

ING PRIME RATE TRUST
Form N-30B-2
August 08, 2003

FIRST QUARTER REPORT

May 31, 2003

ING PRIME RATE TRUST

[GRAPHIC]

[LION LOGO]
ING FUNDS

ING Prime Rate Trust

FIRST QUARTER REPORT

May 31, 2003

Table of Contents

Portfolio Managers' Report	2
Statistics and Performance	6
Additional Notes and Information	9
Statement of Assets and Liabilities	11
Statement of Operations	12
Statements of Changes in Net Assets	13
Statement of Cash Flows	14
Financial Highlights	15
Notes to Financial Statements	16
Portfolio of Investments	22
Additional Information	40
Trustee and Officer Information	41

ING Prime Rate Trust

PORTFOLIO MANAGERS' REPORT

PERFORMANCE OF THE TRUST

The Trust declared to common shareholders \$0.11 of dividends during the fiscal quarter ended May 31, 2003, which, based on the average month-end net asset value ("NAV") per share of \$6.81, resulted in an annualized distribution rate of 6.16%. (1) Total return (based on NAV) for the quarter was 3.96%, up from 2.63% during the previous fiscal quarter, and above the 2.28% level of the fiscal quarter ended May 31, 2002. The favorable comparison against the prior year period is significant in light of a further decline in short-term interest rates since that time.

The Trust's common shares also performed well during the quarter, as investors

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

continued to search for relatively higher yields on their income-oriented investments. Total return based on market value (assuming full dividend reinvestment) was 11.14% for the three-month period ended May 31, 2003. Since the beginning of 2003, the Trust's common shares have provided a total return of 18.37%, as compared to 10.35% for the S&P 500 Index.

Not unlike last quarter, performance during the fiscal quarter ended May 31, 2003 was driven by a broad-based technical rally in the high yield loan and bond markets, and further enhanced by favorable credit-specific developments in several of the Trust's larger holdings. Specifically, Nextel Communications (approximately 3.64% of total assets, the largest single issuer at the end of the quarter) and Charter Communications Operating, LLC (2.91%, the second largest) again posted respectable to comparably strong operating and financial results. Equally as important, both issuers took significant steps to improve their respective balance sheets and/or liquidity positions. By way of its bellwether standing, Nextel's success has also had a tangible positive effect on loan prices across the cellular communications sector, historically one of the Trust's largest. As a case-in-point, Western Wireless Corporation, the second largest wireless position in the portfolio (1.24%), was one of several issuers in the sector to take advantage of improved investor sentiment in order to access alternative capital markets and thereby reduce its secured debt level. Similarly, the strengthening of Charter's loan prices had a marked positive impact on the cable sector at large (which, at approximately 8.64% of the Trust's total assets, represented the largest sector exposure at quarter-end). Fortunately, detractors were few during the quarter; there was relatively little deterioration across the Trust's older, illiquid positions, existing non-performing loans and/or areas of difficulty over the last several quarters.

The Trust utilizes financial leverage to seek to increase the yield to the holders of common shares. As of May 31, 2003, the Trust had \$534 million of borrowings outstanding, consisting of \$450 million of "aaa/AAA" rated cumulative auction rate preferred shares, and \$84 million outstanding under \$540 million in available credit facilities. Total leverage, as a percentage of total assets (including preferred shares), was 35.9% at quarter end. The weighted average leverage cost including all borrowings and preferred shares as of quarter end was 1.13%. While the use of leverage for investment purposes increases both investment opportunity and investment risk, we continue to deploy leverage only when it is in the best interest of the Trust's common shareholders.

2

OUTLOOK

Although the bulk of the expected price appreciation appears to be behind us, our near-term outlook for the loan market in general, and the Trust specifically, remains relatively favorable. Overall credit conditions continue to consistently improve, as evidenced by another quarter-over-quarter decline in the market-wide trailing loan default rate to approximately 2.48%, after peaking at 7.4% in June of last year.⁽²⁾ Assuming even a modest economic recovery takes hold, we'd expect a coupon-like return for the balance of the year, with some upside available on those few actively traded issues still changing hands at a discount to par. Assuming also that the easing bias on the part of the Federal Reserve has run its course, our most immediate issue/challenge is to ensure access to attractive investment opportunities as the loan market enters a seasonally slow part of the year and continues to battle a persistent imbalance between supply of new loans (stubbornly low) and investor demand (very high).

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

/s/ Jeffrey A. Bakalar

/s/ Daniel A. Norman

Jeffrey A. Bakalar

Daniel A. Norman

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

SENIOR VICE PRESIDENT
CO-SENIOR PORTFOLIO MANAGER

SENIOR VICE PRESIDENT
CO-SENIOR PORTFOLIO MANAGER

ING Prime Rate Trust
July 17, 2003

3

PORTFOLIO MANAGERS' FOOTNOTES

1. The distribution rate is calculated by annualizing dividends declared during the quarter 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.
2. Source: As tracked by S&P Leveraged Commentary & Data Group, July 15, 2003, a leading data provider to the Loan Market.

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.

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 LETTER 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 LETTER 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.

4

INDEX DESCRIPTIONS

The S&P 500 INDEX is a capitalization-weighted index of 500 stocks chosen for market size, liquidity, and industry group representation.

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

All indices are unmanaged.
An investor cannot invest directly in an index.

5

ING Prime Rate Trust

STATISTICS AND PERFORMANCE as of May 31, 2003

PORTFOLIO CHARACTERISTICS

Net Assets	\$ 944,738,398
Assets Invested in Senior Loans	\$1,416,046,783
Total Number of Senior Loans	343
Average Amount Outstanding per Loan	\$ 4,128,416
Total Number of Industries	36
Average Loan Amount per Industry	\$ 39,334,633
Portfolio Turnover Rate	50%
Weighted Average Days to Interest Rate Reset	310 days
Average Loan Final Maturity	51 months
Total Leverage as a Percentage of Total Assets (including Preferred Shares)	35.9%

TOP TEN INDUSTRY SECTORS AS A PERCENTAGE OF:

	NET ASSETS	TOTAL ASSETS
	-----	-----
Cable Television	13.6%	8.6%
Healthcare, Education and Childcare	11.8%	7.5%
Cellular	11.6%	7.4%
Automobile	10.5%	6.6%
Leisure, Amusement and Entertainment	10.1%	6.4%
Printing and Publishing	8.6%	5.4%
Containers, Packaging and Glass	8.5%	5.4%
Beverage, Food and Tobacco	6.8%	4.3%
Chemicals, Plastics and Rubber	6.2%	4.0%
Diversified/Conglomerate Manufacturing	5.6%	3.6%

TOP TEN SENIOR LOAN ISSUERS AS A PERCENTAGE OF:

	NET ASSETS	TOTAL ASSETS
	-----	-----
Nextel Communications(1)	5.7%	3.6%
Charter Communications Operating, LLC	4.5%	2.9%
Wyndham International, Inc.	2.2%	1.4%
Western Wireless Corporation	1.9%	1.2%
Olympus Cable Holdings, LLC	1.9%	1.2%
Safelite Glass Corporation	1.8%	1.2%
Mandalay Resort Group	1.8%	1.1%
Broadwing, Inc.	1.7%	1.1%
Extended Stay America, Inc.	1.7%	1.1%
Dean Foods Company	1.6%	1.0%

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

(1) COMBINATION OF NEXTEL FINANCE COMPANY AND NEXTEL OPERATIONS, INC.

6

ING Prime Rate Trust

 STATISTICS AND PERFORMANCE as of May 31, 2003

YIELDS AND DISTRIBUTION RATES

QUARTER ENDED	PRIME RATE	NET ASSET VALUE ("NAV") 30-DAY SEC YIELD (A)	MARKET 30-DAY SEC YIELD (A)	AVERAGE ANNUALIZED DISTRIBUTION RATE AT NAV (B)	AVERAGE ANNUALIZED DISTRIBUTION RATE AT MARKET (B)
-----	----	-----	-----	-----	-----
May 31, 2003	4.25%	6.93%	6.75%	6.16%	6.07%
February 28, 2003	4.25%	6.93%	7.23%	6.52%	6.93%
November 30, 2002	4.25%	8.02%	9.10%	6.86%	7.87%
August 31, 2002	4.75%	7.39%	8.53%	6.34%	7.33%

AVERAGE ANNUAL TOTAL RETURNS

	NAV	MARKET
	---	-----
1 Year	1.99%	13.41%
3 Years	-0.08%	1.94%
5 Years	2.48%	1.15%
10 Years	5.27%	5.97%
Since Trust Inception (F,H)	6.46%	N/A
Since Initial Trading on NYSE (G)	N/A	6.15%

ASSUMES RIGHTS WERE EXERCISED AND EXCLUDES SALES CHARGES AND COMMISSIONS (C,D,E)

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.

See statistics and performance footnotes on page 8.

7

ING Prime Rate Trust

 STATISTICS AND PERFORMANCE FOOTNOTES

(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 open-end investment companies.

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

- (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.
- (C) 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) on the last business day before the first day of the stated period, with all dividends and distributions reinvested at the actual reinvestment price.
- (D) 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.
- (E) 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.
- (F) Inception Date -- May 12, 1988.
- (G) Initial Trading on NYSE -- March 9, 1992.
- (H) Reflects partial waiver of fees.

8

ING Prime Rate Trust

ADDITIONAL NOTES AND INFORMATION

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 \$5,000 on a monthly basis. Amounts in excess of \$5,000 require prior approval of the Trust. DST Systems, Inc., the Trust's Transfer Agent, is the administrator for the Program.

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 may issue new shares 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%.

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

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 may be issued by the Trust when the market price plus estimated commissions is equal to or exceeds the net asset value on the valuation date.

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

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

KEY FINANCIAL DATES -- CALENDAR 2003 DIVIDENDS:

DECLARATION DATE	EX-DIVIDEND DATE	PAYABLE DATE
-----	-----	-----
January 31	February 6	February 25
February 28	March 6	March 24
March 31	April 8	April 23
April 30	May 8	May 22
May 30	June 6	June 23
June 30	July 8	July 22
July 31	August 7	August 22
August 29	September 8	September 22
September 30	October 8	October 22
October 31	November 6	November 24
November 28	December 8	December 22
December 19	December 29	January 13, 2004

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

STOCK DATA

The Trust's 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.

(THIS PAGE INTENTIONALLY LEFT BLANK)

10

ING Prime Rate Trust

 STATEMENT OF ASSETS AND LIABILITIES as of May 31, 2003 (Unaudited)

ASSETS:	
Investments in securities at value (Cost \$1,555,091,343)	\$ 1,474,827,100
Cash	4,067,233
Receivables:	
Interest	8,559,115
Other	76,678
Prepaid expenses	260,637

Total assets	1,487,790,763

LIABILITIES:	
Notes payable	84,000,000
Payable for investments purchased	2,305,612
Deferred income on revolving senior loans	4,042,244
Accrued auction preferred shares dividends payable	59,341
Payable to affiliates	1,338,176
Accrued trustees' fees	34,737
Other accrued expenses	1,272,255

Total liabilities	93,052,365

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

NET ASSETS	\$ 944,738,398
	=====
Net asset value per common share outstanding (net assets less preferred shares	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

at liquidation value, divided by 137,100,184 shares of beneficial interest authorized and outstanding, no par value)	\$	6.89
NET ASSETS CONSIST OF:		
Paid-in capital	\$	1,288,813,843
Undistributed net investment income		12,368,697
Accumulated net realized loss on investments		(276,179,899)
Net unrealized depreciation of investments		(80,264,243)

NET ASSETS	\$	944,738,398
		=====

See Accompanying Notes to Financial Statements

11

ING Prime Rate Trust

STATEMENT OF OPERATIONS for the Three Months Ended May 31, 2003 (Unaudited)

INVESTMENT INCOME:	
Interest	\$ 20,301,670
Revolver fees earned	713,986
Dividends	3,003
Other	977,557

Total investment income	21,996,216

EXPENSES:	
Investment management fees	3,068,743
Administration fees	958,982
Transfer agent and registrar fees	175,293
Interest	696,397
Shareholder reporting expense	38,088
Custodian fees	127,236
Revolving credit facility fees	54,907
Professional fees	219,971
Preferred Shares - Dividend disbursing agent fees	297,043
Insurance expense	9,088
Pricing expense	13,782
ICI fees	3,088
Postage expense	74,116
Trustees' fees	18,400
Miscellaneous expense	75,783

Total expenses	5,830,917

Net investment income	16,165,299

REALIZED AND UNREALIZED GAIN (LOSS) FROM INVESTMENTS:	
Net realized loss on investments	(30,723,480)
Net change in unrealized appreciation of investments	51,567,554

Net realized and unrealized gain on investments	20,844,074

DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:	
From net investment income	(1,407,386)

Net increase in net assets resulting from operations	\$ 35,601,987
	=====

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

See Accompanying Notes to Financial Statements

12

ING Prime Rate Trust

STATEMENTS OF CHANGES IN NET ASSETS

	THREE MONTHS ENDED MAY 31, 2003 (UNAUDITED)	YEAR ENDED FEBRUARY 28, 2003
	-----	-----
INCREASE IN NET ASSETS FROM OPERATIONS:		
Net investment income	\$ 16,165,299	\$ 69,429,083
Net realized loss on investments	(30,723,480)	(115,778,026)
Change in unrealized depreciation on investments	51,567,554	51,893,096
Distributions to preferred shareholders from net investment income	(1,407,386)	(7,499,067)
	-----	-----
Net increase in net assets resulting from operations	35,601,987	(1,954,914)
DISTRIBUTIONS TO COMMON SHAREHOLDERS:		
Distributions from net investment income	(14,112,565)	(61,643,423)
	-----	-----
Decrease in net assets from distributions to common shareholders	(14,112,565)	(61,643,423)
CAPITAL SHARE TRANSACTIONS:		
Common shares issued from dividend reinvestment	865,634	--
	-----	-----
Net increase from capital share transactions	865,634	--
	-----	-----
Net decrease in net assets	22,355,056	(63,598,337)
NET ASSETS:		
Beginning of period	922,383,342	985,981,679
	-----	-----
End of period (including undistributed net investment income of \$12,368,697 and \$11,723,349, respectively)	\$ 944,738,398	\$ 922,383,342
	=====	=====

See Accompanying Notes to Financial Statements

13

ING Prime Rate Trust

STATEMENT OF CASH FLOWS for the Three Months Ended May 31, 2003 (Unaudited)

INCREASE (DECREASE) IN CASH
CASH FLOWS FROM OPERATING ACTIVITIES:

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

Interest received	17,714,933
Dividends received	3,003
Facility fees paid	(54,907)
Dividends paid to preferred shareholders	(1,394,459)
Revolver fee received	1,663,663
Other income received	981,861
Interest paid	(696,397)
Other operating expenses paid	(4,900,912)
Purchases of securities	(234,923,162)
Proceeds from sales of securities	320,578,819

Net cash provided by operating activities	98,972,442

CASH FLOWS FROM FINANCING ACTIVITIES:	
Dividends paid to common shareholders	(14,112,565)
Net repayment of notes payable	(83,000,000)
Dividends reinvested for common shares	865,634

Net cash flows used in financing activities	(96,246,931)

Net change in cash	2,725,511
Cash at beginning of period	1,341,722

Cash at end of period	4,067,233
	=====
RECONCILIATION OF NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Net increase in net assets resulting from operations	35,601,987

Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:	
Change in unrealized depreciation of securities	(51,567,554)
Net accretion of discounts on securities	(1,406,199)
Realized loss on sale of securities	30,723,480
Purchase of securities	(234,923,162)
Proceeds on sale of securities	320,578,819
Increase in other assets	4,304
Decrease in interest receivable	(1,180,538)
Decrease in prepaid expenses	(56,860)
Increase in deferred fees on revolver senior loans	949,677
Increase in preferred shareholder dividend payable	12,927
Increase in affiliate payable	105,609
Increase in accrued trustees' fees	5,362
Increase in accrued expenses	124,590

Total adjustments	63,370,455

Net cash provided by operating activities	98,972,442
	=====

See Accompanying Notes to Financial Statements

FINANCIAL HIGHLIGHTS

For a common share outstanding throughout the period

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

	THREE	YEARS ENDED FEBRUARY 2		
	MONTHS ENDED MAY 31, 2003	2003	2002	2001
	(UNAUDITED)			
PER SHARE OPERATING PERFORMANCE				
Net asset value, beginning of period	\$ 6.73	\$ 7.20	\$ 8.09	\$ 8.09
Net investment income	0.11	0.50	0.74	0.74
Net realized and unrealized gain (loss) on investments	0.17	(0.47)	(0.89)	(0.89)
Increase (decrease) in net asset value from investment operations	0.27	(0.02)	(0.26)	(0.26)
Distributions to Common Shareholders from net investment income	(0.11)	(0.45)	(0.63)	(0.63)
Distribution to Preferred Shareholders	(0.01)	(0.05)	(0.11)	(0.11)
Increase in net asset value from share offerings	--	--	--	--
Reduction in net asset value from Preferred Shares offerings	--	--	--	(0.00)
Net asset value, end of period	\$ 6.89	\$ 6.73	\$ 7.20	\$ 8.09
Closing market price at end of period	\$ 7.07	\$ 6.46	\$ 6.77	\$ 8.09
TOTAL INVESTMENT RETURN(1)				
Total investment return at closing market price(2)	11.13%	2.53%	(9.20)%	9.20%
Total investment return at net asset value(3)	3.96%	0.44%	(3.02)%	0.00%
RATIOS/SUPPLEMENTAL DATA				
Net assets end of period (000's)	\$ 944,738	\$ 922,383	\$ 985,982	\$ 1,107,000
Preferred Shares				
Aggregate amount outstanding (000's)	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
Borrowings at end of period (000's)	\$ 84,000	\$ 167,000	\$ 282,000	\$ 510,000
Liquidation and market value per share of Preferred Shares	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Asset coverage ratios(6)	277%	250%	235%	235%
Average borrowings (000's)	\$ 147,848	\$ 190,671	\$ 365,126	\$ 450,000
Ratios to average net assets including Preferred Shares(7)				
Expenses (before interest and other fees related to revolving credit facility)	1.47%	1.49%	1.57%	1.57%
Expenses	1.67%	1.81%	2.54%	3.00%
Net investment income	4.64%	4.97%	6.83%	9.20%
Ratios to average net assets plus borrowing				
Expenses (before interest and other fees related to revolving credit facility)	1.86%	1.82%	1.66%	1.66%
Expenses	2.14%	2.23%	2.70%	3.00%
Net investment income	5.95%	6.10%	7.24%	7.24%
Ratios to average net assets				
Expenses (before interest and other fees related to revolving credit facility)	2.18%	2.19%	2.25%	2.25%
Expenses	2.50%	2.68%	3.64%	4.00%
Net investment income	6.90%	7.33%	9.79%	10.00%
Portfolio turnover rate	50%	48%	53%	53%
Common shares outstanding at end of period (000's)	136,973	136,973	136,973	136,973

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

-
- (1) Total investment return calculations are attributable to common shareholders.
 - (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 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) The Investment Manager agreed to reduce its fee for a period of three years from the Expiration Date of the November 12, 1996 Rights Offering to 0.60% of the average daily net assets, plus the proceeds of any outstanding borrowings, over \$1.15 billion.
 - (5) Calculated on total expenses before impact on earnings credits.
 - (6) 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.
 - (7) Ratios do not reflect the effect of dividend payments to Preferred Shareholders; income ratios reflect income earned on assets attributable to preferred shares.

See Accompanying Notes to Financial Statements

15

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2003 (Unaudited)

NOTE 1 -- SIGNIFICANT ACCOUNTING POLICIES

ING Prime Rate Trust (the "Trust"), is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a diversified, closed-end, investment management company. The Trust invests in senior loans which are exempt from registration under the Securities Act of 1933 as amended (the "33 Act"), but 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. The following is a summary of the significant accounting policies consistently followed by the Trust in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America.

- A. SENIOR LOAN AND OTHER SECURITY VALUATION. Loans are normally valued at the mean of the means of one or more bid and asked quotations obtained from a pricing service or other sources determined by the Board of Trustees to be independent and believed to be reliable. Loans for which reliable quotations are not available may be valued with reference to another loan or a group of loans for which quotations are more readily available and whose characteristics are comparable to the loan being valued. Under this

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

approach, the comparable loan or loans serve as a proxy for changes in value. The Trust has engaged an independent pricing service to provide quotations from dealers in loans and to calculate values under the proxy procedure described above. As of May 31, 2003, 92.21% of total investments were valued based on these procedures. It is expected that most of the loans held by the Trust will 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") 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 that the Investment Manager 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 Committee. In fair valuing a loan, consideration is given to several factors, which may include, among others, the following: (i) the characteristics of and fundamental analytical data relating to the loan, including the cost, size, current interest rate, period until the next interest rate reset, maturity and base lending rate of the loan, the terms and conditions of the loan and any related agreements, and the position of the loan in the borrower's debt structure; (ii) the nature, adequacy and value of the collateral, including the Trust's rights, remedies and interests with respect to the collateral; (iii) the creditworthiness of the borrower and the cash flow coverage of outstanding principal and interest, based on an evaluation of its financial condition, financial statements and information about the borrower's business, cash flows, capital structure and future prospects; (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 or the NASDAQ National Market System are stated at the last reported sale price on the day of valuation. Debt and equity securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the last reported bid and asked price. Securities other than senior loans for which reliable quotations are not readily available and all other assets will be valued at their respective fair

16

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2003 (Unaudited) (Continued)

values as determined in good faith by, or under procedures established by, the Board of Trustees of the Trust. Investments in securities maturing in less than 60 days from the date of acquisition 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 the

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

requirements of the Internal Revenue Code applicable to "regulated investment companies" and to distribute all of its taxable income to its shareholders. Therefore, no provision for Federal income taxes is required. In addition, by distributing during each calendar year substantially all of its net investment income and net realized capital gains (if any), the Trust intends not to be subject to any federal excise tax.

- C. SECURITY TRANSACTIONS AND REVENUE RECOGNITION. Loans are booked on a settlement date basis and security transactions 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 delivered. 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 nonaccrual senior loans are generally applied as a reduction to the recorded investment of the loan. Senior loans are returned to accrual status only after all past due amounts have been received. For all loans acquired prior to March 1, 2001, fees, 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 are treated as discounts and accreted as described in Note 1.H. Fees associated with revolving credit facilities acquired subsequent to February 28, 2001 are deferred and recognized over the shorter of 4 years or the actual term of the loan.
- D. DISTRIBUTIONS TO COMMON SHAREHOLDERS. The Trust records distributions to its shareholders on the ex-dividend date. Distributions from income are declared by the Trust on a monthly basis. Distributions from capital gains, if any, are declared on an annual basis.
- E. DIVIDEND REINVESTMENTS. Pursuant to the 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 only when the closing sale or bid price plus commission is less than the net asset value per share of the stock on the valuation date. If the market price plus commissions is equal to or exceeds the net asset value, new shares are 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%.
- 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. Actual results could differ from these estimates.
- G. SHARE OFFERINGS. During 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.

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

NOTES TO FINANCIAL STATEMENTS as of May 31, 2003 (Unaudited) (Continued)

- H. CHANGE IN ACCOUNTING PRINCIPLE. In November 2000 the American Institute of Certified Public Accountants (the "AICPA") issued a revised version of the AICPA Audit and Accounting Guide for Investment Companies (the "Guide"). Effective March 1, 2001, the Fund adopted the provisions of the Guide and began amortizing premiums and accreting discounts on debt securities. Prior to March 1, 2001, the Trust had not amortized premiums nor accreted discounts. The cumulative effect of this accounting change had no impact on net assets of the Trust, but resulted in a \$3,653,000 increase in the cost of securities and a corresponding \$3,653,000 increase in net unrealized depreciation of investments, based on securities held by the Trust on March 1, 2001.

NOTE 2 -- INVESTMENTS

For the three months ended May 31, 2003, the cost of purchases and the proceeds from principal repayment and sales of investments, excluding short-term notes, totaled \$230,834,763 and \$313,525,585, respectively. At May 31, 2003, the Trust held senior loans valued at \$1,416,046,783 representing 96.0% of its total investments. The market value of these assets is established as set forth in Note 1.

The senior loans acquired by the Trust may take the form of a direct lending relationship with the borrower, an assignment of a lender's interest in a loan, or a participation interest in a lender's interest in a loan. The lead lender in a typical corporate loan syndicate administers the loan and monitors collateral. In the event that the lead lender becomes insolvent, enters FDIC receivership or, if not FDIC insured, enters into bankruptcy, the Trust may incur certain costs and delays in realizing payment, or may suffer a loss of principal and/or interest. Additionally, certain situations may arise where the Trust acquires a participation in a lender's interest in a loan and the Trust does not have privity with or direct recourse against the borrower. Accordingly, the Trust may incur additional credit risk as a participant because it must assume the risk of insolvency or bankruptcy of the lender from which the participation was acquired.

Common and preferred shares, and stock purchase warrants held in the portfolio were acquired in conjunction with senior 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 warrant.

18

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2003 (Unaudited) (Continued)

The Fund values portfolio securities by using the market value of the securities when market quotations for the securities are readily available. When market quotations are not readily available, the Fund determines, in good faith, the fair value of the securities in accordance with the Trust's fair valuation procedures as established by the Board of Trustees. Dates of acquisition and cost or assigned basis of restricted securities are as follows:

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

	DATE OF ACQUISITION	COST ASSIGNED
	-----	-----
360Networks, Inc. -- Common Shares	11/26/02	\$
Allied Digital Technologies Corporation -- Residual Interest in Bankruptcy Estate	06/05/02	18
AM Cosmetics Corporation -- Common Shares	06/08/99	38
AM Cosmetics Corporation -- Preferred Shares	06/02/99	
Autotote Systems, Inc. -- Option	02/26/97	
Block Vision Holdings Corporation -- Common Shares	09/30/02	
Boston Chicken Inc. -- Residual Interest in Boston Chicken Plan Trust	12/26/00	8,01
Capital Tool & Design, Ltd. -- Warrants	07/26/96	
Cedar Chemical -- Residual Interest in Bankruptcy Estate	12/31/02	
Centis, Inc. -- Residual Interest in Bankruptcy Estate	05/23/03	
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	10/01/02	1
Enterprise Profit Solutions -- Liquidation Interest	10/21/02	
Euro United Corporation -- Residual Interest in Bankruptcy Estate	06/21/02	4,46
Exide Technologies -- Warrants	11/30/01	
Gevity HR -- Common Shares	07/21/97	3
Grand Union Company -- Residual Interest in Bankruptcy Estate	07/01/02	
Holmes Group -- Warrants	10/24/01	
Humphreys, Inc. -- Residual Interest in Bankruptcy Estate	05/15/02	2
Imperial Home D-cor Group, Inc. -- Common Shares	05/02/01	1,65
IHDG Realty -- Common Shares	05/02/01	
Insilco Technologies -- Residual Interest in Bankruptcy Estate	05/02/03	14
Intera Group, Inc. -- Common Shares	11/29/02	
Kevco, Inc. -- Residual Interest in Bankruptcy Estate	06/05/02	40
Morris Material Handling, Inc. -- Common Shares	01/10/01	3,00
MP Holdings, Inc. -- Common Shares	03/14/01	
Murray's Discount Auto Stores, Inc. -- Common Shares	03/25/02	
Murray's Discount Auto Stores, Inc. -- Warrants	02/16/99	
New World Restaurant Group, Inc. -- Warrants	09/27/01	
Safelite Glass Corporation -- Common Shares	09/12/00	
Safelite Realty -- Common Shares	09/12/00	
Sarcom Corporation -- Common Shares	12/11/02	
Sarcom Corporation -- Preferred Shares	12/11/02	2,78
Scientific Games Corporation -- Warrants	05/11/01	
Soho Publishing -- Common Shares	03/14/01	
Stellex Aerostructures, Inc. -- Common Shares	10/17/01	27
Tartan Textile Services, Inc. -- Series D Preferred Shares	07/17/01	2,22
Tartan Textile Services, Inc. -- Series E Preferred Shares	07/17/01	2,33
Telinget, Inc. -- Residual Interest in Bankruptcy Estate	09/18/02	
Tembec, Inc. -- Common Shares	01/10/01	1,44
Transtar Metals -- Residual Interest in Bankruptcy Estate	01/09/03	16
TSR Wireless, LLC -- Residual Interest in Bankruptcy Estate	10/14/02	
U.S. Aggregates -- Residual Interest in Bankruptcy Estate	04/07/03	
U.S. Office Products Company -- Residual Interest in Bankruptcy Estate	11/28/00	

Total restricted securities excluding senior loans (market value of \$31,859,267 was 3.4% of net assets at May 31, 2003)		\$27,56 =====

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

NOTES TO FINANCIAL STATEMENTS as of May 31, 2003 (Unaudited) (Continued)

NOTE 3 -- MANAGEMENT AND ADMINISTRATION AGREEMENTS

The Trust has entered into an Investment Management Agreement with the Investment Manager, a wholly-owned subsidiary of ING Funds 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 average daily net assets (inclusive of preferred stock) plus borrowings ("Managed Assets").

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.

At May 31, 2003, the Trust had the following amounts recorded in payable to affiliates on the accompanying Statement of Assets and Liabilities:

ACCRUED INVESTMENT MANAGEMENT FEES	ACCRUED ADMINISTRATIVE FEES	TOTAL
-----	----	-----
\$ 1,019,602	\$318,574	\$1,338,176

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, as amended May 24, 2002.

NOTE 4 -- COMMITMENTS

The Trust has entered into both a \$90 million 364-day revolving credit agreement which matures on August 27, 2003 and a \$450 million five-year revolving credit agreement which matures on July 15, 2003, 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 any unborrowed amounts are amortized over the term of the agreements. The amount of borrowings outstanding at May 31, 2003, was \$84 million, at a weighted average interest rate of 1.7%. The amount of borrowings represented 5.7% of total assets at May 31, 2003. Average borrowings for the period ended May 31, 2003 were \$147,847,826 and the average annualized interest rate was 2.0%.

As of May 31, 2003, the Trust had unfunded loan commitments pursuant to the terms of the following loan agreements:

Airgate PCS, Inc.	\$ 644,951
Aurora Foods, Inc.	404,571
Block Vision Holdings Corp.	118,771
Centennial Cellular Operating Co.	400,000
Citadel Broadcasting Company	1,505,000
Express Script, Inc.	2,061,337
Hercules Incorporated	1,500,000
Hilton Hawaiian Village, LLC	8,455,882
Houghton Mifflin Co.	2,076,923
Insight Health Services Corporation	1,666,667
Levi Strauss & Co.	2,500,000
Lyondell Chemical Company	9,000,000
Murray's Discount Auto Stores, Inc.	3,083,332
Owens -- Illinois, Inc.	4,675,501

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

Packaging Corporation of America	2,753,596
Park Place Entertainment Corporation	5,078,740
Primedia, Inc.	1,379,158
Relizon Company (The)	7,096,674
Sears Roebuck and Co.	10,000,000
Six Flags Theme Parks, Inc.	1,100,000
Smurfit-Stone Container	2,230,596
Waste Connections, Inc.	5,298,851
Western Wireless Corporation	6,000,000

	\$ 79,030,550
	=====

20

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2003 (Unaudited) (Continued)

NOTE 5 -- RIGHTS AND OTHER OFFERINGS

As of May 31,, 2003, share offerings pursuant to shelf registrations were as follows:

REGISTRATION DATE ----	SHARES REGISTERED -----	SHARES REMAINING -----
6/11/98	15,000,000	--
6/19/98	10,000,000	9,730,800
9/15/98	25,000,000	19,170,354
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. The Trust may reborrow amounts in the future to increase its use of leverage which will be consistent with the limitations imposed by the 1940 Act. 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 6 -- 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 period ended May 31, 2003.

NOTE 7 -- SUBORDINATED LOANS AND 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

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

of acquisition, that the Trust would have the right to payment upon default that is not subordinate to any other creditor. The Trust may invest up to 5% of its total assets, measured at the time of investment, in subordinated loans and unsecured loans. As of May 31, 2003, the Trust held 3.8% of its total assets in subordinated loans and unsecured loans.

NOTE 8 -- SUBSEQUENT EVENTS

Subsequent to May 31, 2003, the Trust paid to Common Shareholders the following dividends from net investment income:

PER SHARE AMOUNT	DECLARATION DATE	RECORD DATE	PAYABLE DATE
-----	-----	-----	-----
\$0.0345	6/30/03	7/10/03	7/22/03

Subsequent to May 31, 2003, the Trust paid to Preferred Shareholders the following dividends from net investment income:

PREFERRED SHARES	TOTAL PER SHARE AMOUNT	AUCTION DATES	RECORD DATES	PAYABLE DATES
-----	-----	-----	-----	-----
Series M	\$ 34.57	06/02/03 to 07/07/03	06/09/03 to 07/14/03	06/10/03 to 07/15/03
Series T	\$ 33.14	06/03/03 to 07/08/03	06/10/03 to 07/15/03	06/11/03 to 07/16/03
Series W	\$ 31.55	06/04/03 to 07/09/03	06/11/03 to 07/16/03	06/12/03 to 07/17/03
Series Th	\$ 33.62	06/05/03 to 07/10/03	06/12/03 to 07/17/03	06/13/03 to 07/18/03
Series F	\$ 32.36	06/06/03 to 07/11/03	06/13/03 to 07/18/03	06/16/03 to 07/21/03

21

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited)

SENIOR LOANS*: 149.9%

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	MOODY'S	S&P
-----	-----	-----	-----	-----
AEROSPACE AND DEFENSE: 2.9%				
\$ 2,428,571	ALLIANT TECHSYSTEMS, INC. Term Loan, maturing April 20, 2009	Ba2	BB-	\$
1,970,035	DRS TECHNOLOGIES, INC. Term Loan, maturing September 30, 2008	Ba3	BB-	
8,240,533 (3)	NEW PIPER AIRCRAFT, INC. Term Loan, maturing April 15, 2005	NR	NR	
4,680,432	PIEDMONT AVIATION SERVICES Term Loan, maturing July 23, 2006	NR	NR	
4,680,432	Term Loan, maturing July 23, 2007			
2,977,500	TITAN CORPORATION Term Loan, maturing June 30, 2009	Ba3	BB-	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

	TRANSDIGM HOLDING CORPORATION	B1	B+
432,575	Term Loan, maturing May 15, 2006		
2,140,740	Term Loan, maturing May 15, 2007		
	UNITED DEFENSE INDUSTRIES, INC.	Ba3	BB-
3,309,888	Term Loan, maturing August 13, 2009		

AUTOMOBILE: 9.8%			
	AFTERMARKET TECHNOLOGY CORPORATION	Ba2	BB-
1,722,367	Term Loan, maturing February 8, 2008		
1,252,607	Term Loan, maturing February 8, 2008		
	AMERICAN AXLE & MANUFACTURING, INC.	Ba1	BB+
5,116,000	Term Loan, maturing April 30, 2006		
	CAPITAL TOOL & DESIGN, LTD.	NR	NR
6,346,127	Term Loan, maturing May 31, 2003		
	COLLINS & AIKMAN PRODUCTS	Ba3	BB-
4,424,906	Term Loan, maturing December 31, 2005		
	DURA OPERATING CORPORATION	Ba3	BB
3,176,000	Term Loan, maturing December 31, 2008		
	(2) EXIDE TECHNOLOGIES	NR	D
1,612,012	(3) Revolver, maturing December 18, 2003		
371,195	(3) Term Loan, maturing December 18, 2003		
3,227,260	(3) Term Loan, maturing March 18, 2005		
	(2) FEDERAL-MOGUL CORPORATION	D	D
1,500,000	Term Loan, maturing February 24, 2004		
4,880,000	Term Loan, maturing February 24, 2005		
	FORD MOTOR CREDIT COMPANY	A3	BBB
15,000,000	Floating Rate Note, maturing October 25, 2004		
	GOODYEAR TIRE & RUBBER COMPANY	Ba2	BB+
5,500,000	Term Loan, maturing April 30, 2005		
	(2) HAYES LEMMERZ INTERNATIONAL, INC.	Caa2	NR
3,478,750	(3) Term Loan, maturing December 31, 2005		
	METALDYNE COMPANY, LLC	B2	BB-
3,995,000	Term Loan, maturing December 31, 2009		
	POLYPORE, INC.	Ba3	B+
5,445,000	Term Loan, maturing December 31, 2007		
	SAFELITE GLASS CORPORATION	B3	B+
6,757,557	Term Loan, maturing September 30, 2007		
10,852,547	Term Loan, maturing September 30, 2007		

See Accompanying Notes to Financial Statements

22

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P

AUTOMOBILE (CONTINUED)	STONERIDGE, INC.	Ba3	BB

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

\$	580,000	Term Loan, maturing April 30, 2008 TENNECO AUTOMOTIVE, INC.	B1	B	\$
	2,000,000	Term Loan, maturing September 30, 2005			
	1,424,113	Term Loan, maturing November 4, 2007			
	1,424,113	Term Loan, maturing May 4, 2008			
	8,000,000	TRW AUTOMOTIVE ACQUISITIONS CORPORATION Term Loan, maturing February 27, 2011	Ba2	BB	

BANKING: 0.6%					
		(2) OUTSOURCING SOLUTIONS, INC.	Caa1	D	
	12,055,854	(3) Term Loan, maturing June 10, 2006			

BEVERAGE, FOOD AND TOBACCO: 6.8%					
		AURORA FOODS, INC.	B3	CCC	
	1,595,429	Revolver, maturing June 30, 2005			
	3,423,147	Term Loan, maturing June 30, 2005			
		BIRDS EYE FOODS, INC.	Ba3	B+	
	6,977,500	Term Loan, maturing June 30, 2008			
		COMMONWEALTH BRANDS, INC.	Ba3	BB-	
	7,979,833	Term Loan, maturing August 28, 2007			
		CONSTELLATION BRANDS, INC.	Ba1	BB	
	6,000,000	Term Loan, maturing November 30, 2008			
		COTT BEVERAGES, INC.	Ba3	BB-	
	673,000	Term Loan, maturing December 31, 2006			
		CP KELCO APS	B3	B+	
	3,873,131	Term Loan, maturing March 31, 2008			
	1,297,279	Term Loan, maturing September 30, 2008			
		DEAN FOODS COMPANY	Ba1	BB+	
	15,378,097	Term Loan, maturing July 15, 2008			
		DEL MONTE CORPORATION	Ba3	BB-	
	4,643,762	Term Loan, maturing December 20, 2010			
		(2) FLEMING COMPANIES, INC.	B3	D	
	820,420	Revolver, maturing June 18, 2007			
	1,685,300	Term Loan, maturing June 18, 2008			
		INTERSTATE BRANDS CORPORATION	Ba2	BB+	
	2,947,500	Term Loan, maturing July 19, 2007			
	992,500	Term Loan, maturing July 19, 2007			
		MAFCO WORLDWIDE CORPORATION	B1	B	
	2,100,676	Term Loan, maturing March 31, 2006			
		NATIONAL DAIRY HOLDINGS, L.P.	Ba2	BB+	
	2,475,000	Term Loan, maturing April 30, 2009			
		NUTRASWEET ACQUISITION CORPORATION	Ba3	NR	
	502,901	Term Loan, maturing June 30, 2006			
		SOUTHERN WINE & SPIRITS OF AMERICA, INC.	Ba3	BBB-	
	1,985,000	Term Loan, maturing July 2, 2008			

See Accompanying Notes to Financial Statements

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
BUILDINGS AND REAL ESTATE: 0.7%			
	(2) HQ GLOBAL WORKPLACES, INC.	NR	NR
\$ 3,865,243	(3) Term Loan, maturing November 6, 2005		
	MACERICH PARTNERSHIP, L.P.	Ba2	NR
4,915,200	Term Loan, maturing July 26, 2005		
CABLE TELEVISION: 13.6%			
2,970,000	(2) ADELPHIA COMMUNICATIONS CORPORATION Debtor in Possession Term Loan, maturing June 25, 2004	NR	BBB
5,000,000	BRESNAN COMMUNICATIONS, LLC Term Loan, maturing December 31, 2007	B1	BB-
7,980,000	CC VI OPERATING COMPANY, LLC Term Loan, maturing November 12, 2008	B2	CCC+
4,443,750	CC VIII OPERATING, LLC Term Loan, maturing February 2, 2008	B2	B-
1,230,000	(2) CENTURY CABLE HOLDINGS, LLC Revolver, maturing March 31, 2009	Caa1	D
11,000,000	Term Loan, maturing June 30, 2009		
5,000,000	Term Loan, maturing December 31, 2009		
16,355,000	CHARTER COMMUNICATIONS OPERATING, LLC Term Loan, maturing September 18, 2008	B2	B
30,210,706	Term Loan, maturing March 18, 2008		
2,593,939	(2) FRONTIERVISION OPERATING PARTNERS, L.P. Revolver, maturing October 31, 2005	B2	D
2,000,000	Term Loan, maturing September 30, 2005		
2,400,000	Term Loan, maturing March 31, 2006		
14,500,000	INSIGHT MIDWEST HOLDINGS, LLC Term Loan, maturing December 31, 2009	Ba3	BB+
13,500,000	MCC IOWA MEDIACOM BROADBAND Term Loan, maturing September 30, 2010	Ba3	BB+
2,000,000	(2) OLYMPUS CABLE HOLDINGS, LLC Term Loan, maturing June 30, 2010	B2	D
18,250,000	Term Loan, maturing September 30, 2010		
CARGO TRANSPORT: 2.5%			
1,258,356	(2) AMERICAN COMMERCIAL LINES, LLC Term Loan, maturing June 30, 2006	Caa1	D
1,804,934	Term Loan, maturing June 30, 2007		
2,000,000	(2) AMERICAN COMMERCIAL LINES, LLC Debtor in Possession Term Loan, maturing July 31, 2004	Ba3	NR
1,666,667	CSX/HORIZON LINES, LLC Term Loan, maturing February 27, 2009	Ba3	BB-
4,117,116	GEMINI LEASING, INC. Term Loan, maturing August 12, 2005	B1	NR
2,406,000	(3) NEOPLAN USA CORPORATION Letter of Credit, maturing May 29, 2005	NR	NR

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

1,603,721	(3)	Revolver, maturing May 29, 2005
15,026,825	(3)	Term Loan, maturing May 29, 2005
2,315,775	(3)	Term Loan, maturing May 29, 2005

See Accompanying Notes to Financial Statements

24

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)		
		MOODY'S	S&P	
CARGO TRANSPORT (CONTINUED)				
\$ 2,801,953	OMNITRAX RAILROADS, LLC Term Loan, maturing May 13, 2005	NR	NR	\$
3,480,006	TEREX CORPORATION Term Loan, maturing December 31, 2009	B1	BB-	
CELLULAR: 11.6%				
894,870	AIRGATE PCS, INC. Term Loan, maturing June 6, 2007	B3	CCC-	
9,387,622	Term Loan, maturing September 30, 2008			
2,469,499	AMERICAN CELLULAR CORPORATION Term Loan, maturing March 31, 2008	B3	CC	
4,330,351	Term Loan, maturing March 31, 2009			
1,600,000	CENTENNIAL CELLULAR OPERATING COMPANY Revolver, maturing January 30, 2006	B3	B-	
956,522	Term Loan, maturing November 30, 2006			
498,700	Term Loan, maturing May 31, 2007			
498,695	Term Loan, maturing November 30, 2007			
10,000,000	(3) INDEPENDENT WIRELESS ONE CORPORATION Term Loan, maturing June 20, 2008	Caa1	CC	
2,510,152	MICROCELL CONNEXIONS, INC. Term Loan, maturing March 1, 2006	NR	CCC+	
13,641,026	NEXTEL FINANCE COMPANY Term Loan, maturing December 31, 2007	Ba3	BB-	
2,731,250	Term Loan, maturing June 30, 2008			
2,731,250	Term Loan, maturing December 31, 2008			
36,408,750	Term Loan, maturing March 31, 2009			
2,124,580	NEXTEL OPERATIONS, INC. Term Loan, maturing February 10, 2007	Ba3	BB-	
4,911,130	RURAL CELLULAR CORPORATION Term Loan, maturing October 3, 2008	B2	B	
4,911,130	Term Loan, maturing April 3, 2009			
4,000,000	WESTERN WIRELESS CORPORATION Revolver, maturing March 31, 2008	B3	B-	
7,800,000	Term Loan, maturing March 31, 2008			
7,980,000	Term Loan, maturing September 30, 2008			

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

CHEMICALS, PLASTICS AND RUBBER: 6.2%			
	ACADIA ELASTOMERS CORPORATION	NR	NR
9,270,073	Term Loan, maturing March 31, 2004		
	EQUISTAR CHEMICALS, L.P.	Ba2	BB+
4,988,885	Term Loan, maturing August 24, 2007		
	FMC CORPORATION	Ba1	BBB-
3,990,000	Term Loan, maturing October 21, 2007		
	FOAMEX, L.P.	B2	B+
1,682,653	Term Loan, maturing June 30, 2005		
1,529,690	Term Loan, maturing June 30, 2006		
	GEO SPECIALTY CHEMICALS, INC.	B1	B
2,757,857	Term Loan, maturing December 31, 2007		

See Accompanying Notes to Financial Statements

25

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
CHEMICALS, PLASTICS AND RUBBER (CONTINUED)			
\$ 4,987,500	HERCULES, INC. Term Loan, maturing May 15, 2007	Ba1	BB
	HUNTSMAN INTERNATIONAL, LLC	B2	B+
509,663	Term Loan, maturing June 30, 2005		
4,624,593	Term Loan, maturing June 30, 2007		
4,624,593	Term Loan, maturing June 30, 2008		
	HUNTSMAN, LLC	B2	B+
7,700,916	Term Loan, maturing March 31, 2007		
3,694,203	Term Loan, maturing March 31, 2007		
	JOHNSON DIVERSEY, INC.	Ba3	BB-
3,960,000	Term Loan, maturing November 3, 2009		
	MILLENNIUM AMERICA, INC.	Baa3	BB+
770,000	Term Loan, maturing June 18, 2006		
	NOVEON, INC.	B1	BB-
4,663,901	Term Loan, maturing September 30, 2008		
	OM GROUP, INC.	B2	B+
917,075	Term Loan, maturing April 1, 2006		

CONTAINERS, PACKAGING AND GLASS: 8.5%			
	BERRY PLASTICS CORPORATION	B1	B+
2,977,500	Term Loan, maturing July 22, 2010		
	BLUE RIDGE PAPER PRODUCTS, INC.	B3	B+
8,658,467	Term Loan, maturing May 14, 2006		
	CONSTAR INTERNATIONAL, INC.	B1	BB-
2,985,000	Term Loan, maturing November 20, 2009		

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

3,500,000	CROWN CORK & SEAL COMPANY, INC. Term Loan, maturing September 15, 2008	Ba3	BB
1,975,000	GRAPHIC PACKAGING CORPORATION Term Loan, maturing February 28, 2009	Ba3	BB
2,977,500	GREIF BROS. CORPORATION Term Loan, maturing August 23, 2009	Ba3	BB
4,197,914	IMPAXX, INC. Term Loan, maturing April 30, 2005	NR	NR
1,647,273	JEFFERSON SMURFIT CORPORATION Term Loan, maturing March 31, 2007	Ba3	B+
92,280	(2) LINCOLN PULP & EASTERN FINE (3) Term Loan, maturing December 31, 2001	NR	NR
14,881,108	(3) Term Loan, maturing August 31, 2004 NEXPAK CORPORATION	B1	B+
2,191,514	(3) Term Loan, maturing March 31, 2004		
2,191,551	(3) Term Loan, maturing March 31, 2004 OWENS-BROCKWAY GLASS CONTAINER, INC.	B1	BB
7,732,214	Revolver, maturing March 31, 2004 PACKAGING CORPORATION OF AMERICA	Baa3	BBB
1,002,633	Term Loan, maturing June 29, 2006 PLIANT CORPORATION	B2	BB-
2,640,080	Term Loan, maturing May 31, 2008 RIVERWOOD INTERNATIONAL CORPORATION	B1	B
15,000,000	Term Loan, maturing December 31, 2006		

See Accompanying Notes to Financial Statements

26

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)		
		MOODY'S	S&P	
CONTAINERS, PACKAGING AND GLASS (CONTINUED)				
\$ 2,990,000	SILGAN HOLDINGS, INC. Term Loan, maturing November 30, 2008	Ba2	BB	\$
769,404	SMURFIT-STONE CONTAINER Revolver, maturing February 28, 2005	Ba3	B+	
1,597,010	SMURFIT-STONE CONTAINER CANADA, INC. Term Loan, maturing June 30, 2009	Ba3	B+	
9,425,605	STONE CONTAINER CORPORATION Term Loan, maturing June 30, 2009	Ba3	B+	
2,917,500	TEKNI-PLEX, INC. Term Loan, maturing June 21, 2008	B1	B+	

DATA AND INTERNET SERVICES: 0.6%				
1,353,721	360NETWORKS, INC. Term Loan, maturing November 12, 2007	NR	NR	
	ARCH WIRELESS HOLDINGS, INC.	Caa3	NR	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

423,939	Senior Note, maturing May 15, 2007 ICG COMMUNICATIONS, INC.	NR	NR
4,863,150	Term Loan, maturing May 31, 2005 MCLEODUSA, INC.	Caa2	NR
1,329,412	Term Loan, maturing May 30, 2008		
DIVERSIFIED/CONGLOMERATE MANUFACTURING: 5.6%			
	BARJAN PRODUCTS, LLC	NR	NR
4,813,875	Term Loan, maturing May 31, 2006 BRAND SERVICES, INC.	B1	B+
3,990,000	Term Loan, maturing October 16, 2009 DRESSER, INC.	Ba3	BB-
5,219,136	Term Loan, maturing April 10, 2009 FLOWSERVE CORPORATION	Ba3	BB-
1,506,892	Term Loan, maturing June 30, 2006		
4,673,400	Term Loan, maturing June 30, 2009 GENERAL CABLE CORPORATION	B1	BB-
1,541,037	Term Loan, maturing May 28, 2007 MANITOWOC COMPANY, INC.	Ba2	BB
1,965,000	Term Loan, maturing May 9, 2007 MUELLER GROUP, INC.	B1	B+
5,955,000	Term Loan, maturing May 31, 2008 NEPTUNE TECHNOLOGY GROUP, INC.	B1	B+
4,750,000	Term Loan, maturing March 31, 2010 NORCROSS SAFETY PRODUCTS, LLC	B1	B+
1,250,000	Term Loan, maturing March 20, 2009 SPX CORPORATION	Ba2	BBB-
6,477,812	Term Loan, maturing September 30, 2009		
7,606,296	Term Loan, maturing March 31, 2010 UNITED PET GROUP	NR	NR
5,748,984	Term Loan, maturing March 31, 2006		

See Accompanying Notes to Financial Statements

27

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
DIVERSIFIED/CONGLOMERATE SERVICE: 1.1%			
	IRON MOUNTAIN, INC.	Ba3	BB
\$ 1,994,000	Term Loan, maturing February 15, 2008 PRIVATE BUSINESS, INC.	NR	NR
3,537,882	Term Loan, maturing August 19, 2006 US INVESTIGATIONS SERVICES, LLC	B1	BB-

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

4,738,813		Term Loan, maturing January 10, 2009		

ECOLOGICAL: 0.5%				
	(2)	IT GROUP, INC.	Caa1	NR
4,154,605	(3)	Term Loan, maturing June 11, 2007		
		WASTE CONNECTIONS, INC.	Ba3	BB
4,701,149		Revolver, maturing May 16, 2005		

ELECTRONICS: 1.9%				
	(2)	ACTERNA, LLC	Caa1	D
6,098,973	(3)	Term Loan, maturing September 30, 2007		
		DECISION ONE CORPORATION	B3	CCC
9,050,516		Term Loan, maturing April 18, 2005		
1,794,690		Term Loan, maturing April 18, 2005		
		KNOWLES ELECTRONICS, INC.	B3	CCC+
3,170,210		Term Loan, maturing June 29, 2007		
		SARCOM, INC.	NR	NR
1,003,670		Term Loan, maturing June 30, 2007		
		TRANSACTION NETWORK SERVICES, INC.	Ba3	BB-
3,722,219		Term Loan, maturing April 3, 2007		

GAMING: 4.9%				
	(2)	ALADDIN GAMING, LLC	Caa1	NR
2,968,421	(3)	Term Loan, maturing August 26, 2006		
4,455,000	(3)	Term Loan, maturing February 26, 2008		
		ALLIANCE GAMING CORPORATION	B1	BB-
4,950,000		Term Loan, maturing December 31, 2006		
		AMERISTAR CASINOS, INC.	Ba3	BB-
2,921,762		Term Loan, maturing December 20, 2006		
		ARGOSY GAMING COMPANY	Ba2	BB
4,421,250		Term Loan, maturing July 31, 2008		
		BOYD GAMING CORPORATION	Ba1	BB+
992,500		Term Loan, maturing June 24, 2008		
		ISLE OF CAPRI CASINOS, INC.	Ba2	BB-
990,000		Term Loan, maturing April 26, 2008		
		MANDALAY RESORT GROUP	Ba2	BB+
17,000,000		Term Loan, maturing August 22, 2006		
		PARK PLACE ENTERTAINMENT CORPORATION	Ba1	BBB-
4,921,260		Revolver, maturing December 31, 2003		
		PENN NATIONAL GAMING	Ba3	B+
3,500,000		Term Loan, maturing September 3, 2007		

See Accompanying Notes to Financial Statements

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
GROCERY: 0.2%			
\$ 1,985,000	GIANT EAGLE, INC. Term Loan, maturing August 2, 2009	Ba2	BB+
HEALTHCARE, EDUCATION AND CHILDCARE: 11.8%			
1,038,168	ALLIANCE IMAGING, INC. Term Loan, maturing November 2, 2006	B1	B+
6,217,331	Term Loan, maturing June 10, 2008		
2,100,000	AMERIPATH, INC. Term Loan, maturing March 27, 2010	B1	B+
4,925,000	APRIA HEALTHCARE GROUP, INC. Term Loan, maturing July 20, 2008	Ba1	BBB-
2,470,038	CAREMARK RX, INC. Term Loan, maturing March 31, 2006	Ba2	BB+
14,935,000	COMMUNITY HEALTH SYSTEMS, INC. Term Loan, maturing July 16, 2010	Ba3	BB-
2,987,259	CONCENTRA OPERATING CORPORATION Term Loan, maturing June 30, 2006	B1	B+
1,493,630	Term Loan, maturing June 30, 2007		
5,304,415	COVENANT CARE, INC. Term Loan, maturing June 30, 2003	NR	NR
8,910,000	DAVITA, INC. Term Loan, maturing March 31, 2009	Ba3	BB-
1,030,668	EXPRESS SCRIPTS, INC. Revolver, maturing March 31, 2005	Ba1	BBB-
3,076,923	Term Loan, maturing March 31, 2008		
4,000,000	FISHER SCIENTIFIC INTERNATIONAL, INC. Term Loan, maturing March 31, 2010	Ba3	BB+
9,939,548	(2) FOUNTAIN VIEW, INC. Term Loan, maturing March 31, 2004	NR	NR
4,000,000	FRESENIUS MEDICAL CARE HOLDING, INC. Term Loan, maturing February 21, 2010	Ba1	BB+
1,539,950	GENESIS HEALTH VENTURES, INC. Floating Rate Note, maturing April 2, 2007	Ba3	B+
9,257,143	HCA, INC. Term Loan, maturing April 30, 2006	Ba1	BBB-
1,995,000	IASIS HEALTHCARE CORPORATION Term Loan, maturing February 7, 2009	B1	B
3,333,333	INSIGHT HEALTH SERVICES CORPORATION Term Loan, maturing October 17, 2008	B1	B+
2,639,967	KINETIC CONCEPTS, INC. Term Loan, maturing March 31, 2006	Ba3	B+
1,231,415	MAGELLAN HEALTH SERVICES, INC. Term Loan, maturing February 12, 2005	Caa1	D
1,231,415	Term Loan, maturing February 12, 2006		
988,381	MARINER HEALTH CARE, INC. Floating Rate Note, maturing May 13, 2009	B1	NR
3,500,000	OXFORD HEALTH PLANS, INC. Term Loan, maturing April 25, 2009	Ba2	BB+

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

See Accompanying Notes to Financial Statements

29

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
HEALTHCARE, EDUCATION AND CHILDCARE (CONTINUED)			
\$ 1,338,503	SYBRON DENTAL MANAGEMENT, INC. Term Loan, maturing June 6, 2009	Ba3	BB-
1,967,273	TRIAD HOSPITALS, INC. Term Loan, maturing September 30, 2008	Ba3	B+
5,486,250	VANGUARD HEALTH SYSTEMS, INC. Term Loan, maturing January 3, 2010	Ba3	B+
4,967,475	VICAR OPERATING, INC. Term Loan, maturing September 30, 2008	B1	B+
HOME AND OFFICE FURNISHING, HOUSEWARES: 1.3%			
801,544	(2) DESA INTERNATIONAL, INC. Term Loan, maturing November 26, 2004	Caa2	NR
2,431,443	HOLMES PRODUCTS CORPORATION Term Loan, maturing February 5, 2007	B2	B
4,525,000	IDENTITY GROUP, INC. Term Loan, maturing May 11, 2007	NR	NR
833,725	(3) IMPERIAL HOME DECOR GROUP, INC. Term Loan, maturing April 4, 2006	NR	NR
2,957,955	NATIONAL BEDDING COMPANY Term Loan, maturing August 31, 2008	B1	B+
794,004	SEALY MATTRESS COMPANY Term Loan, maturing December 15, 2004	B1	B+
1,062,244	Term Loan, maturing December 15, 2005		
1,358,133	Term Loan, maturing December 15, 2006		
INSURANCE: 0.2%			
2,274,198	USI HOLDINGS CORPORATION Term Loan, maturing September 17, 2004	B1	B+
LEISURE, AMUSEMENT AND ENTERTAINMENT: 10.1%			
1,821,058	AMF BOWLING WORLDWIDE, INC. Term Loan, maturing February 28, 2008	B1	B
5,881,479	BALLY TOTAL FITNESS HOLDING CORPORATION Term Loan, maturing November 10, 2004	Ba3	B+
8,347,370	FITNESS HOLDINGS WORLDWIDE, INC. Term Loan, maturing November 2, 2006	B1	B
7,462,881	Term Loan, maturing November 2, 2007		

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

1,995,000	KERASOTES THEATRES, INC. Term Loan, maturing December 31, 2008	B1	B+
4,969,836	LODGENET ENTERTAINMENT CORPORATION Term Loan, maturing June 30, 2006	Ba3	B+
9,796,480	LOEWS CINEPLEX ENTERTAINMENT CORPORATION Term Loan, maturing February 29, 2008	NR	NR
500,000	METRO-GOLDWYN-MAYER STUDIOS, INC. Term Loan, maturing June 30, 2007	Ba3	BB-
14,500,000	Term Loan, maturing June 30, 2008		
4,000,000	NEW JERSEY BASKETBALL, LLC Term Loan, maturing December 8, 2003	B2	B-

See Accompanying Notes to Financial Statements

30

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)		
		MOODY'S	S&P	
LEISURE, AMUSEMENT AND ENTERTAINMENT (CONTINUED)				
\$ 13,990,723	PANAVISION, INC. Term Loan, maturing March 31, 2005	Caa1	CCC	\$
2,343,750	REGAL CINEMAS, INC. Term Loan, maturing December 31, 2007	Ba2	BB-	
1,900,000	SIX FLAGS THEME PARKS, INC. Revolver, maturing June 30, 2008	Ba2	BB-	
11,000,000	WASHINGTON FOOTBALL, INC. Term Loan, maturing June 30, 2009	Baa3	NR	
3,000,000	XANTERRA PARKS & RESORTS, LLC Term Loan, maturing October 16, 2007	NR	NR	
3,287,317	Term Loan, maturing September 30, 2004			
3,287,317	Term Loan, maturing September 30, 2005			

LODGING: 5.2%				
16,227,853	EXTENDED STAY AMERICA, INC. Term Loan, maturing January 15, 2008	Ba3	BB-	
5,000,000	GAYLORD ENTERTAINMENT COMPANY Term Loan, maturing March 22, 2006	NR	NR	
7,169,118	HILTON HAWAIIAN VILLAGE, LLC Revolver, maturing June 1, 2003	Ba1	BBB-	
7,136,323	WYNDHAM INTERNATIONAL, INC. Term Loan, maturing June 30, 2004	NR	CCC+	
17,947,072	Term Loan, maturing June 30, 2006			

MACHINERY: 2.8%				
	ALLIANCE LAUNDRY HOLDINGS, LLC	B1	B	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

3,755,555	Term Loan, maturing August 2, 2007 ANTHONY CRANE RENTAL, L.P.	Caa2	CC
14,437,500	Term Loan, maturing July 20, 2006 MORRIS MATERIAL HANDLING, INC.	NR	NR
258,831	Term Loan, maturing September 28, 2004 NATIONAL WATERWORKS, INC.	B1	BB-
1,980,000	Term Loan, maturing November 22, 2009 REXNORD CORPORATION	B1	B+
6,805,556	Term Loan, maturing November 25, 2009 UNITED RENTALS (NORTH AMERICA), INC.	Ba3	BB
1,725,660	Term Loan, maturing August 31, 2007 VUTEK, INC.	B1	NR
903,446	Term Loan, maturing July 31, 2005		
1,699,805	Term Loan, maturing July 31, 2007		
641,133	Term Loan, maturing December 30, 2007		

MINING, STEEL, IRON AND NON-PRECIOUS METALS: 1.0%			
	PEABODY ENERGY CORPORATION	Ba1	BB+
9,000,000	Term Loan, maturing March 21, 2010		

See Accompanying Notes to Financial Statements

31

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
OIL AND GAS: 1.7%			
\$ 2,500,000	CITGO PETROLEUM CORPORATION Term Loan, maturing February 27, 2006	Ba2	BB
	PACIFIC ENERGY GROUP, LLC	Ba2	BBB-
4,000,000	Term Loan, maturing July 26, 2009 PLAINS MARKETING, L.P.	Ba1	BBB-
3,465,000	Term Loan, maturing September 21, 2007 PMC COMPANY	Ba1	BBB-
2,760,000	Term Loan, maturing May 5, 2006 W-H ENERGY SERVICES, INC.	B2	B+
3,430,016	Term Loan, maturing April 16, 2007		

OTHER BROADCASTING AND ENTERTAINMENT: 1.8%			
	AMERICAN MOVIE CLASSICS	Ba3	BBB-
1,000,000	Term Loan, maturing March 14, 2009 DIRECTV HOLDINGS, LLC	Ba2	BB-

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

6,000,000		Term Loan, maturing March 6, 2010 PEGASUS MEDIA & COMMUNICATIONS, INC.	B3	B-
5,869,924		Term Loan, maturing April 30, 2005 RAINBOW MEDIA GROUP	Ba3	BB+
4,000,000		Term Loan, maturing March 14, 2009		

OTHER TELECOMMUNICATIONS: 2.2%				
		BROADWING, INC.	B1	B-
10,229,922		Term Loan, maturing November 9, 2004		
5,709,366		Term Loan, maturing December 30, 2006		
687,357		Term Loan, maturing June 28, 2007 GCI HOLDINGS, INC.	Ba3	BB+
1,500,000		Term Loan, maturing October 15, 2004 INTERA GROUP, INC.	NR	NR
2,854,468		Term Loan, maturing December 31, 2005		
1,681,780	(3)	Term Loan, maturing December 31, 2005		
909,384	(3)	Term Loan, maturing December 31, 2005		

PERSONAL AND NON DURABLE CONSUMER PRODUCTS: 4.7%				
		ARMKEL, LLC	Ba3	B+
1,924,301		Term Loan, maturing March 28, 2009 BUHRMANN U.S., INC.	B1	B+
2,261,865		Term Loan, maturing October 26, 2005		
1,090,140		Term Loan, maturing October 26, 2007 CHURCH & DWIGHT COMPANY, INC.	Ba2	BB
2,979,987		Term Loan, maturing September 30, 2007 JOSTENS, INC.	B1	BB-
1,758,052		Term Loan, maturing May 31, 2006		
4,486,364		Term Loan, maturing December 31, 2009 NORWOOD PROMOTIONAL PRODUCTS, INC.	NR	NR
9,510,848		Term Loan, maturing February 1, 2005		
7,731,328	(3)	Term Loan, maturing February 1, 2005		
1,998,167	(3)	Term Loan, maturing February 1, 2005		

See Accompanying Notes to Financial Statements

32

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P

PERSONAL AND NON DURABLE CONSUMER PRODUCTS (CONTINUED)			
	PAINT SUNDRY BRANDS CORPORATION	B2	B+
\$ 894,245	Term Loan, maturing August 11, 2005		
875,811	Term Loan, maturing August 11, 2006 PLAYTEX PRODUCTS, INC.	Ba3	BB-

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

11,218,425	Term Loan, maturing May 31, 2009 RAYOVAC CORPORATION	Ba3	BB-
4,450,000	Term Loan, maturing September 30, 2009		

PERSONAL, FOOD AND MISCELLANEOUS SERVICES: 3.1%			
	AFC ENTERPRISES, INC.	Ba2	BB
1,512,013	Term Loan, maturing May 23, 2009 COINMACH CORPORATION	B1	BB-
4,900,000	Term Loan, maturing July 25, 2009 DOMINO'S, INC.	Ba3	BB-
2,977,500	Term Loan, maturing June 30, 2008 GATE GOURMET BORROWER, LLC	B1	BB
1,000,000	Term Loan, maturing December 31, 2008		
1,000,000	Term Loan, maturing December 31, 2009 NEW WORLD RESTAURANT GROUP, INC.	B3	CCC-
4,000,000	Secured Floating Rate Note, maturing June 15, 2003 OTIS SPUNKMEYER, INC.	B1	B+
6,835,055	Term Loan, maturing February 20, 2009 PAPA GINO'S, INC.	NR	NR
1,866,477	Term Loan, maturing August 31, 2006		
4,757,812	Term Loan, maturing August 31, 2007 RELIZON COMPANY	Ba3	BB-
1,117,115	Revolver, maturing August 4, 2006		

PRINTING AND PUBLISHING: 8.6%			
	ADAMS OUTDOOR ADVERTISING, L.P.	B1	B+
1,775,000	Term Loan, maturing February 8, 2008 ADVANSTAR COMMUNICATIONS, INC.	B2	B
9,629,933	Term Loan, maturing April 11, 2007 AMERICAN MEDIA OPERATIONS, INC.	Ba3	B+
3,989,822	Term Loan, maturing April 1, 2007 BELL ACTIMEDIA, INC.	Ba3	BB-
1,821,991	Term Loan, maturing November 29, 2010 CANWEST MEDIA, INC.	Ba3	B+
4,200,639	Term Loan, maturing May 15, 2008		
4,498,904	Term Loan, maturing May 15, 2009 DEX MEDIA EAST, LLC	Ba3	BB-
5,164,634	Term Loan, maturing May 8, 2009 HOLLINGER INTERNATIONAL PUBLISHING, INC.	Ba2	BB-
2,487,500	Term Loan, maturing September 30, 2009 HOUGHTON MIFFLIN COMPANY	Ba3	BB-
423,077	Revolver, maturing February 28, 2008 LAMAR MEDIA CORPORATION	Ba2	BB-
15,000,000	Term Loan, maturing June 30, 2010		

See Accompanying Notes to Financial Statements

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)		
		MOODY'S	S&P	
PRINTING AND PUBLISHING (CONTINUED)				
	MOORE CORPORATION	Ba2	BB+	
\$ 6,000,000	Term Loan, maturing March 15, 2010			\$
	PRIMEDIA, INC.	B3	B	
620,843	Revolver, maturing June 30, 2008			
3,743,351	Term Loan, maturing June 30, 2009			
	R.H. DONNELLEY, INC.	Ba3	BB	
7,980,000	Term Loan, maturing June 30, 2010			
	READER'S DIGEST ASSOCIATIONS, INC.	Baa3	BB+	
6,947,500	Term Loan, maturing May 20, 2008			
	TRANSWESTERN PUBLISHING COMPANY	Ba3	BB-	
2,947,500	Term Loan, maturing June 27, 2008			
	VERTIS, INC.	B2	B+	
2,994,437	Term Loan, maturing December 7, 2008			
	ZIFF DAVIS MEDIA, INC.	B3	CCC	
1,694,296	Term Loan, maturing March 31, 2007			
RADIO AND TV BROADCASTING: 5.3%				
	BLOCK COMMUNICATIONS, INC.	Ba2	BB-	
2,834,660	Term Loan, maturing November 15, 2009			
	CITADEL BROADCASTING COMPANY	Ba2	B+	
1,995,000	Revolver, maturing April 2, 2008			
1,617,778	Term Loan, maturing June 26, 2008			
3,328,000	Term Loan, maturing June 26, 2009			
	CUMULUS MEDIA, INC.	Ba3	B+	
3,000,000	Term Loan, maturing March 28, 2010			
	EMMIS OPERATING COMPANY	Ba2	B+	
10,982,904	Term Loan, maturing August 31, 2009			
	FISHER BROADCASTING, INC.	Ba3	B+	
2,000,000	Term Loan, maturing February 28, 2010			
	GRAY TELEVISION, INC.	Ba3	B+	
4,000,000	Term Loan, maturing December 31, 2010			
	LIN TELEVISION CORPORATION	Ba2	BB	
2,102,857	Term Loan, maturing December 31, 2007			
1,897,143	Term Loan, maturing December 31, 2007			
	PAXSON COMMUNICATIONS CORPORATION	Ba3	BB-	
4,912,500	Term Loan, maturing June 30, 2006			
	SINCLAIR BROADCAST GROUP, INC.	Ba2	BB	
5,000,000	Term Loan, maturing December 31, 2009			
3,000,000	Term Loan, maturing December 31, 2009			
	SUSQUEHANNA MEDIA COMPANY	Ba1	BB-	
2,475,000	Term Loan, maturing June 30, 2008			
RETAIL: 3.8%				
	ADVANCE STORES COMPANY, INC.	Ba3	BB-	
4,706,353	Term Loan, maturing November 30, 2007			
4,706,352	Term Loan, maturing November 30, 2007			
	CH OPERATING, LLC	B2	B+	
2,431,034	Term Loan, maturing June 21, 2007			

See Accompanying Notes to Financial Statements

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

34

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)	
		MOODY'S	S&P
RETAIL (CONTINUED)			
\$ 12,839,799	MURRAY'S DISCOUNT AUTO STORES, INC. Term Loan, maturing June 30, 2003	NR	B
616,667	Revolver, maturing June 30, 2003		
5,000,000	PANTRY, INC. Term Loan, maturing March 31, 2007	B1	B+
3,472,868	PETCO ANIMAL SUPPLIES, INC. Term Loan, maturing October 2, 2008	Ba3	BB-
882,353	SHOPPERS DRUG MART CORPORATION Term Loan, maturing February 4, 2009	Baa3	BBB+
2,382,515	TRAVELCENTERS OF AMERICA, INC. Term Loan, maturing November 14, 2008	Ba3	BB
TELECOMMUNICATIONS EQUIPMENT: 4.9%			
9,797,583	AMERICAN TOWER, L.P. Term Loan, maturing June 30, 2007	B2	B
1,663,816	Term Loan, maturing December 31, 2007		
13,000,000	CROWN CASTLE OPERATING COMPANY Term Loan, maturing March 15, 2008	Ba3	B-
8,266,878	PINNACLE TOWERS, INC. Term Loan, maturing October 31, 2005	B3	D
6,999,889	SPECTRASITE COMMUNICATIONS, INC. Term Loan, maturing December 31, 2007	B1	B+
3,093,034	TRIPOINT GLOBAL COMMUNICATIONS, INC. Term Loan, maturing May 31, 2006	NR	NR
3,980,352	TSI TELECOMMUNICATION SERVICES, INC. Term Loan, maturing December 31, 2006	Ba3	B+
TEXTILES AND LEATHER: 2.6%			
2,692,043	(2) GALEY & LORD, INC. Term Loan, maturing April 2, 2005	Caa2	NR
1,927,515	Term Loan, maturing April 1, 2006		
4,906,930	LEVI STRAUSS & COMPANY Term Loan, maturing July 31, 2006	B1	BB
8,958,296	(2) MALDEN MILLS INDUSTRIES, INC. Term Loan, maturing October 28, 2006	NR	NR
8,902,127	(3) POLYMER GROUP, INC. Term Loan, maturing December 31, 2006	NR	NR
3,306,761	TARGUS GROUP, INC. Term Loan, maturing August 31, 2006	NR	NR
	WILLIAM CARTER COMPANY	Ba3	BB

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

946,442	Term Loan, maturing September 30, 2008		
UTILITIES: 0.8%			
1,899,130	CALPINE CORPORATION Term Loan, maturing March 8, 2004	Ba3	BBB-
1,000,000	ITC HOLDINGS CORPORATION Term Loan, maturing February 28, 2009	Baa3	BBB-

See Accompanying Notes to Financial Statements

35

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

PRINCIPAL AMOUNT	BORROWER/TRANCHE DESCRIPTION	BANK LOAN RATINGS+ (UNAUDITED)		
		MOODY'S	S&P	

UTILITIES (CONTINUED)				
\$ 2,977,500	MICHIGAN ELECTRIC TRANSMISSION COMPANY Term Loan, maturing May 1, 2007	Baa2	BB+	\$
1,647,059	PIKE ELECTRIC, INC. Term Loan, maturing April 18, 2010	Ba3	BB-	
	TOTAL SENIOR LOANS (COST \$1,489,750,945)			\$1,4

OTHER CORPORATE DEBT: 2.1%				
AUTOMOBILE: 0.6%				
6,000,000	CAPITAL TOOL & DESIGN, LTD. Subordinated Note, maturing July 10, 2004	NR	NR	
DATA AND INTERNET SERVICES: 0.1%				
739,789 (3)	ARCH WIRELESS HOLDINGS, INC. Subordinated Note, maturing May 15, 2009	Ca	NR	
FINANCE: 1.0%				
10,000,000	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 January 31, 2006	NR	NR	
HOME AND OFFICE FURNISHINGS, HOUSEWARES: 0.0%				
45,229	MP HOLDINGS, INC. Subordinated Note, maturing March 14, 2007	NR	NR	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

PERSONAL AND NON DURABLE CONSUMER PRODUCTS: 0.3%			
	PAINT SUNDRY BRANDS	B2	B+
2,875,000	Subordinated Note, maturing August 11, 2008		
TEXTILES AND LEATHER: 0.1%			
	TARTAN TEXTILE SERVICES, INC.	NR	NR
1,332,583	Subordinated Note, maturing April 1, 2011		
	TOTAL OTHER CORPORATE DEBT (COST \$20,232,242)		

See Accompanying Notes to Financial Statements

36

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

 SECURITY DESCRIPTION

EQUITIES AND OTHER ASSETS: 4.1%

	(0) , (R) 360Networks, Inc. (76,029 Common Shares)	\$
	(1), (0) , (R) Allied Digital Technologies Corporation (Residual Interest in Bankruptcy Estate)	
	(0) , (R) AM Cosmetics Corporation (Liquidation Interest)	
	(0) Arch Wireless Holdings, Inc. (102,124 Common Shares)	
	(0) , (R) Autotote Systems, Inc. (Option to Purchase 0.248% of Common Shares Issued and Outstanding)	
	(0) , (R) Block Vision Holdings Corporation (571 Common Shares)	
	(2), (0) , (R) Boston Chicken, Inc. (Residual Interest in Boston Chicken Plan Trust)	
	(0) , (R) Capital Tool & Design, Ltd. (Warrants for 121,159 Common Shares)	
	(0) , (R) Cedar Chemical (Liquidation Interest)	
	(2), (0) , (R) Centis, Inc. (Residual Interest in Bankruptcy Estate)	
	(0) , (R) Covenant Care, Inc. (Warrants for 19,000 Common Shares, Expires January 13, 2005)	
	Covenant Care, Inc. (Warrants for 28,901 Common Shares, Expires March 31, 2013)	
	(0) Dan River, Inc. (127,306 Common Shares)	
	(0) , (R) Decision One Corporation (350,059 Common Shares)	
	(2), (0) , (R) Electro Mechanical Solutions (Residual Interest in Bankruptcy Estate)	
	(0) , (R) Enterprise Profit Solutions (Liquidation Interest)	
	(4), (0) , (R) Euro United Corporation (Residual Interest in Bankruptcy Estate)	
	(2), (0) , (R) Exide Technologies (Warrants for 16,501 Common Shares, Expires March 16, 2006)	
	(0) Genesis Health Ventures, Inc. (190,605 Common Shares)	
	(0) Genesis Health Ventures, Inc. (2,223 Preferred Shares)	
	(0) , (R) Gevity HR (60,056 Common Shares)	
	(2), (0) , (R) Grand Union Company (Residual Interest in Bankruptcy Estate)	
	(0) , (R) Holmes Products Corporation (Warrants for 19,397 Common Shares, Expires May 7, 2006)	
	(2), (0) , (R) Humphreys, Inc. (Residual Interest in Bankruptcy Estate)	
	(0) , (R) Imperial Home Decor Group, Inc. (300,141 Common Shares)	
	(0) , (R) IHDG Realty (300,141 Common Shares)	
	(2), (0) , (R) Insilco Technologies (Residual Interest in Bankruptcy Estate)	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

(@) , (R)	Intera Group, Inc. (864 Common Shares)
(2) , (@) , (R)	Kevco, Inc. (Residual Interest in Bankruptcy Estate)
(@)	Mariner Health Care, Inc. (126,525 Common Shares)
(@)	Microcell Connexions, Inc. (2,473 1st Preferred Voting Shares)
(@)	Microcell Connexions, Inc. (171,635 1st Preferred Non-Voting Shares)
(@)	Microcell Connexions, Inc. (53,271 2nd Preferred Non-Voting Shares)
(@) , (R)	Morris Material Handling, Inc. (481,373 Common Shares)
(@) , (R)	MP Holdings, Inc. (590 Common Shares)
(@) , (R)	Murray's Discount Auto Stores, Inc. (17 Common Shares)
(@) , (R)	Murray's Discount Auto Stores, Inc. (Warrants for 955 Common Shares, Expires January 22, 2007)

See Accompanying Notes to Financial Statements

37

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

SECURITY DESCRIPTION

(@) , (R)	New World Restaurant Group, Inc. (Warrants for 4,489 Common Shares, Expires June 15, 2006)		\$
(@) , (R)	Safelite Glass Corporation (660,808 Common Shares)		
(@) , (R)	Safelite Realty (44,605 Common Shares)		
(@) , (R)	Sarcom Corporation (462,984 Common Shares)		
(@) , (R)	Sarcom Corporation (4,015 Preferred Shares)		
(@) , (R)	Scientific Games Corporation (48,930 Warrants for Class B Non-Voting Common Shares, Expires October 2003)		
(@) , (R)	Soho Publishing (17,582 Common Shares)		
(@) , (R)	Stellex Aerostructures, Inc. (11,130 Common Shares)		
(@) , (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)	Teligent, Inc. (50 Common Shares)		
(@) , (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 EQUITIES AND OTHER ASSETS (COST \$45,108,156)		-----
	TOTAL INVESTMENTS (COST \$1,555,091,343) (5)	156.1%	\$1,4
	PREFERRED SHARES AND LIABILITIES IN EXCESS OF CASH AND OTHER ASSETS, NET	(56.1)	(5)
	NET ASSETS	100.0%	\$ 9
		=====	=====

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

 PORTFOLIO OF INVESTMENTS as of May 31, 2003 (Unaudited) (Continued)

- (@) 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 Baa by Moody's Investor Services, Inc. or BBB by Standard & Poor's Group are considered to be below investment grade.
- (1) The borrower filed for protection under Chapter 7 of the U.S. Federal bankruptcy code.
- (2) The borrower filed for protection under Chapter 11 of the U.S. Federal bankruptcy code.
- (3) Loan is on non-accrual basis.
- (4) The borrower filed for protection under the Canadian Bankruptcy and Insolvency Act.
- (5) For federal income tax purposes, the cost of investment is \$1,554,263,115 and net unrealized depreciation consists of the following:

Gross Unrealized Appreciation	\$ 14,809,113
Gross Unrealized Depreciation	(94,245,128)

Net Unrealized Depreciation	\$ (79,436,015)
	=====

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

 ADDITIONAL INFORMATION (Unaudited) (Continued)

Management's Additional Operating Information (Unaudited)

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.

SHAREHOLDER INVESTMENT PROGRAM

The Trust offers a Shareholder Investment Program (the "Program") which enables investors to conveniently add to their holdings at reduced costs. Should you desire further information concerning this Program, please contact the Shareholder Servicing Agent at (800) 992-0180.

NUMBER OF SHAREHOLDERS

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

The approximate number of record holders of Common Stock as of June 30, 2003 was 7,931 which does not include approximately 49,750 beneficial owners of shares held in the name of brokers of other nominees.

40

ING Prime Rate Trust

 TRUSTEE AND OFFICER INFORMATION (Unaudited)

The business and affairs of the Trust are managed under the direction of the Trust's Board of Trustees. A Trustee who is not an interested person of the Trust, as defined in the 1940 Act, is an independent trustee ("Independent Trustee"). The Trustees of the Trust are listed below. The Statement of Additional Information includes additional information about trustees of the Registrant and is available, without charge, upon request at 1-800-992-0180.

NAME, ADDRESS AND AGE -----	POSITION(S) HELD WITH FUND ----	TERM OF OFFICE AND LENGTH OF TIME SERVED(1) -----	PRINCIPAL OCCUPATION(S) DURING THE PAST FIVE YEARS -----	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY TRUSTEE -----
INDEPENDENT TRUSTEES				
Paul S. Doherty(2) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1934	Trustee	October 1999 - Present	Mr. Doherty is President and Partner, Doherty, Wallace, Pillsbury and Murphy, P.C., Attorneys (1996 - Present); Director, Tambrands, Inc. (1993 - 1998); and Trustee of each of the funds managed by Northstar Investment Manage- ment Corporation (1993 - 1999).	106
J. Michael Earley(3) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1945	Trustee	February 2002 - Present	President and Chief Executive Officer, Bankers Trust Company, N.A. (1992 - Present).	106
R. Barbara Gitenstein(2) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1948	Trustee	February 2002 - Present	President, College of New Jersey (1999 - Present). Formerly, Executive Vice President and Provost, Drake University (1992 - 1998).	106
Walter H. May(2) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1936	Trustee	October 1999 - Present	Retired. Formerly, Managing Director and Director of Marketing, Piper Jaffray, Inc.; Trustee of each of the funds managed by	106

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

Jock Patton(2) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1945	Trustee	August 1995 - Present	Northstar Investment Management Corporation (1996 - 1999). Private Investor (June 1997 - Present). Formerly, Director and Chief Executive Officer, Rainbow Multimedia Group, Inc. (January 1999 - December 2001); Director of Stuart Entertainment, Inc.; Director of Artisoft, Inc. (1994 - 1998).	106
-------------------------------------------------------------------------------------------	---------	-----------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----

41

ING Prime Rate Trust

 TRUSTEE AND OFFICER INFORMATION (Unaudited) (Continued)

NAME, ADDRESS AND AGE -----	POSITION(S) HELD WITH FUND ----	TERM OF OFFICE AND LENGTH OF TIME SERVED(1) -----	PRINCIPAL OCCUPATION(S) DURING THE PAST FIVE YEARS -----	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY TRUSTEE -----
David W.C. Putnam(3) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1939	Trustee	October 1999 - Present	President and Director, F.L. Putnam Securities Company, Inc. and its affiliates; President, Secretary and Trustee, The Principled Equity Marke Fund. Formerly, Trustee, Trust Realty Trust (December Corp.; Anchor Investment Trust; Bow 2000 - Present); Ridge Mining Company and each of the F.L. Putnam funds managed by Northstar Investment Foundation Management Corporation (1994 - 1999).	106

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

<p>Blaine E. Rieke(3) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1933</p>	<p>Trustee</p>	<p>February 2001 - Present</p>	<p>General Partner, Huntington Partners (January 1997 - Present). Chairman of the Board and Trustee of each of the funds managed by ING Investment Management Co. LLC (November 1998 - February 2001).</p>	<p>106</p>
<p>Roger B. Vincent(3) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1945</p>	<p>Trustee</p>	<p>February 2002 - Present</p>	<p>President, Springwell Corporation (1989 - Present). Formerly, Director, Tatham Offshore, Inc. (1996 - 2000).</p>	<p>106</p>
<p>Richard A. Wedemeyer(2) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1936</p>	<p>Trustee</p>	<p>February 2001 - Present</p>	<p>Retired. Mr. Wedemeyer was formerly Vice President - Finance and Administration, Channel Corporation (June 1996 - April 2002). Formerly, Vice President, Operations and Administration, Jim Henson Productions. (1979 - 1997); Trustee, First Choice Funds (1997 - 2001); and of each of the funds managed by ING Investment Management Co. LLC (1998 - 2001).</p>	<p>106</p>

42

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited) (Continued)

NAME, ADDRESS AND AGE	POSITION(S) HELD WITH FUND	TERM OF OFFICE AND LENGTH OF TIME SERVED (1)	PRINCIPAL OCCUPATION(S) DURING THE PAST FIVE YEARS	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY TRUSTEE
--------------------------	----------------------------------	----------------------------------------------------------	-------------------------------------------------------------	----------------------------------------------------------------------

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

 TRUSTEES WHO ARE "INTERESTED PERSONS"

Thomas J. McInerney(4) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1956	Trustee	February 2001 - Present	Chief Executive Officer, ING U.S. Financial Services (September 2001 - Present); General Manager and Chief Executive Officer, ING U.S. Worksite Financial Services (December 2000 - Present); Member, ING Americas Executive Committee (2001 - Present); President, Chief Executive Officer and Director of Northern Life Insurance Company (2001 - Present), ING Aeltus Holding Company, Inc. (2000 - Present), ING Retail Holding Company (1998 - Present), Formerly, ING Life Insurance and Annuity Company (1997 - November 2002) and ING Retirement Holdings, Inc. (1997 - March 2003). Formerly, General Manager and Chief Executive Officer, ING Worksite Division (December 2000 - October 2001), President, ING-SCI, Inc. (August 1997 - December 2000); President, Aetna Financial Services (August 1997 - December 2000); Head of National Accounts Core Sales and Marketing, Aetna U.S. Healthcare (April 1996 - March 1997).	160
---------------------------------------------------------------------------------------------------	---------	-------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

NAME, ADDRESS AND AGE -----	POSITION(S) HELD WITH FUND -----	TERM OF OFFICE AND LENGTH OF TIME SERVED (1) -----	PRINCIPAL OCCUPATION(S) DURING THE PAST FIVE YEARS -----	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY TRUSTEE -----
John G. Turner (5) 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1939	Trustee	October 1999 - Present	Chairman, Hillcrest Capital Partners (May 2002-Present); President, Turner Investment Company (January 2002 - Present). Mr. Turner was formerly Vice Chairman of ING Americas (2000 - 2002); Chairman and Chief Executive Officer of ReliaStar Financial Corp. and ReliaStar Life Insurance Company (1993 - 2000); Chairman of ReliaStar United Services Life Insurance Company (1995 - 1998); Chairman of ReliaStar Life Insurance Company of New York (1995 - 2001); Chairman of Northern Life Insurance Company (1992 - 2001); Chairman and Trustee of the Northstar affiliated investment companies (1993 - 2001) and Director, Northstar Investment Management Corporation and its affiliates (1993 - 1999) . (1) Trustees serve until their successors are duly elected and qualified. (2) Valuation Committee member. (3) Audit Committee member. (4) Mr. McInerney is an "interested person," as defined by the 1940 Act, because of his affiliation with ING U.S. Worksite Financial Services, an affiliate of ING Investments, LLC. (5) Mr. Turner is an "interested person," as defined by the 1940 Act, because of his affiliation with ING Americas, an affiliate	157

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

of ING Investments,
LLC.

44

ING Prime Rate Trust

TRUSTEE AND OFFICER INFORMATION (Unaudited) (Continued)

NAME, ADDRESS AND AGE -----	POSITION(S) HELD WITH THE TRUST -----	TERM OF OFFICE AND LENGTH OF TIME SERVED(1) -----	
OFFICERS:			
James M. Hennessy 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1949	President and Chief Executive Officer	February 2001 - Present	President a Officer of LLC, ING Fu Advisors, I LLC, Lexing Inc., Expre EAMC Liquid December 20 President a Officer of LLC (since Executive V Operating O Quantitativ (October 20 Senior Exec (June 2000 Secretary (2000) of IN LLC, ING Fu Investments Inc., Expre and EAMC Li Executive V Capital Cor affiliates and Senior Capital Cor affiliates 1998).
	Chief Operating Officer	June 2000 - Present	
	Senior Executive Vice President	June 2000 - February 2001	
	Secretary	April 1995 - February 2001	
Michael J. Roland 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1958	Executive Vice President and Assistant Secretary	February 2002 - Present	Executive V Financial O ING Funds S Distributor ING Investm 2001 to pre Distributor T.C. Inc. a Corp. (sinc
	Chief Financial Officer	June 1998 - Present	
	Senior Vice President	June 1998 - February 2002	

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

Robert S. Naka 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1963	Senior Vice President Assistant Secretary	November 1999 - Present July 1996 - Present
--------------------------------------------------------------------------------------------	--------------------------------------------------	----------------------------------------------------

Formerly, E
 Chief Finan
 Treasurer o
 Management,
 October 200
 President,
 ING Investm
 Distributor
 December 20
 Officer of
 1997 to Jun

Senior Vice
 Secretary o
 LLC, ING Fu
 ING Advisor
 Investments
 present) an
 Distributor
 2001). Form
 President a
 for ING Qua
 Management,
 to October
 ING Investm
 to October
 Services, L
 August 1999
 President,
 (August 199

ING Prime Rate Trust

 TRUSTEE AND OFFICER INFORMATION (Unaudited) (Continued)

NAME, ADDRESS AND AGE -----	POSITION(S) HELD WITH THE TRUST -----	TERM OF OFFICE AND LENGTH OF TIME SERVED (1) -----
OFFICERS:		
Daniel Norman 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1957	Senior Vice President Co-Senior Portfolio Manager Treasurer	April 1995 - Present November 1999 - Present June 1997 - Present
Jeffrey A. Bakalar 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1959	Senior Vice President Co-Senior Portfolio Manager	January 1998 - Present November 1999 - Present

Senior Vice
 Investments
 1994); ING
 (since Dece
 as an offic
 ING since F

Senior Vice
 Investments
 1999). Form
 Assistant P
 Investments
 November 19

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

Elliot Rosen Senior Vice President May 2002 - Present
 7337 E. Doubletree Ranch Rd.,
 Scottsdale, Arizona 85258
 Born: 1953

William H. Rivoir III Senior Vice President February 2001 -
 and Assistant Present
 7337 E. Doubletree Ranch Rd.,
 Scottsdale, Arizona 85258
 Born: 1951

Curtis F. Lee Senior Vice President January 2001- Present
 and Chief Credit
 7337 E. Doubletree Ranch Rd.,
 Scottsdale, Arizona 85258
 Officer
 Born: 1955

First Natio
 (July 1994
 Senior Vice
 Investments
 1999). Form
 President I
 February 19
 Sendero, wh
 (August 199

Senior Vice
 Secretary o
 Corporation
 Services, L
 ING Funds D
 Advisors, I
 LLC, and IN
 Management,
 2001), Lexi
 Inc., ING P
 Pilgrim Ame
 Express Ame
 EAMC Liquid
 December 20
 Vice Presid
 Secretary o
 LLC (since
 Investments
 America Fin
 February 19
 President o
 (since Dece
 Assistant S
 Distributor
 1999) and I
 (since June

 TRUSTEE AND OFFICER INFORMATION (Unaudited) (Continued)

NAME, ADDRESS AND AGE -----	POSITION(S) HELD WITH THE TRUST -----	TERM OF OFFICE AND LENGTH OF TIME SERVED (1) -----
-----------------------------------	---------------------------------------------	-------------------------------------------------------------

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

OFFICERS:

<p>Kimberly A. Anderson 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1964</p>	<p>Vice President and Secretary</p> <p>Assistant Vice President and Assistant Secretary</p>	<p>February 2001 - Present</p> <p>November 1999 - February 2001</p>	<p>Vice President and Secretary of ING Funds LLC, ING Funds Investments (2001) and Distributor (2001). Form ING Quantit Inc. (Octob 2002); Assi ING Funds S 1999 to Jan held variou ING Funds S than the la</p>
<p>Robyn L. Ichilov 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1967</p>	<p>Vice President</p>	<p>November 1997 - Present</p>	<p>Vice President Services, L and ING Inv August 1997 Manager, IN (since Nove</p>
<p>Maria M. Anderson 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1958</p>	<p>Assistant Vice President</p>	<p>August 2001 - Present</p>	<p>Assistant V Funds Servi 2001). Form Accounting ING Investm 1999 to Nov Manager of Roe Mutual August 1999 Reporting A Funds (Augu</p>
<p>Todd Modic 7337 E. Doubletree Ranch Rd., Scottsdale, Arizona 85258 Born: 1967</p>	<p>Assistant Vice President</p>	<p>August 2001 - Present</p>	<p>Vice President Reporting-F Funds Servi 2002 to Pre Financial R Investments September 2 of Financia Communicati January 200 Finance, Ru (March 1995</p>
<p>Susan P. Kinens 7337 E. Doubletree Ranch Rd. Scottsdale, Arizona 85258 Born: 1976</p>	<p>Assistant Vice President and Assistant Secretary</p>	<p>February 2003 - Present (For the ING Funds)</p>	<p>Assistant V Assistant S Services, L Present); a other posit Services, L years.</p>

(1) The officers hold office until the next meeting of the Trustees and until

Edgar Filing: ING PRIME RATE TRUST - Form N-30B-2

their successors shall have been elected and qualified.

47

INVESTMENT MANAGER

ING Investments, LLC
7337 E. Doubletree Ranch Road
Scottsdale, Arizona 85258-2034

ADMINISTRATOR

ING Fund Services, LLC
7337 E. Doubletree Ranch Road
Scottsdale, Arizona 85258-2034
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 85258-2034
1-800-334-3444

TRANSFER AGENT

DST Systems, Inc.
P.O. Box 219368
Kansas City, Missouri 64141-9368

CUSTODIAN

State Street Bank and Trust Company
801 Pennsylvania Avenue
Kansas City, Missouri 64105

LEGAL COUNSEL

Dechert
1775 Eye Street, N.W.
Washington, D.C. 20006

INDEPENDENT AUDITORS

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 85258-2034

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 1-800-992-0180

A prospectus containing more complete information regarding the Trust, including charges and expenses, may be obtained by calling ING Funds Distributor, LLC, Distributor, at 1-800-992-0180. Please read the prospectus carefully before you invest or send money.

[LION LOGO]

