,944	Term Loan, maturing June 30, 2010			
	BWAY CORPORATION	B1		B+
1,500,000	Term Loan, maturing June 30, 2011			
	CROWN CORK & SEAL COMPANY, INC.	Ba3		BB-
3,325,000	Term Loan, maturing September 15, 2008			
	GRAPHIC PACKAGING INTERNATIONAL, INC.	B1		B+
9,850,000	Term Loan, maturing August 09, 2010			
	GREIF BROS. CORPORATION	Ba3		BB
2,142,250	Term Loan, maturing August 23, 2009			
	INTERTAPE POLYMER GROUP	Ba3		B+
2,750,000	Term Loan, maturing July 28, 2011			
	JEFFERSON SMURFIT CORPORATION	B1		B+

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1,647,273	Term Loan, maturing March 31, 2007 KERR GROUP, INC.	B1	BB-
2,178,547	Term Loan, maturing August 13, 2010 KOCH CELLULOSE	B1	BB
1,808,148	Term Loan, maturing May 07, 2011 LINCOLN PAPER AND TISSUE, LLC	NR	NR
117,581	Term Loan, maturing November 28, 2005		
6,700,000	Term Loan, maturing May 01, 2009		
1,800,000	Term Loan, maturing May 01, 2009		
12,239,568	(3) Term Loan, maturing August 28, 2009		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
CONTAINERS, PACKAGING AND GLASS: (CONTINUED)			
	OWENS-ILLINOIS GROUP, INC.	B1	BB-
\$ 7,000,000	Term Loan, maturing April 01, 2008		
12,000,000	Term Loan, maturing April 01, 2008		
	SILGAN HOLDINGS, INC.	Ba3	BB
5,929,950	Term Loan, maturing November 30, 2008		
	SMURFIT-STONE CONTAINER CANADA, INC.	B1	B+
1,198,030	Term Loan, maturing June 30, 2009		
	SOLO CUP, INC.	B1	B+
9,452,500	Term Loan, maturing February 27, 2011		
	STONE CONTAINER CORPORATION	B1	B+
9,113,533	Term Loan, maturing June 30, 2009		
	TEKNI-PLEX, INC.	B1	B+
253,054	Term Loan, maturing June 21, 2008		
	U.S. CAN COMPANY	B2	B
2,493,750	Term Loan, maturing June 21, 2011		
DATA AND INTERNET SERVICES: 0.3%			
	MCLEODUSA, INC.	Caa2	NR
1,316,118	Term Loan, maturing May 30, 2008		
	MITCHELL INTERNATIONAL, INC.	B1	B+
2,500,000	Term Loan, maturing August 15, 2011		
DIVERSIFIED / CONGLOMERATE MANUFACTURING: 4.2%			
	AXIA, INC.	B2	B
1,916,667	Term Loan, maturing November 30, 2010		
	BRAND SERVICES, INC.	B1	B
3,173,490	Term Loan, maturing October 16, 2009		
	CINRAM INTERNATIONAL, INC.	Ba3	BB
3,000,000	Term Loan, maturing September 30, 2009		

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2,941,579	DRESSER, INC. Term Loan, maturing April 10, 2009	Ba3	BB-
1,062,588	FLOWERVE CORPORATION Term Loan, maturing June 30, 2006	Ba3	BB-
3,270,900	Term Loan, maturing June 30, 2009		
1,000,000	ITRON, INC. Term Loan, maturing June 28, 2011	Ba3	BB-
9,449,541	MUELLER GROUP, INC. Term Loan, maturing April 23, 2011	B2	B+
945,913	NORCROSS SAFETY PRODUCTS, LLC Term Loan, maturing March 20, 2009	B1	B+
2,980,000	RLC INDUSTRIES COMPANY Term Loan, maturing February 26, 2010	B1	BB+
3,266,250	ROPER INDUSTRIES, INC. Term Loan, maturing December 29, 2008	Ba2	BB+
1,713,043	SENSUS METERING SYSTEMS, INC. Term Loan, maturing December 17, 2010	B2	B+
256,957	Term Loan, maturing December 17, 2010		

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
-----			
DIVERSIFIED / CONGLOMERATE MANUFACTURING: (CONTINUED)			
\$ 8,444,726	SPX CORPORATION Term Loan, maturing September 30, 2009	Ba2	BBB-
DIVERSIFIED / CONGLOMERATE SERVICE: 1.8%			
12,967,280	AMERCO, INC. Term Loan, maturing February 27, 2009	NR	BB
1,496,250	IRON MOUNTAIN, INC. Term Loan, maturing April 02, 2011	B1	BB-
4,061,146	RELIZON COMPANY Term Loan, maturing February 20, 2011	B1	BB-
ECOLOGICAL: 2.5%			
59,350	ALLIED WASTE NORTH AMERICA, INC. Revolver, maturing June 30, 2010	Ba3	BB
13,072,321	Term Loan, maturing January 15, 2010		
1,000,000	Term Loan, maturing January 15, 2010		
2,000,000	Term Loan, maturing January 15, 2010		
3,559,091	ENVIROSOLUTIONS, INC. Term Loan, maturing March 01, 2009	NR	NR
77,273	Term Loan, maturing March 31, 2009		
	GREAT LAKES DREDGE & DOCK CORPORATION	B2	B-

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1,917,081	Term Loan, maturing December 22, 2010 IESI COPRORATION	B1	B+
194,375	Revolver, maturing September 30, 2008		
992,500	Term Loan, maturing September 30, 2010 WASTE CONNECTIONS, INC.	Ba2	BB+
3,000,000	Term Loan, maturing October 22, 2010		
ELECTRONICS: 1.1%			
	ACTERNA, LLC	NR	NR
635,216	Term Loan, maturing October 14, 2008 ANTEON CORPORATION	Ba3	BB
995,000	Term Loan, maturing December 31, 2010 DECISION ONE CORPORATION	B3	CCC
10,541,011	(3) Term Loan, maturing April 18, 2005 INVENSYS INTERNATIONAL HOLDINGS, LTD.	Ba3	B+
1,995,845	Term Loan, maturing September 05, 2009 KNOWLES ELECTRONICS, INC.	B3	B-
2,121,197	Term Loan, maturing June 29, 2007 WORLDSPAN, L.P.	B1	BB+
597,950	Term Loan, maturing June 30, 2007		
FARMING AND AGRICULTURE: 2.1%			
	AGCO CORPORATION	Ba1	BB+
4,615,833	Term Loan, maturing January 31, 2006 SCOTTS COMPANY	Ba1	BB
1,000,000	Term Loan, maturing September 30, 2010		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
FARMING AND AGRICULTURE: (CONTINUED)			
\$ 203,077	UNITED INDUSTRIES CORPORATION Revolver, maturing April 30, 2010	B1	B+
9,982,500	Term Loan, maturing April 29, 2011 VICAR OPERATING, INC.	Ba3	BB-
5,896,938	Term Loan, maturing June 30, 2009		
FINANCE: 1.1%			
5,000,000	REFCO GROUP Term Loan, maturing August 05, 2011 RENT-A-CENTER, INC.	B1	BB-
6,000,000	Term Loan, maturing June 30, 2010	Ba2	BB+

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GAMING: 5.9%				
	(2)	ALADDIN GAMING, LLC	Caa1	NR
3,869,336	(3)	Term Loan, maturing August 26, 2006		
10,377,506	(3)	Term Loan, maturing February 26, 2008		
		ALLIANCE GAMING CORPORATION	Ba3	BB-
7,277,303		Term Loan, maturing September 04, 2009		
		AMERISTAR CASINOS, INC.	Ba3	BB-
2,625,066		Term Loan, maturing December 20, 2006		
		ARGOSY GAMING COMPANY	Ba2	BB
4,365,000		Term Loan, maturing July 31, 2008		
		BOYD GAMING CORPORATION	Ba2	BB
6,500,000		Term Loan, maturing June 30, 2011		
		GLOBAL CASH ACCESS, LLC	B2	B+
2,962,500		Term Loan, maturing March 10, 2010		
		GREEN VALLEY RANCH GAMING, LLC	B1	B+
200,000		Revolver, maturing December 23, 2008		
1,990,000		Term Loan, maturing December 22, 2010		
		ISLE OF CAPRI CASINOS, INC.	Ba2	BB-
2,158,895		Term Loan, maturing April 26, 2008		
		PENN NATIONAL GAMING	Ba3	BB-
2,206,377		Term Loan, maturing September 01, 2007		
		RUFFIN GAMING, LLC	NR	NR
4,000,000		Term Loan, maturing July 14, 2007		
		UNITED AUBURN INDIAN COMMUNITY	Ba3	BB
2,957,529		Term Loan, maturing January 24, 2009		
		VENETIAN CASINO RESORTS, LLC	B1	B+
8,636,364		Term Loan, maturing August 06, 2011		
GROCERY: 0.3%				
		GIANT EAGLE, INC.	Ba2	BB+
1,904,667		Term Loan, maturing August 02, 2009		
1,039,349		Term Loan, maturing August 06, 2009		
HEALTHCARE, EDUCATION AND CHILDCARE: 14.2%				
		ACCREDO HEALTH, INC.	Ba2	BB
8,500,000		Term Loan, maturing March 31, 2009		

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
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HEALTHCARE, EDUCATION AND CHILDCARE: (CONTINUED)			



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\$	3,825,000	ADVANCED MEDICAL OPTICS, INC. Term Loan, maturing June 25, 2009	B1	BB-
	4,612,436	ALLIANCE IMAGING, INC. Term Loan, maturing June 10, 2008	B1	B+
	2,506,849	APRIA HEALTHCARE GROUP, INC. Term Loan, maturing July 20, 2006	Ba1	BBB-
	4,862,500	Term Loan, maturing July 20, 2008		
	6,000,000	ARDENT HEALTHCARE Term Loan, maturing August 12, 2011	B1	B+
	18,420,900	COMMUNITY HEALTH SYSTEMS, INC. Term Loan, maturing August 19, 2011	Ba3	BB-
	1,496,250	CONCENTRA OPERATING CORPORATION Term Loan, maturing June 30, 2009	B1	B+
	3,750,000	DAVITA, INC. Term Loan, maturing March 31, 2007	Ba2	BB
	12,388,124	Term Loan, maturing March 31, 2009		
	3,000,000	Term Loan, maturing June 30, 2010		
	975,000	DJ ORTHOPEDICS, LLC Term Loan, maturing May 15, 2009	Ba3	BB-
	1,400,795	EMPI CORPORATION Term Loan, maturing November 24, 2009	B1	B+
	2,992,500	EXPRESS SCRIPTS, INC. Term Loan, maturing February 13, 2010	Ba1	BBB
	2,500,000	FISHER SCIENTIFIC INTERNATIONAL, INC. Term Loan, maturing August 02, 2011	Ba2	BBB
	9,204,431	FRESENIUS MEDICAL CARE HOLDINGS, INC. Term Loan, maturing February 21, 2010	Ba1	BB+
	9,000,000	IASIS HEALTHCARE CORPORATION Term Loan, maturing June 30, 2011	B1	B+
	866,667	INSIGHT HEALTH SERVICES CORPORATION Term Loan, maturing October 17, 2008	B1	B+
	200,000	Term Loan, maturing October 17, 2008		
	100,000	Term Loan, maturing October 17, 2008		
	5,275,682	Term Loan, maturing October 17, 2008		
	7,091,250	KINETIC CONCEPTS, INC. Term Loan, maturing August 11, 2010	B1	BB-
	4,500,000	LEINER HEALTH PRODUCTS GROUP, INC. Term Loan, maturing May 27, 2011	B1	B
	1,541,667	MAGELLAN HEALTH SERVICES, INC. Term Loan, maturing August 15, 2008	B1	B+
	1,000,000	MEDCATH CORPORATION Term Loan, maturing June 30, 2011	B2	B+
	1,750,000	MEDICAL DEVICE MANUFACTURING, INC. Term Loan, maturing June 30, 2010	B2	B+
	990,000	PACIFICARE HEALTH SYSTEMS, INC. Term Loan, maturing June 03, 2008	Ba3	BBB-
	4,000,000	SKILLED HEALTHCARE GROUP Term Loan, maturing June 28, 2010	B1	B

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

BANK LOAN

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PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	RATINGS+	
		MOODY'S	S&P
HEALTHCARE, EDUCATION AND CHILDCARE: (CONTINUED)			
\$ 1,975,000	SOLA INTERNATIONAL, INC. Term Loan, maturing December 11, 2009	Ba3	BB-
4,500,000	STERIGENICS INTERNATIONAL, INC. Term Loan, maturing June 14, 2011	B2	B+
626,706	SYBRON DENTAL MANAGEMENT, INC. Term Loan, maturing June 06, 2009	Ba2	BB+
1,485,828	TRIAD HOSPITALS, INC. Term Loan, maturing September 30, 2008	Ba3	BB
10,000,000	VANGUARD HEALTH SYSTEMS, INC. Term Loan, maturing May 18, 2009	Ba3	B
5,034,334	VWR INTERNATIONAL, INC. Term Loan, maturing April 07, 2011	B1	BB-
HOME AND OFFICE FURNISHINGS: 3.9%			
3,985,000	BUHRMANN U.S., INC. Term Loan, maturing December 31, 2010	Ba3	BB-
2,496,250	GLOBAL IMAGING SYSTEMS, INC. Term Loan, maturing May 10, 2010	Ba3	BB-
2,992,500	HILLMAN GROUP, INC. Term Loan, maturing March 30, 2011	B2	B
5,000,000	HOLMES GROUP, INC. Term Loan, maturing November 08, 2010	B1	B
4,016,757	IDENTITY GROUP, INC. Term Loan, maturing April 30, 2006	NR	NR
4,000,000	MAAX CORPORATION Term Loan, maturing June 04, 2011	B1	B+
8,598,214	SEALY MATTRESS COMPANY Term Loan, maturing August 06, 2012	B2	B+
8,323,704	SIMMONS COMPANY Term Loan, maturing December 19, 2011	B2	B+
2,000,000	XEROX CORPORATION Term Loan, maturing September 30, 2008	Ba1	BB-
INSURANCE: 1.5%			
15,000,000	CONSECO, INC. Term Loan, maturing June 22, 2010	B2	BB-
LEISURE, AMUSEMENT, ENTERTAINMENT: 8.4%			
2,493,750	AMF BOWLING WORLDWIDE, INC. Term Loan, maturing August 27, 2009	B1	B
1,496,250	CINEMARK USA, INC. Term Loan, maturing March 31, 2011	Ba3	BB-
4,975,000	FITNESS HOLDINGS WORLDWIDE, INC. Term Loan, maturing July 01, 2009	B1	B
3,729,479	LODGENET ENTERTAINMENT CORPORATION Term Loan, maturing June 30, 2006	B1	B+
7,500,000	LOEWS CINEPLEX ENTERTAINMENT CORPORATION Term Loan, maturing July 31, 2011	B1	B

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
LEISURE, AMUSEMENT, ENTERTAINMENT: (CONTINUED)			
\$ 19,000,000	METRO-GOLDWYN-MAYER STUDIOS, INC. Term Loan, maturing April 30, 2011	Ba3	B+
2,992,500	PURE FISHING Term Loan, maturing September 30, 2010	B1	BB-
13,540,758	REGAL CINEMAS, INC. Term Loan, maturing November 10, 2010	Ba3	BB-
7,959,870	SIX FLAGS THEME PARKS, INC. Term Loan, maturing June 30, 2009	Ba3	B
5,000,000	UNIVERSAL CITY DEVELOPMENT PARTNERS, L.P. Term Loan, maturing June 30, 2007	B1	B+
2,750,000	WALLACE THEATERS Term Loan, maturing July 15, 2009	B2	B
14,925,000	WARNER MUSIC GROUP Term Loan, maturing February 28, 2011	B1	B+
LODGING: 3.2%			
7,000,000	BOCA RESORTS HOTEL CORPORATION Term Loan, maturing July 22, 2009	NR	NR
12,323,944	CNL HOSPITALITY PARTNERS, L.P. Term Loan, maturing January 02, 2005	NR	NR
14,606,929	WYNDHAM INTERNATIONAL, INC. Term Loan, maturing June 30, 2006	NR	NR
MACHINERY: 4.4%			
3,017,102	ALLIANCE LAUNDRY HOLDINGS, LLC Term Loan, maturing August 02, 2007	B1	B
11,757,427	(2) ANTHONY CRANE RENTAL, L.P. Term Loan, maturing July 20, 2006	Caa2	CC
2,000,000	BLOUNT, INC. Term Loan, maturing July 31, 2010	B2	B+
2,500,000	BUCYRUS INTERNATIONAL, INC. Term Loan, maturing July 28, 2010	Ba3	BB-
4,276,622	ENERSYS, INC. Term Loan, maturing March 17, 2011	Ba3	BB
2,372,538	JUNO LIGHTING, INC. Term Loan, maturing November 21, 2010	B1	B+
249,574	MORRIS MATERIAL HANDLING, INC. Term Loan, maturing September 28, 2004	NR	NR
2,846,939	NATIONAL WATERWORKS, INC. Term Loan, maturing November 22, 2009	B1	BB-
6,222,222	REXNORD CORPORATION Term Loan, maturing November 25, 2009	B1	B+

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10,307,500	UNITED RENTALS (NORTH AMERICA), INC. Term Loan, maturing February 14, 2011	Ba3	BB
2,000,000	VUTEK, INC. Term Loan, maturing June 25, 2010	B1	B+

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
MINING, STEEL, IRON AND NONPRECIOUS METALS: 0.9%			
\$ 3,750,000	FOUNDATION COAL CORPORATION Term Loan, maturing July 30, 2011	Ba3	BB-
5,887,500	PEABODY ENERGY CORPORATION Term Loan, maturing March 21, 2010	Ba1	BB+
OIL AND GAS: 2.6%			
6,000,000	GETTY PETROLEUM MARKETING, INC. Term Loan, maturing May 19, 2010	B1	BB-
5,500,000	LA GRANGE ACQUISTION, L.P. Term Loan, maturing January 18, 2008	NR	NR
2,000,000	LYONDELL-CITGO REFINING, L.P. Term Loan, maturing May 21, 2007	Ba3	BB
2,625,000	SEMCRUDE, L.P. Term Loan, maturing August 31, 2010	B1	NR
2,000,000	TRANSWESTERN PIPELINE COMPANY Term Loan, maturing April 30, 2009	B1	BB
4,000,000	VULCAN ENERGY CORPORATION Term Loan, maturing March 31, 2010	B1	BB
3,971,303	WILLIAMS PRODUCTION RMT COMPANY Term Loan, maturing May 30, 2007	B2	BB
OTHER BROADCASTING AND ENTERTAINMENT: 4.7%			
7,020,306	DIRECTV HOLDINGS, LLC Term Loan, maturing March 06, 2010	Ba2	BB
12,000,000	ECHOSTAR DBS CORPORATION Floating Rate Note, maturing October 01, 2008	Ba3	BB-
15,000,000	LIBERTY MEDIA CORPORATION Floating Rate Note, maturing September 17, 2006	Baa3	BBB-
10,000,000	RAINBOW NATIONAL SERVICES, LLC Term Loan, maturing March 31, 2012	B1	B+

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	YANKEENETS, LLC	NR	NR
2,742,857	Term Loan, maturing June 25, 2007		
	YANKEES HOLDINGS, L.P.	NR	NR
1,257,143	Term Loan, maturing June 25, 2007		

OTHER TELECOMMUNICATIONS: 5.8%

	CINCINNATI BELL, INC.	B1	B+
52,409	Revolver, maturing November 09, 2004		
9,353,260	Term Loan, maturing June 30, 2008		
	CONSOLIDATED COMMUNICATIONS, INC.	B1	B+
3,500,000	Term Loan, maturing March 31, 2010		
2,500,000	Term Loan, maturing October 14, 2011		
	D&E COMMUNICATIONS, INC.	Ba3	BB-
2,984,921	Term Loan, maturing March 05, 2012		
	FAIRPOINT COMMUNICATIONS, INC.	B2	B+
2,500,000	Term Loan, maturing March 31, 2009		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
OTHER TELECOMMUNICATIONS: (CONTINUED)			
\$ 2,087,144	GCI HOLDINGS, INC. Term Loan, maturing October 31, 2007	Ba3	BB+
	INTERA GROUP, INC.	NR	NR
2,613,674	(3) Term Loan, maturing December 31, 2005		
1,020,533	(3) Term Loan, maturing December 31, 2005		
1,991,408	(3) Term Loan, maturing December 31, 2005		
	PANAMSAT CORPORATION	Ba3	BB+
12,000,000	Term Loan, maturing August 20, 2011		
	QWEST COMMUNICATIONS INTERNATIONAL, INC.	B3	CCC+
15,000,000	Floating Rate Note, maturing February 15, 2009		
	QWEST CORPORATION	B2	BB-
2,000,000	Term Loan, maturing June 30, 2007		
	TIME WARNER TELECOM HOLDINGS	B1	B
3,000,000	Floating Rate Note, maturing February 15, 2011		
	VALOR COMMUNICATIONS GROUP	B2	B+
5,000,000	Term Loan, maturing June 15, 2010		
PERSONAL AND NONDURABLE CONSUMER PRODUCTS: 3.9%			
	AMSCAN HOLDINGS, INC.	B1	B+
3,000,000	Term Loan, maturing April 30, 2012		
	CHURCH & DWIGHT COMPANY, INC.	Ba2	BB
6,500,000	Term Loan, maturing May 30, 2011		
	JARDEN CORPORATION	Ba3	B+

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1,333,333		Term Loan, maturing April 08, 2008		
1,985,000		Term Loan, maturing April 24, 2008		
		JOSTENS, INC.	Ba3	B+
3,879,576		Term Loan, maturing July 29, 2010		
		NORWOOD PROMOTIONAL PRODUCTS, INC.	NR	NR
12,826,076		Term Loan, maturing August 16, 2009		
		NORWOOD PROMOTIONAL PRODUCTS HOLDINGS, INC.	NR	NR
7,300,828	(3)	Term Loan, maturing August 16, 2011		
		PRESTIGE BRANDS HOLDINGS, INC.	B1	B
3,985,000		Term Loan, maturing April 06, 2011		
		RAYOVAC CORPORATION	B1	B+
3,607,729		Term Loan, maturing September 30, 2009		
PERSONAL, FOOD AND MISCELLANEOUS: 3.0%				
		AFC ENTERPRISES, INC.	B1	B
1,474,858		Term Loan, maturing May 23, 2009		
		ALDERWOODS GROUP, INC.	B1	BB-
3,621,824		Term Loan, maturing August 19, 2009		
		ALLIED SECURITY HOLDINGS	B2	B+
2,000,000		Term Loan, maturing June 30, 2010		
		COINMACH CORPORATION	B1	B+
4,875,000		Term Loan, maturing July 25, 2009		
		COINSTAR, INC.	Ba3	BB-
3,250,000		Term Loan, maturing July 07, 2011		
		DOMINO'S, INC.	Ba3	B+
7,864,963		Term Loan, maturing June 25, 2010		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
PERSONAL, FOOD AND MISCELLANEOUS: (CONTINUED)			
	JACK IN THE BOX, INC.	Ba2	BB
\$ 5,480,000	Term Loan, maturing January 09, 2010		
	N.E.W. CUSTOMER SERVICES COMPANIES, INC.	B1	B+
1,666,667	Term Loan, maturing August 01, 2009		
PRINTING AND PUBLISHING: 12.1%			
	ADAMS OUTDOOR ADVERTISING, L.P.	B1	B+
5,000,000	Term Loan, maturing October 15, 2011		
	AMERICAN ACHIEVEMENT CORPORATION	B1	B+
995,000	Term Loan, maturing March 25, 2011		
	AMERICAN MEDIA OPERATIONS, INC.	Ba3	B+
3,767,544	Term Loan, maturing April 01, 2007		
	AMERICAN REPROGRAPHICS COMPANY	B1	BB

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2,487,500	Term Loan, maturing June 18, 2009 AMERICAN REPROGRAPHICS COMPANY	B3	B
948,284	Term Loan, maturing December 18, 2009 CANWEST MEDIA, INC.	Ba3	B+
7,530,465	Term Loan, maturing August 15, 2009 DEX MEDIA EAST, LLC	Ba2	BB-
7,227,230	Term Loan, maturing November 08, 2008		
4,019,135	Term Loan, maturing May 08, 2009 DEX MEDIA WEST, LLC	Ba2	BB-
6,118,520	Term Loan, maturing September 09, 2009		
19,570,173	Term Loan, maturing March 09, 2010 FREEDOM COMMUNICATIONS	Ba3	BB
12,000,000	Term Loan, maturing May 18, 2012 LAMAR MEDIA CORPORATION	Ba2	BB-
12,370,370	Term Loan, maturing June 30, 2010 MC COMMUNICATIONS, LLC	B2	B
3,500,000	Term Loan, maturing December 31, 2010 PRIMEDIA, INC.	B3	B
2,179,466	Revolver, maturing June 30, 2008		
7,117,339	Term Loan, maturing June 30, 2009		
1,500,000	Term Loan, maturing December 31, 2009 R.H. DONNELLEY, INC.	Ba3	BB
7,882,074	Term Loan, maturing June 30, 2010 READER'S DIGEST ASSOCIATIONS, INC.	Ba1	BB
1,995,000	Term Loan, maturing May 20, 2008 TRANSWESTERN PUBLISHING COMPANY	B1	B+
6,207,500	Term Loan, maturing February 25, 2011 TRANSWESTERN PUBLISHING COMPANY	B3	B-
3,990,000	Term Loan, maturing February 25, 2012 ZIFF DAVIS MEDIA, INC.	B3	CCC
8,797,982	Term Loan, maturing March 31, 2007		
RADIO AND TV BROADCASTING: 7.2%			
	BLOCK COMMUNICATIONS, INC.	Ba2	BB-
2,797,328	Term Loan, maturing November 15, 2009		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
RADIO AND TV BROADCASTING: (CONTINUED)			
	CUMULUS MEDIA, INC.	Ba3	B+
\$ 2,000,000	Term Loan, maturing March 28, 2009		
3,500,000	Term Loan, maturing March 28, 2010 EMMIS OPERATING COMPANY	Ba2	B+
10,000,000	Term Loan, maturing November 10, 2011 ENTRAVISION COMMUNICATIONS CORPORATION	B1	B+

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2,500,000	Term Loan, maturing February 24, 2012 FISHER BROADCASTING, INC.	Ba3	B+
1,266,221	Term Loan, maturing February 28, 2010 GRAY TELEVISION, INC.	Ba2	B+
6,000,000	Term Loan, maturing June 30, 2011 LIN TELEVISION CORPORATION	Ba1	BB
1,994,286	Term Loan, maturing December 31, 2007 MISSION BROADCASTING, INC.	Ba3	B+
3,072,340	Term Loan, maturing December 31, 2010 NEP BROADCASTING	B1	B
3,000,000	Term Loan, maturing November 30, 2010 NEXSTAR BROADCASTING	Ba3	B+
1,677,660	Term Loan, maturing December 31, 2010 PAXSON COMMUNICATIONS CORPORATION	B1	B
18,000,000	Floating Rate Note, maturing January 15, 2010 SINCLAIR BROADCAST GROUP, INC.	Ba2	BB
3,000,000	Term Loan, maturing June 30, 2009		
5,000,000	Term Loan, maturing December 31, 2009 SPANISH BROADCASTING SYSTEMS	B1	B+
1,990,000	Term Loan, maturing October 30, 2009 SUSQUEHANNA MEDIA COMPANY	Ba2	BB-
7,000,000	Term Loan, maturing March 31, 2012 TELEVICENTRO OF PUERTO RICO, LLC	Ba1	BB
1,845,714	Term Loan, maturing December 31, 2007		
RETAIL STORES: 7.1%			
	ADVANCE STORES COMPANY, INC.	Ba2	BB
5,098,445	Term Loan, maturing November 30, 2007 ALIMENTATION COUCHE-TARD, INC.	Ba2	BB
1,218,367	Term Loan, maturing December 17, 2010 BAKER & TAYLOR, INC.	B1	B
975,000	Revolver, maturing May 06, 2009		
1,000,000	Term Loan, maturing May 06, 2011 BLOCKBUSTER ENTERTAINMENT CORPORATION	Ba2	BB
15,000,000	Term Loan, maturing August 19, 2011 CH OPERATING, LLC	B2	B+
1,663,339	Term Loan, maturing June 21, 2007 CSK AUTOMOTIVE, INC.	Ba3	B+
2,492,500	Term Loan, maturing June 19, 2009 HARBOR FREIGHT TOOLS	B1	B+
5,000,000	Term Loan, maturing June 24, 2010 JEAN COUTU GROUP, INC.	B1	BB
10,000,000	Term Loan, maturing July 30, 2011		

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
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### RETAIL STORES: (CONTINUED)

		NEBRASKA BOOK COMPANY, INC.	B2	B
\$	2,493,750	Term Loan, maturing March 04, 2011		
		ORIENTAL TRADING COMPANY, INC.	B1	B+
	2,866,019	Term Loan, maturing August 06, 2010		
		ORIENTAL TRADING COMPANY, INC.	B2	B-
	1,000,000	Term Loan, maturing January 08, 2011		
		PANTRY, INC.	B1	B+
	8,895,652	Term Loan, maturing March 12, 2011		
		PETCO ANIMAL SUPPLIES, INC.	Ba3	BB
	2,533,747	Term Loan, maturing October 26, 2008		
		RITE AID CORPORATION	Ba3	BB
	10,945,000	Term Loan, maturing April 30, 2008		
		TRAVELCENTERS OF AMERICA, INC.	Ba3	BB
	2,187,166	Term Loan, maturing November 14, 2008		

### TELECOMMUNICATIONS EQUIPMENT: 3.7%

		AAT COMMUNICATIONS CORPORATION	B1	B-
	3,500,000	Term Loan, maturing January 16, 2012		
		AMERICAN TOWER, L.P.	B1	B
	10,000,000	Term Loan, maturing August 31, 2011		
		CROWN CASTLE OPERATING COMPANY	B1	B-
	3,878,996	Term Loan, maturing September 15, 2007		
		SBA SENIOR FINANCE, INC.	B2	CCC+
	6,469,231	Term Loan, maturing October 31, 2008		
		SPECTRASITE COMMUNICATIONS, INC.	B1	B+
	8,263,258	Term Loan, maturing December 31, 2007		
	4,896,488	Term Loan, maturing December 31, 2007		
		TRIPOINT GLOBAL COMMUNICATIONS, INC.	NR	NR
	753,471	Term Loan, maturing May 31, 2006		

### TEXTILES AND LEATHER: 0.7%

		(2) GALEY & LORD, INC.	NR	NR
	2,653,074	(3) Term Loan, maturing September 05, 2009		
		MALDEN MILLS INDUSTRIES, INC.	NR	NR
	2,573,615	Term Loan, maturing October 01, 2008		
	735,319	(3) Term Loan, maturing October 01, 2008		
		POLYMER GROUP, INC.	B2	B+
	3,000,000	Term Loan, maturing April 27, 2010		
		WILLIAM CARTER COMPANY	Ba3	BB+
	1,512,165	Term Loan, maturing September 08, 2008		

### UTILITIES: 7.0%

		ALLEGHENY ENERGY SUPPLY COMPANY	B1	B+
	12,631,667	Term Loan, maturing March 08, 2011		
	6,315,833	Term Loan, maturing June 08, 2011		
		ASTORIA ENERGY, LLC	Ba3	B+
	14,500,000	Term Loan, maturing April 15, 2012		

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+	
		MOODY'S	S&P
UTILITIES: (CONTINUED)			
\$ 1,980,000	CALPINE CONSTRUCTION FINANCE COMPANY, L.P. Term Loan, maturing August 26, 2009	NR	B+
7,415,050	CALPINE CORPORATION Term Loan, maturing July 16, 2007	B2	B
3,952,569	Term Loan, maturing July 16, 2007		
2,500,000	CALPINE GENERATING COMPANY, LLC Term Loan, maturing March 23, 2009	B1	B+
3,471,622	CENTERPOINT ENERGY, INC. Term Loan, maturing October 07, 2006	Ba1	BBB
1,000,000	COLETO CREEK WLE, L.P. Term Loan, maturing June 30, 2011	Ba2	BB
1,000,000	Term Loan, maturing June 30, 2012	Ba3	BB
3,000,000	DYNEGY HOLDINGS, INC. Term Loan, maturing May 27, 2010	B2	BB-
4,428,750	PIKE ELECTRIC, INC. Term Loan, maturing July 01, 2012	Ba3	BB
276,115	RIVERSIDE ENERGY CENTER, LLC Term Loan, maturing June 24, 2010	Ba3	BB-
2,602,945	Term Loan, maturing June 24, 2011		
3,620,937	Term Loan, maturing June 24, 2011		
3,857,692	TETON POWER FUNDING Term Loan, maturing March 12, 2011	Ba3	B+
	TOTAL SENIOR LOANS (COST \$1,928,528,533)		
OTHER CORPORATE DEBT: 0.9%			
FINANCE: 0.7%			
7,794,118	VALUE ASSET MANAGEMENT, INC. Senior Subordinated Bridge Note, maturing August 31, 2005	B3	B
HEALTHCARE, EDUCATION AND CHILDCARE: 0.0%			
13,365	BLOCK VISION HOLDINGS CORPORATION Junior Term Loan, maturing July 30, 2007	NR	NR
HOME AND OFFICE FURNISHINGS: 0.2%			
45,229	MP HOLDINGS, INC. Subordinated Note, maturing March 14, 2007	NR	NR
2,000,000	SEALY MATTRESS COMPANY Unsecured Term Loan, maturing April 05, 2013	B3	B-

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TOTAL OTHER CORPORATE DEBT  
(COST \$8,916,961)

See Accompanying Notes to Financial Statements

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ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

## SECURITY DESCRIPTION

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### EQUITIES AND OTHER ASSETS: 2.6%

	(@), (R)	Acterna, LLC (85,722 Common Shares)
	(@), (R)	Acterna, Inc. - Contingent Stock Value Right
(1),	(@), (R)	Allied Digital Technologies Corporation (Residual Interest in Bankruptcy Estate)
	(@), (R)	AM Cosmetics Corporation (Liquidation Interest)
	(@), (R)	Block Vision Holdings Corporation (571 Common Shares)
(2),	(@), (R)	Boston Chicken, Inc. (Residual Interest in Boston Chicken Plan Trust)
	(@), (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)
	(@), (R)	Enginen Realty (857 Common Shares)
	(@), (R)	Enterprise Profit Solutions (Liquidation Interest)
(4),	(@), (R)	Euro United Corporation (Residual Interest in Bankruptcy Estate)
(2),	(@), (R)	Exide Technologies (Warrants for 16,501 Common Shares, March 16, 2006)
	(@), (R)	Galey & Lord (203,345 Common Shares)
	(@), (R)	Gate Gourmet Borrower, LLC (Warrants for 101 Common Shares)
	(@), (R)	Gemini Leasing, Inc. (143,079 common shares)
(2),	(@), (R)	Grand Union Company (Residual Interest in Bankruptcy Estate)
	(@)	Hayes Lemmerz (73,835 Common Shares)
	(@)	Hayes Lemmerz (246 Preferred Shares)
	(@), (R)	Holmes Group (2,303, Common Shares)
(2),	(@), (R)	Humphreys, Inc. (Residual Interest in Bankruptcy Estate)
(2),	(@), (R)	Imperial Home Decor Group, Inc. (300,141 Common Shares)
(2),	(@), (R)	Imperial Home Decor Group, Inc. (Liquidation Interest)
(2),	(@), (R)	Insilco Technologies (Residual Interest in Bankruptcy Estate)
	(@), (R)	Intera Group, Inc. (864 Common Shares)
(2),	(@), (R)	IT Group, Inc. (Residual Interest in Bankruptcy Estate)
(2),	(@), (R)	Kevco, Inc. (Residual Interest in Bankruptcy Estate)
(2),	(@), (R)	Lincoln Paper And Tissue, LLC (Residual Interest in Bankruptcy Estate)
	(@), (R)	Malden Mills Industries, Inc. (436,865 Common Shares)
	(@), (R)	Malden Mills Industries, Inc. (1,427,661 Preferred Shares)
	(@), (R)	Morris Material Handling, Inc. (481,373 Common Shares)
	(@), (R)	MP Holdings, Inc. (590 Common Shares)
	(@), (R)	Murray's Discount Auto Stores, Inc. (Escrow Interest)
	(@), (R)	Neoplan USA Corporation (17,348 Common Shares)

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(@), (R) Neoplan USA Corporation (1,814,180 Series B Preferred Shares)  
 (@), (R) Neoplan USA Corporation (1,084,000 Series C Preferred Shares)  
 (@), (R) Neoplan USA Corporation (3,524,300 Series D Preferred Shares)  
 (@), (R) New Piper Aircraft (Residual Interest in Litigation Proceeds)

See Accompanying Notes to Financial Statements

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### ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of August 31, 2004 (Unaudited) (continued)

#### SECURITY DESCRIPTION

---

(@), (R) New World Restaurant Group, Inc. (Warrants for 4,489  
Common Shares, Expires June 15, 2006)  
 (@), (R) Norwood Promotional Products, Inc. (72,238 Common Shares)  
 (@) Outsourcing Solutions, Inc. (31,129 Common Shares)  
 (@), (R) Safelite Glass Corporation (660,808 Common Shares)  
 (@), (R) Safelite Realty (44,605 Common Shares)  
 (@), (R) Scientific Games Corporation (48,930 Non-Voting Common Shares)  
 (@), (R) Soho Publishing (17,582 Common Shares)  
 (@), (R) Stellex Aerostructures, Inc. (11,130 Common Shares)  
 (@), (R) Targus Group, Inc. (Warrants for 66,824 Common Shares,  
Expires December 6, 2012)  
 (@), (R) Tartan Textile Services, Inc. (23,449 Shares of Series D Preferred Stock)  
 (@), (R) Tartan Textile Services, Inc. (36,775 Shares of Series E Preferred Stock)  
 (@), (R) Tembec, Inc. (167,239 Common Shares)  
 (1), (@), (R) Transtar Metals (Residual Interest in Bankruptcy Estate)  
 (1), (@), (R) TSR Wireless, LLC (Residual Interest in Bankruptcy Estate)  
 (2), (@), (R) U.S. Aggregates (Residual Interest in Bankruptcy Estate)  
 (2), (@), (R) U.S. Office Products Company (Residual Interest in Bankruptcy Estate)

TOTAL FOR EQUITY AND OTHER ASSETS  
 (COST \$33,919,899)

TOTAL INVESTMENTS  
 (COST \$1,971,365,393)

PREFERRED SHARES AND LIABILITIES IN EXCESS OF CASH  
 AND OTHER ASSETS, NET

NET ASSETS

-----  
 (@) 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

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- 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.
  - (4) The borrower filed for protection under the Canadian Bankruptcy and Insolvency Act.
  - (5) For federal income tax purposes, the cost of investments is \$1,972,850,494. Net unrealized appreciation consists of the following:

Gross Unrealized Appreciation	\$ 38,709,633
Gross Unrealized Depreciation	(29,181,331)
	-----
Net Unrealized Appreciation	\$ 9,528,302
	=====

See Accompanying Notes to Financial Statements

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### 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
Common Shares	Paul S. Doherty	117,790,259	2,558,077	--	--
	J. Michael Earley	117,897,099	2,451,237	--	--

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Trustees	R. Barbara Gitenstein	117,787,359	2,560,977	--	--
	Thomas J. McInerney	117,807,436	2,540,899	--	--
	David W.C. Putnam	117,655,942	2,692,393	--	--
	Blaine E. Rieke	117,747,937	2,600,399	--	--
	John G. Turner	117,870,513	2,477,823	--	--
	Roger B. Vincent	117,888,751	2,459,585	--	--
	Richard A. Wedemeyer	117,806,444	2,541,892	--	--
Preferred					
Shares	Walter H. May	17,399	47	--	--
Trustees	Jock Patton	17,396	50	--	--

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### 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 PRORATA 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 2004 DIVIDENDS:

DECLARATION DATE -----	EX-DIVIDEND DATE -----	PAYABLE DATE -----
January 30	February 6	February 24

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February 27	March 8	March 22
March 31	April 7	April 22
April 30	May 6	May 24
May 28	June 8	June 22
June 30	July 8	July 22
July 30	August 6	August 23
August 31	September 8	September 22
September 30	October 7	October 22
October 29	November 8	November 22
November 30	December 8	December 22
December 20	December 29	January 12

RECORD DATE WILL BE TWO BUSINESS DAYS AFTER EACH EX-DIVIDEND DATE.  
THESE DATES ARE SUBJECT TO CHANGE.

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### 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 August 31, 2004 was 7,300 which does not include approximately 49,797 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](http://www.ingfunds.com) and (3) on the SEC's website at [www.sec.gov](http://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](http://www.ingfunds.com) and on the SEC website at [www.sec.gov](http://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

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Registrant's Forms N-Q are available on the SEC's website at [www.sec.gov](http://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.  
230 Park Avenue  
New York, New York 10169

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  
Kansas City, Missouri 64105

LEGAL COUNSEL  
Dechert LLP  
1775 I Street, N.W.  
Washington, D.C. 20006

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
KPMG LLP  
355 S. Grand Avenue, Suite 2000  
Los Angeles, CA 90071

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



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### 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](http://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.

[ING FUNDS LOGO]

PRSAR-PRT (0804-102904)

### ITEM 2. CODE OF ETHICS.

Not required for semi-annual filing.

### ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not required for semi-annual filing.

### ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not required for semi-annual filing.

### ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not required for semi-annual filing.

### ITEM 6. SCHEDULE OF INVESTMENTS.

Schedule is included as part of the report to shareholders filed under Item 1 of this Form.

### ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not required for semi-annual filing.

### ITEM 8. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

### ITEM 9. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The Board has a Nominating Committee for the purpose of considering and presenting to the Board candidates it proposes for nomination to fill Independent Trustee vacancies on the Board. The Committee currently consists of all Independent Trustees of the Board (6 individuals). The Nominating Committee operates pursuant to a Charter approved by the Board. The primary purpose of the Nominating Committee is to consider and present to the Board the candidates it proposes for nomination to fill vacancies on the Board. In evaluating candidates, the Nominating Committee may consider a variety of factors, but it has not at this time set any specific minimum qualifications that must be met. Specific qualifications of candidates for Board membership will be based on the needs of the Board at the time of nomination.

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The Nominating Committee is willing to consider nominations received from shareholders and shall assess shareholder nominees in the same manner as it reviews its own nominees. A shareholder nominee for director should be submitted in writing to the Fund's Secretary. Any such shareholder nomination should include at a minimum the following information as to each individual proposed for nomination as trustee: such individual's written consent to be named in the proxy statement as a nominee (if nominated) and to serve as a trustee (if elected), and all information relating to such individual that is required to be disclosed in the solicitation of proxies for election of trustees, or is otherwise required, in each case under applicable federal securities laws, rules and regulations.

The Secretary shall submit all nominations received in a timely manner to the Nominating Committee. To be timely, any such submission must be delivered to the Fund's Secretary not

earlier than the 90th day prior to such meeting and not later than the close of business on the later of the 60th day prior to such meeting or the 10th day following the day on which public announcement of the date of the meeting is first made, by either disclosure in a press release or in a document publicly filed by the Fund with the Securities and Exchange Commission.

### ITEM 10. CONTROLS AND PROCEDURES.

- (a) Based on our evaluation conducted within 90 days of the filing date, hereof, the design and operation of the registrant's disclosure controls and procedures are effective to ensure that material information relating to the registrant is made known to the certifying officers by others within the appropriate entities, particularly during the period in which Forms N-CSR are being prepared, and the registrant's disclosure controls and procedures allow timely preparation and review of the information for the registrant's Form N-CSR and the officer certifications of such Form N-CSR.
- (b) There were no significant changes in the registrant's internal controls that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

### ITEM 11. EXHIBITS.

- (a) (1) The Code of Ethics is not required for the semi-annual filing.
- (a) (2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2 under the Act (17 CFR 270.30a-2) is attached hereto as EX-99.CERT.
- (a) (3) Not required for semi-annual filing.
- (b) The officer certifications required by Section 906 of the Sarbanes-Oxley Act of 2002 are attached hereto as EX-99.906CERT

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

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(Registrant): ING PRIME RATE TRUST

By /s/ James M. Hennessy

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James M. Hennessy  
President and Chief Executive Officer

Date: November 5, 2004

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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ James M. Hennessy

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James M. Hennessy  
President and Chief Executive Officer

Date: November 5, 2004

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By /s/ Michael J. Roland

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Michael J. Roland  
Executive Vice President and Chief Financial Officer

Date: November 5, 2004

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