

ING PRIME RATE TRUST

Form N-30B-2

August 03, 2011

Funds

First Quarter Report

**May 31, 2011**

ING Prime Rate Trust

E-Delivery Sign-up details inside

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

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ING Prime Rate Trust

**FIRST QUARTER REPORT**

May 31, 2011

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## ING Prime Rate Trust

## PORTFOLIO MANAGERS' REPORT

Dear Shareholders:

ING Prime Rate Trust (the "Trust") is a diversified, closed-end management investment company that seeks to provide investors with as high a level of current income as is consistent with the preservation of capital. The Trust seeks to achieve this objective by investing, under normal circumstances, at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in U.S. dollar denominated floating rate secured senior loans.

**PORTFOLIO CHARACTERISTICS**  
**AS OF MAY 31, 2011**

|   |                  |
|---|------------------|
| Net Assets  | \$ 885,928,554   |
| Total Assets  | \$ 1,276,874,287 |
| Assets Invested in Senior Loans   | \$ 1,210,933,846 |
| Senior Loans Represented  | 513              |
| Average Amount Outstanding per Loan   | \$ 2,360,495     |
| Industries Represented  | 37               |
| Average Loan Amount per Industry  | \$ 32,727,942    |
| Portfolio Turnover Rate (YTD)   | 22%              |
| Weighted Average Days to Interest Rate Reset                                | 37               |
| Average Loan Final Maturity   | 55 months        |
| Total Leverage as a Percentage of Total Assets (including preferred shares) | 23.89%           |

**PERFORMANCE SUMMARY**

The Trust declared \$0.07 of dividends during the first fiscal quarter ended May 31, 2011. Based on the average month-end net asset value ("NAV") per share of \$6.06, this resulted in an annualized distribution rate<sup>(1)</sup> of 5.02% for the quarter. The Trust's total net return for the first fiscal quarter, based on NAV, was 0.23% versus a total gross return on the S&P/LSTA Leveraged Loan Index (the "Index")<sup>(2)</sup> of 0.53% for the same quarter. For the year ended May 31, 2011, the Trust's total return, based on NAV, was 11.49%, versus 9.28% gross return for the Index. The total market value return (based on full reinvestment of dividends) for the Trust's common shares during the first fiscal quarter was 3.25% and for the year ended May 31, 2011 was 20.03%.

**MARKET REVIEW**

Broad measures of U.S. economic activity as reported over the last few months have presented a decidedly mixed picture, complicating an already cloudy macro backdrop. On one hand, corporate earnings remained relatively robust, with little notable shift in what has been generally upbeat overall guidance. On the other hand, revised 1st Quarter gross domestic product figures were clearly disappointing as a host of economic and geopolitical factors, together with the natural disasters in Japan, conspired to stall growth, at least temporarily. The senior loan market's monthly returns were

(1) The distribution rate is calculated by annualizing dividends and distributions declared during the period and dividing the resulting annualized dividend by the Trust's average 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) The **Index** is an unmanaged total return index that captures accrued interest, repayments, and market value changes. It represents a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers. Standard & Poor's ("S&P") and the Loan Syndications and Trading Association ("LSTA") conceived the Index to establish a performance benchmark for the syndicated leveraged loan industry. An investor cannot invest directly in an index.

## ING Prime Rate Trust

## PORTFOLIO MANAGERS' REPORT (continued)

**TOP TEN SENIOR LOAN ISSUERS  
AS OF MAY 31, 2011  
AS A PERCENTAGE OF:**

|  | <b>TOTAL<br/>ASSETS</b> | <b>NET<br/>ASSETS</b> |
|--|-------------------------|-----------------------|
| CHS/Community Health Systems, Inc.               | 3.2%                    | 2.2%                  |
| Cequel Communications, LLC                       | 3.1%                    | 2.2%                  |
| PBL Media  | 2.6%                    | 1.8%                  |
| Univision Communications, Inc.                   | 2.5%                    | 1.8%                  |
| Texas Competitive Electric Holdings Company, LLC | 2.4%                    | 1.7%                  |
| First Data Corporation                           | 2.2%                    | 1.5%                  |
| HCA, Inc.  | 1.9%                    | 1.3%                  |
| CSC Holdings, Inc.                               | 1.7%                    | 1.2%                  |
| Charter Communications Operating, LLC            | 1.7%                    | 1.2%                  |
| UPC Broadband Holding, B.V.                      | 1.5%                    | 1.1%                  |

***Subject to change daily.***

mixed during the past fiscal quarter, as March brought a (0.01)% Index return followed by a rebound in April to 0.64%. The increase in uncertainty did not serve global markets well as we moved through the month of May, and a more cautious overall sentiment sent many investment indexes into negative territory. The senior loan market was no exception, as shown by the (0.09)% Index return.

In addition to a general increase in risk aversion, the loan market, as represented by the Index, faced a challenge as a strong wave of new loan issuance pressured secondary prices. New institutional loan issuance jumped to \$41.3 billion in May, compared with \$26.8 billion in April and \$23.6 billion in March. Fortunately, inflows to loan mutual funds, although slowing late in May, remained healthy enough to absorb the new issue pipeline and lessen secondary market price volatility. According to Lipper FMI, loan mutual funds took in \$3.74 billion in May versus \$3.62 billion in April. Year-to-date inflows into loan mutual funds through May stood at \$22.7 billion, approximately \$18.3 billion ahead of the same period in 2010.

## PORTFOLIO REVIEW

The Trust underperformed the Index during the fiscal quarter. The Trust's moderate overweight of the healthcare industry was a slight detractor as this sector, one of the largest in the Index, underperformed the broad average. Individual issuer positioning did not have a meaningful impact on full-period returns, at either the Trust or Index levels. An under-allocation to CCC and below rated loans was helpful to performance, largely neutralized however, by a similar under-allocation to second lien and small sized issuers. The Trust's investment in European senior loans was moderately beneficial to returns as the

overall European loan market fared well relative to its larger, more actively traded U.S. counterpart. Both the Index and the Trust experienced only one default during the fiscal quarter, which did not have a material impact on overall performance.

## OUTLOOK AND CURRENT STRATEGY

At this point, our expectations for the near term remain largely unchanged. We continue to be optimistic as to full-year loan returns,

### TOP TEN INDUSTRY SECTORS AS OF MAY 31, 2011 AS A PERCENTAGE OF:

|                                     | TOTAL<br>ASSETS | NET<br>ASSETS |
|-------------------------------------|-----------------|---------------|
| Healthcare, Education and Childcare | 16.9%           | 11.7%         |
| Retail Stores                       | 10.7%           | 7.4%          |
| North American Cable                | 10.3%           | 7.2%          |
| Data and Internet Services          | 9.0%            | 6.3%          |
| Printing & Publishing               | 9.0%            | 6.2%          |
| Chemicals, Plastics & Rubber        | 5.5%            | 3.8%          |
| Radio and TV Broadcasting           | 5.3%            | 3.7%          |
| Utilities                           | 5.1%            | 3.6%          |
| Beverage, Food & Tobacco            | 5.0%            | 3.5%          |
| Automobile                          | 4.9%            | 3.4%          |

*Subject to change daily.*

## ING Prime Rate Trust

## PORTFOLIO MANAGERS' REPORT (continued)

but guarded based on what appears to be slowing U.S. and European economic growth and persistent geopolitical unrest, coupled with highly volatile commodity prices and rising input costs. We also continue to assess the probable impact on credit markets of the anticipated finale of the U.S. Federal Reserve's current quantitative easing program. These headwinds could continue to pressure loan prices over the immediate future. Absent any material shift in risk appetite, however, we think prices should be generally supported by stable technical factors. We note also that we expect the principal risk factor when investing in loans, namely that of fundamental credit risk, to remain manageable over the short to intermediate term as corporate default rates have fallen inside of this historical average for the asset class and watch list activity remains reasonably sparse. That said, macroeconomic risk remains elevated; we continue to monitor both the fundamental credit environment and the technical backdrop of the loan market for changes that would impact our sector and issuer positioning within the portfolio.

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

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

ING Prime Rate Trust  
 June 24, 2011

**Ratings Distribution  
 as of May 31, 2011**

|               |        |
|---------------|--------|
| Baa           | 3.77%  |
| Ba            | 42.66% |
| B             | 37.03% |
| Caa and below | 2.21%  |
| Not rated*    | 14.33% |

Ratings distribution shows the percentage of the Trust's loan commitments (excluding cash and foreign cash) that are rated in each ratings category, based upon the categories provided by Moody's Investors Service, Inc. Ratings distribution is based on Moody's senior secured facility ratings. Moody's ratings classification methodology: Aaa rating denotes the least credit risk; C rating denotes the greatest credit risk. Loans rated below Baa by Moody's are considered to be below investment grade. Ratings can change from time to time, and current ratings may not fully reflect the actual credit condition or risks posed by a loan.

\* Not rated includes loans to non-U.S. borrowers (which are typically unrated) and loans for which the rating has been withdrawn.





## ING Prime Rate Trust

## PORTFOLIO MANAGERS' REPORT (continued)

|                                    | Average Annual Total Returns for the<br>Years Ended May 31, 2011 |         |         |          |
|------------------------------------|--|---------|---------|----------|
|                                    | 1 Year   | 3 Years | 5 Years | 10 Years |
| Based on Net Asset Value (NAV)     | 11.49%   | 4.50%   | 2.88%   | 4.47%    |
| Based on Market Value              | 20.03%   | 8.10%   | 4.68%   | 4.83%    |
| S&P/LSTA Leveraged Loan Index      | 9.28%  | 7.31%   | 5.28%   | 5.21%    |
| Credit-Suisse Leveraged Loan Index | 9.79%  | 6.14%   | 4.49%   | 4.88%    |

The table above illustrates the total return of the Trust against the Indices indicated. An index has no cash in its portfolio, imposes no sales charges and incurs no operating expenses. An investor cannot invest directly in an index.

Total returns based on NAV reflect that ING Investments, LLC (the Trust's "Investment Adviser") may have waived or recouped fees and expenses otherwise payable by the Trust.

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

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

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

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

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

## INDEX DESCRIPTIONS

The **S&P/LSTA Leveraged Loan Index** is an unmanaged total return index that captures accrued interest, repayments, and market value changes. It represents a broad cross section of leveraged loans syndicated in the United States, including dollar-denominated loans to overseas issuers. Standard & Poor's and the

Loan Syndications & Trading Association ("LSTA") conceived the Index to establish a performance benchmark for the syndicated leveraged loan industry. An investor cannot invest directly in an index.

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

## ING Prime Rate Trust

## PORTFOLIO MANAGERS' REPORT (continued)

|                      | YIELDS AND DISTRIBUTION RATES |  |   |   |  |
|----------------------|-------------------------------|--|---|---|--|
|                      | Prime Rate                    | NAV 30-day<br>SEC Yield <sup>(A)</sup> | Mkt. 30-Day<br>SEC Yield <sup>(A)</sup> | Annualized Dist.<br>Rate @ NAV <sup>(B)</sup> | Annualized Dist.<br>Rate @ Mkt. <sup>(B)</sup> |
| May 31,<br>2011      | 3.25%                         | 5.13%                                  | 5.03%                                   | 4.98%   | 4.89%  |
| February<br>28, 2011 | 3.25%                         | 5.42%                                  | 5.47%                                   | 4.93%   | 4.98%  |
| November<br>30, 2010 | 3.25%                         | 5.01%                                  | 5.10%                                   | 5.32%   | 5.41%  |
| August<br>31, 2010   | 3.25%                         | 4.89%                                  | 5.08%                                   | 5.78%   | 6.00%  |

<sup>(A)</sup> 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 U.S. Securities and Exchange Commission ("SEC") standardized yield formula.

<sup>(B)</sup> The distribution rate is calculated by annualizing the last monthly dividend of each quarter and dividing the resulting annualized dividend amount by the Trust's net asset value (in the case of NAV) or the NYSE Composite closing price (in case of Market) at quarter-end.

***Risk is inherent in all investing. The following are the principal risks associated with investing in the Trust. This is not, and is not intended to be, a description of all risks of investing in the Trust. A more detailed description of the risks of investing in the Trust is contained in the Trust's current prospectus.***

**Credit Risk:** The Trust invests a substantial portion of its assets in below investment grade senior loans and other below investment grade assets. Below investment grade loans involve a greater risk that borrowers may not make timely payment of the interest and principal due on their loans. They also involve a greater risk that the value of such loans could decline significantly. If borrowers do not make timely payments of the interest due on their loans, the yield on the Trust's common shares will decrease. If borrowers do not make timely payment of the principal due on their loans, or if the value of such loans decreases, the value of the Trust's NAV will decrease.

**Interest Rate Risk:** Changes in short-term market interest rates will directly affect the yield on the Trust's common shares. If short-term market interest rates fall, the yield on the Trust's common shares will also fall. To the extent that the credit spreads on loans in the Trust experience a general decline, the yield on the Trust will fall and the value of the Trust's assets may decrease, which will cause the Trust's value to decrease. Conversely, when short-term market interest rates rise, because of the lag between changes in such short-term rates and the resetting of the floating rates on assets in the Trust's portfolio, the impact of rising rates will be delayed to the extent of such lag.

**Leverage Risk:** The Trust borrows money for investment purposes. Borrowing increases both investment opportunity and investment risk. In the event of a general market decline in the value of assets such as those in which the Trust invests, the effect of that decline will be magnified in the Trust because of the additional assets purchased with the proceeds of the borrowings. The Trust also faces the risk that it might have to sell assets at relatively less advantageous times if it were forced to de-leverage if a source of leverage becomes unavailable.



## ING Prime Rate Trust

## STATEMENT OF ASSETS AND LIABILITIES as of May 31, 2011 (Unaudited)

**ASSETS:**

|   |                  |
|---|------------------|
| Investments in securities at value (Cost \$1,237,033,216)     | \$ 1,237,473,277 |
| Cash  | 2,616,838        |
| Foreign currencies at value (Cost \$11,919,914)               | 12,103,698       |
| Receivables:  |                  |
| Investment securities sold                                    | 16,907,180       |
| Interest  | 5,333,197        |
| Other   | 21,468           |
| Unrealized appreciation on forward foreign currency contracts | 2,411,622        |
| Unrealized appreciation on unfunded commitments               | 1,619            |
| Prepaid expenses  | 5,388            |
| Total assets  | 1,276,874,287    |

**LIABILITIES:**

|   |             |
|---|-------------|
| Notes payable   | 230,000,000 |
| Payable for investment securities purchased   | 81,957,963  |
| Accrued interest payable  | 434,736     |
| Dividends payable - preferred shares  | 1,776       |
| Payable to affiliates   | 1,075,556   |
| Accrued trustees fees   | 7,977       |
| Unrealized depreciation on forward foreign currency contracts                                     | 1,988,247   |
| Unrealized depreciation on unfunded commitments   | 17,783      |
| Other accrued expenses  | 461,695     |
| Total liabilities   | 315,945,733 |
| Preferred shares, \$25,000 stated value per share at liquidation value (3,000 shares outstanding) | 75,000,000  |

**NET ASSETS** \$ 885,928,554

Net assets value per common share outstanding (net assets divided by 147,048,300 shares of beneficial interest authorized and outstanding, no par value)

\$ 6.02

**NET ASSETS WERE COMPRISED OF:**

|                                     |                       |
|-------------------------------------|-----------------------|
| Paid-in capital                     | \$ 1,175,302,362      |
| Undistributed net investment income | 1,373,286             |
| Accumulated net realized loss       | (291,188,897)         |
| Net unrealized appreciation         | 441,803               |
| <b>NET ASSETS</b>                   | <b>\$ 885,928,554</b> |

See Accompanying Notes to Financial Statements





## ING Prime Rate Trust

## STATEMENT OF OPERATIONS for the Three Months Ended May 31, 2011 (Unaudited)

|   |               |
|---|---------------|
| <b>INVESTMENT INCOME:</b>                                 |               |
| Interest  | \$ 16,156,372 |
| Amendment fees earned                                     | 535,651       |
| Other   | 857,425       |
| Total investment income                                   | 17,549,448    |
| <b>EXPENSES:</b>  |               |
| Investment management fees                                | 2,443,828     |
| Administration fees                                       | 763,696       |
| Transfer agent fees                                       | 17,207        |
| Interest expense  | 1,140,546     |
| Custody and accounting expense                            | 138,920       |
| Professional fees   | 91,356        |
| Preferred shares dividend disbursing agent fees           | 48,361        |
| Shareholder reporting expense                             | 88,320        |
| Trustees fees   | 8,096         |
| Miscellaneous expense                                     | 85,409        |
| Total expenses  | 4,825,739     |
| Net investment income                                     | 12,723,709    |
| <b>REALIZED AND UNREALIZED GAIN (LOSS):</b>               |               |
| Net realized gain (loss) on:                              |               |
| Investments   | 1,747,877     |
| Forward foreign currency contracts                        | (6,081,897)   |
| Foreign currency related transactions                     | (1,698,079)   |
| Net realized loss   | (6,032,099)   |
| Net change in unrealized appreciation or depreciation on: |               |
| Investments   | (6,502,403)   |
| Forward foreign currency contracts                        | 2,478,289     |
| Foreign currency related transactions                     | 32,856        |
| Unfunded commitments                                      | (89,617)      |
| Net change in unrealized appreciation or depreciation     | (4,080,875)   |
| Net realized and unrealized loss                          | (10,112,974)  |
| <b>DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:</b>           |               |
| From net investment income                                | (36,284)      |
| Increase in net assets resulting from operations          | \$ 2,574,451  |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## STATEMENTS OF CHANGES IN NET ASSETS (Unaudited)

|  | Three Months<br>Ended<br>May 31,<br>2011 | Year<br>Ended<br>February 28,<br>2011 |
|--|--|---------------------------------------|
| <b>FROM OPERATIONS:</b>  |  |                                       |
| Net investment income  | \$ 12,723,709                            | \$ 41,568,273                         |
| Net realized loss  | (6,032,099)                              | (19,056,520)                          |
| Net change in unrealized appreciation<br>or depreciation   | (4,080,875)                              | 76,785,973                            |
| Distributions to preferred shareholders<br>from net<br>investment income   | (36,284)                                 | (423,452)                             |
| Increase in net assets resulting from<br>operations  | 2,574,451                                | 98,874,274                            |
| <b>FROM DISTRIBUTIONS TO COMMON SHAREHOLDERS:</b>  |  |                                       |
| From net investment income   | (10,876,898)                             | (43,725,897)                          |
| From return of capital   |  | (2,667,020)                           |
| Decrease in net assets from<br>distributions to<br>common shareholders   | (10,876,898)                             | (46,392,917)                          |
| <b>CAPITAL SHARE TRANSACTIONS:</b>   |  |                                       |
| Reinvestment of distributions from<br>common shares  | 548,341                                  | 392,395                               |
| Proceeds from shares sold  | 21,903                                   | 10,002,232                            |
| Net increase from capital share<br>transactions  | 570,244                                  | 10,394,627                            |
| Net increase (decrease) in net assets  | (7,732,203)                              | 62,875,984                            |
| <b>NET ASSETS:</b>   |  |                                       |
| Beginning of period  | 893,660,757                              | 830,784,773                           |
| End of period (including undistributed<br>(distributions in<br>excess of) net investment income of<br>\$1,373,286<br>and \$(437,241) respectively) | \$ 885,928,554                           | \$ 893,660,757                        |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## STATEMENT OF CASH FLOWS for the Three Months Ended May 31, 2011 (Unaudited)

**INCREASE (DECREASE) IN CASH****Cash Flows From Operating Activities:**

|  |               |
|--|---------------|
| Interest received                        | \$ 12,755,276 |
| Dividends paid to preferred shareholders | (38,225)      |
| Arrangement fee paid                     | (63,870)      |
| Other income received                    | 1,231,575     |
| Interest paid                            | (885,234)     |
| Other operating expenses paid            | (3,594,077)   |
| Purchases of securities                  | (317,745,706) |
| Proceeds on sale of securities           | 298,235,848   |
| Net cash used by operating activities    | (10,104,413)  |

**Cash Flows From Financing Activities:**

|   |                 |
|---|-----------------|
| Dividends paid to common shareholders           | \$ (10,328,557) |
| Redemption of preferred shares                  | (25,000,000)    |
| Proceeds from shares sold                       | 21,903          |
| Net increase of notes payable                   | 43,000,000      |
| Net cash flows provided by financing activities | 7,693,346       |
| Net decrease in cash                            | (2,411,067)     |
| Cash at beginning of period                     | 5,027,905       |
| Cash at end of period                           | \$ 2,616,838    |

**Reconciliation of Net Decrease in Net Assets Resulting from Operations To Net Cash Used by Operating Activities:**

|   |               |
|---|---------------|
| Net increase in net assets resulting from operations  | \$ 2,574,451  |
| Adjustments to reconcile net decrease in net assets resulting from operations to net cash used by operating activities: |               |
| Change in unrealized appreciation or depreciation on investments  | 6,502,403     |
| Change in unrealized appreciation or depreciation on forward currency contracts   | (2,478,289)   |
| Change in unrealized appreciation or depreciation on unfunded commitments   | 89,617        |
| Change in unrealized appreciation or depreciation on other assets and liabilities                                       | (32,856)      |
| Accretion of discounts on investments   | (2,400,879)   |
| Amortization of premiums on investments   | 103,064       |
| Net realized loss on sale of investments, forward foreign currency contracts and foreign currency related transactions  | 6,032,099     |
| Purchases of investment securities  | (317,745,706) |
| Proceeds from disposition of investment securities  | 298,235,848   |
| Increase in other assets  | (10,588)      |
| Increase in interest receivable   | (1,103,281)   |
| Decrease in prepaid expenses  | 2,610         |
| Decrease in deferred arrangement fees on senior loans   | (63,870)      |

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|  |                 |
|--|-----------------|
| Increase in accrued interest payable           | 255,312         |
| Decrease in dividends payable preferred shares | (1,941)         |
| Increase in payable to affiliates              | 126,575         |
| Increase in accrued trustees fees              | 994             |
| Decrease in other accrued expenses             | (189,976)       |
| Total adjustments                              | (12,678,864)    |
| Net cash used by operating activities          | \$ (10,104,413) |
| <b>Non Cash Financing Activities</b>           |                 |
| Reinvestment of dividends                      | \$ 548,341      |

See Accompanying Notes to Financial Statements

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FINANCIAL HIGHLIGHTS (UNAUDITED)

Selected data for a share of beneficial interest outstanding throughout each year or period.

| Year or period ended        | Per Share Operating Performance              |                              |   |                              |  |   |  |                                      |                     |  |   |
|-----------------------------|--|------------------------------|---|------------------------------|--|---|--|--------------------------------------|---------------------|--|---|
|                             | Net asset value, beginning of year or period | Net investment income (loss) | Net realized and unrealized gain (loss) | Distribution to Shareholders | Change in net asset value from offerings | Total Shareholder investment operations | Distribution to Common investment income | Distributions from return of capital | Total distributions | Net asset value, end of year or period | Closing market price, end of year or period |
|                             | (\$)   | (\$)                         | (\$)                                    | (\$)                         | (\$)                                     | (\$)                                    | (\$)                                     | (\$)                                 | (\$)                | (\$)                                   | (\$)  |
| <b>ING Prime Rate Trust</b> |  |                              |   |                              |  |   |  |                                      |                     |  |   |
| 05-31-11                    | 6.08   | 0.09                         | (0.08)                                  | (0.00)*                      | 0.01                                     | (0.07)                                  |  | (0.07)                               |                     | 6.02                                   | 6.14  |
| 02-28-11                    | 5.72   | 0.30                         | 0.38                                    | (0.00)*                      | 0.68                                     | (0.30)                                  | (0.02)                                   | (0.32)                               |                     | 6.08                                   | 6.02  |
| 02-28-10                    | 3.81   | 0.28                         | 1.95                                    | (0.00)*                      | 2.23                                     | (0.32)                                  |  | (0.32)                               |                     | 5.72                                   | 5.94  |
| 02-28-09                    | 6.11   | 0.46                         | (2.29)                                  | (0.06)                       | (1.89)                                   | (0.41)                                  |  | (0.47)                               |                     | 3.81                                   | 3.50  |
| 02-29-08                    | 7.65   | 0.75                         | (1.57)                                  | (0.16)                       | (0.98)                                   | (0.56)                                  |  | (0.72)                               |                     | 6.11                                   | 5.64  |
| 02-28-07                    | 7.59   | 0.71                         | 0.06                                    | (0.16)                       | 0.61                                     | (0.55)                                  |  | (0.71)                               |                     | 7.65                                   | 7.40  |
| 02-28-06                    | 7.47   | 0.57                         | 0.12                                    | (0.11)                       | 0.58                                     | (0.46)                                  |  | (0.57)                               |                     | 7.59                                   | 7.02  |
| 02-28-05                    | 7.34   | 0.45                         | 0.16                                    | (0.05)                       | 0.56                                     | (0.43)                                  |  | (0.48)                               |                     | 7.47                                   | 7.56  |
| 02-29-04                    | 6.73   | 0.46                         | 0.61                                    | (0.04)                       | 1.03                                     | (0.42)                                  |  | (0.46)                               |                     | 7.34                                   | 7.84  |
| 02-28-03                    | 7.20   | 0.50                         | (0.47)                                  | (0.05)                       | (0.02)                                   | (0.45)                                  |  | (0.50)                               |                     | 6.73                                   | 6.40  |
| 02-28-02                    | 8.09   | 0.74                         | (0.89)                                  | (0.11)                       | (0.26)                                   | (0.63)                                  |  | (0.74)                               |                     | 7.20                                   | 6.77  |

| Year or period ended        | Total Investment Return <sup>(1)</sup>                    |  | Ratios to average net assets  |  |   |   | Supplemental data                 |                    |
|-----------------------------|---|--|---|--|---|---|-----------------------------------|--------------------|
|                             | Total Investment Return at net asset value <sup>(2)</sup> | Total Investment Return at closing market price <sup>(3)</sup> | Expenses (before interest and other fees related to revolving credit facility) <sup>(6)</sup> | Expenses prior to fee waivers and/or recoupments if any <sup>(6)</sup> | Expenses, net of fee waivers and/or recoupments if any <sup>(6)</sup> | Net investment income (loss) <sup>(6)</sup> | Net assets, end of year or period | Portfolio Turnover |
|                             | (%)   | (%)  | (%)   | (%)  | (%)   | (%)   | (\$000's)                         | (%)                |
| <b>ING Prime Rate Trust</b> |   |  |   |  |   |   |                                   |                    |
| 05-31-11                    | 0.23  | 3.25   | 1.63  | 2.15   | 2.15  | 5.69  | 885,929                           | 22                 |
| 02-28-11                    | 12.32   | 7.09   | 1.59  | 1.93   | 1.93  | 4.87  | 893,661                           | 60                 |
| 02-28-10                    | 60.70   | 81.66  | 1.77 <sup>(5)</sup>   | 1.99 <sup>(5)</sup>  | 1.93  | 5.56  | 830,785                           | 38                 |

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|          |                        |                        |      |      |      |       |           |    |
|----------|------------------------|------------------------|------|------|------|-------|-----------|----|
| 02-28-09 | (31.93) <sup>(4)</sup> | (32.03) <sup>(4)</sup> | 1.95 | 3.01 | 3.01 | 7.86  | 552,840   | 10 |
| 02-29-08 | (13.28)                | (17.25)                | 2.20 | 4.36 | 4.36 | 10.35 | 886,976   | 60 |
| 02-28-07 | 8.85                   | 13.84                  | 2.21 | 4.62 | 4.62 | 9.42  | 1,109,539 | 60 |
| 02-28-06 | 8.53                   | (0.82)                 | 2.33 | 4.27 | 4.27 | 7.71  | 1,100,671 | 81 |
| 02-28-05 | 7.70                   | 2.04                   | 2.29 | 3.18 | 3.17 | 6.04  | 1,082,748 | 93 |
| 02-29-04 | 15.72                  | 28.77                  | 2.11 | 2.40 | 2.40 | 6.68  | 1,010,325 | 87 |
| 02-28-03 | 0.44                   | 2.53                   | 2.19 | 2.68 | 2.68 | 7.33  | 922,383   | 48 |
| 02-28-02 |                        |                        |      |      |      |       |           |    |
|          | (3.02)                 | (9.20)                 | 2.25 | 3.64 | 3.64 | 9.79  | 985,982   | 53 |

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

(2) 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, capital gain distributions and return of capital distributions/allocations, if any, in accordance with the provisions of the dividend reinvestment plan.

(3) Total investment return at market value has been calculated assuming a purchase at market value at the beginning of each period and a sale at market value at the end of each period and assumes reinvestment of dividends and capital gain distributions, if any, in accordance with the provisions of the dividend reinvestment plan.

(4) There was no impact on total return due to payments by affiliates.

(5) Includes excise tax fully reimbursed by the Investment Adviser.

(6) Annualized for periods less than one year.

\* Amount is more than \$(0.005).

See Accompanying Notes to Financial Statements

FINANCIAL HIGHLIGHTS (UNAUDITED) (CONTINUED)

Selected data for a share of beneficial interest outstanding throughout each year or period.

| Year or period ended        | Ratios to average net assets including Preferred Shares <sup>(a)</sup>                        |  |  |   | Ratios to average net assets plus borrowings  |  |  |   |
|-----------------------------|---|--|--|---|---|--|--|---|
|                             | Expenses (before interest and other fees related to revolving credit facility) <sup>(6)</sup> | Expenses, prior to fee waivers and/or recoupments, if any <sup>(6)</sup> | Expenses, net of fee waivers and/or recoupments, if any <sup>(6)</sup> | Net investment income (loss) <sup>(6)</sup> | Expenses (before interest and other fees related to revolving credit facility) <sup>(6)</sup> | Expenses, prior to fee waivers and/or recoupments, if any <sup>(6)</sup> | Expenses, net of fee waivers and/or recoupments, if any <sup>(6)</sup> | Net investment income (loss) <sup>(6)</sup> |
|                             | (%)   | (%)  | (%)  | (%)   | (%)   | (%)  | (%)  | (%)   |
| <b>ING Prime Rate Trust</b> |   |  |  |   |   |  |  |   |
| 05-31-11                    | 1.51  | 1.95   | 1.95   | 5.17  | 1.31  | 1.71   | 1.71   | 4.50  |
| 02-28-11                    | 1.36  | 1.64   | 1.64   | 4.14  | 1.39  | 1.68   | 1.68   | 4.26  |
| 02-28-10                    | 1.36 <sup>(5)</sup>   | 1.52 <sup>(5)</sup>  | 1.48   | 4.26  | 1.67 <sup>(5)</sup>   | 1.87 <sup>(5)</sup>  | 1.81   | 5.23  |
| 02-28-09                    | 1.54  | 2.38   | 2.38   | 6.22  | 1.54  | 2.37   | 2.37   | 6.21  |
| 02-29-08                    | 1.54  | 3.05   | 3.05   | 7.23  | 1.60  | 3.17   | 3.17   | 7.53  |
| 02-28-07                    | 1.57  | 3.27   | 3.27   | 6.68  | 1.56  | 3.25   | 3.25   | 6.63  |
| 02-28-06                    | 1.64  | 3.02   | 3.02   | 5.44  | 1.58  | 2.90   | 2.90   | 5.24  |
| 02-28-05                    | 1.60  | 2.22   | 2.21   | 4.21  | 1.63  | 2.27   | 2.26   | 4.32  |
| 02-29-04                    | 1.45  | 1.65   | 1.65   | 4.57  | 1.84  | 2.09   | 2.09   | 5.82  |
| 02-28-03                    | 1.49  | 1.81   | 1.81   | 4.97  | 1.82  | 2.23   | 2.23   | 6.10  |
| 02-28-02                    | 1.57  | 2.54   | 2.54   | 6.83  | 1.66  | 2.70   | 2.70   | 7.24  |

| Year or period ended        | Supplemental data                             |  |  |                             |   |                    |  |
|-----------------------------|---|--|--|-----------------------------|---|--------------------|--|
|                             | Preferred Shares Aggregate amount outstanding | Liquidation and market value per share of Preferred Shares | Asset coverage inclusive of Preferred Shares and debt per share <sup>(b)</sup> | Borrowings at end of period | Asset coverage per \$1,000 of debt <sup>(b)</sup> | Average borrowings | Common shares outstanding at end of year or period |
|                             | (\$000's)                                     | (\$)   | (\$)   | (\$000's)                   | (\$)  | (\$000's)          | (000's)  |
| <b>ING Prime Rate Trust</b> |   |  |  |                             |   |                    |  |
| 05-31-11                    | 75,000  | 25,000   | 97,600   | 230,000                     | 5,177   | 240,083            | 147,048  |
| 02-28-11                    | 100,000                                       | 25,000   | 102,850  | 187,000                     | 6,314   | 122,641            | 146,954  |
| 02-28-10                    | 200,000                                       | 25,000   | 98,400   | 83,000                      | 13,419  | 46,416             | 145,210  |
| 02-28-09                    | 225,000                                       | 25,000   | 70,175   | 81,000                      | 10,603  | 227,891            | 145,178  |
| 02-29-08                    | 450,000                                       | 25,000   | 53,125   | 338,000                     | 4,956   | 391,475            | 145,094  |



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|          |         |        |        |         |       |         |         |
|----------|---------|--------|--------|---------|-------|---------|---------|
| 02-28-07 | 450,000 | 25,000 | 62,925 | 281,000 | 6,550 | 459,982 | 145,033 |
| 02-28-06 | 450,000 | 25,000 | 55,050 | 465,000 | 4,335 | 509,178 | 145,033 |
| 02-28-05 | 450,000 | 25,000 | 53,600 | 496,000 | 4,090 | 414,889 | 145,033 |
| 02-29-04 | 450,000 | 25,000 | 62,425 | 225,000 | 7,490 | 143,194 | 137,638 |
| 02-28-03 | 450,000 | 25,000 | 62,375 | 167,000 | 9,218 | 190,671 | 136,973 |
| 02-28-02 |         |        |        |         |       |         |         |
|          | 450,000 | 25,000 | 58,675 | 282,000 | 6,092 | 365,126 | 136,973 |

(a) Ratios do not reflect the effect of dividend payments to Preferred Shareholders; income ratios reflect income earned on assets attributable to Preferred Shareholders; ratios do not reflect any add-back for the borrowings.

(b) Asset coverage ratios, for periods prior to fiscal 2009, represented the coverage available for both the borrowings and preferred shares expressed in relation to each \$1,000 of borrowings and preferred shares liquidation value outstanding. The Asset coverage ratio per \$1,000 of debt for periods subsequent to fiscal 2008, is presented to represent the coverage available to each \$1,000 of borrowings before consideration of any preferred shares liquidation price, while the Asset coverage inclusive of Preferred Shares, presents the coverage available to both borrowings and preferred shares, expressed in relation to the per share liquidation price of the preferred shares.

(5) Includes excise tax fully reimbursed by the Investment Adviser.

(6) Annualized for periods less than one year.

See Accompanying Notes to Financial Statements



ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited)

**NOTE 1 ORGANIZATION**

ING Prime Rate Trust (the "Trust"), a Massachusetts business trust, is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a diversified, closed-end, management investment company. The Trust invests primarily in senior loans, which generally are not registered under the Securities Act of 1933, as amended (the "1933 Act"), and which contain certain restrictions on resale and cannot be sold publicly. These loans bear interest (unless otherwise noted) at rates that float periodically at a margin above the London Inter-Bank Offered Rate ("LIBOR") and other short-term rates.

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

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 U.S. generally accepted accounting principles ("GAAP") for investment companies.

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

The Trust has engaged independent pricing services to provide market value quotations from dealers in loans and, when such quotations are not readily available, to calculate values under the proxy procedure described above. As of May 31, 2011, 99.7% of total loans were valued based on these procedures. It is expected that most of the loans held by the Trust will continue to be valued with reference to quotations from the independent pricing service or with reference to the proxy procedure described above.

Prices from a pricing source may not be available for all loans and the Investment Adviser or ING Investment Management Co. ("ING IM" or the "Sub-Adviser"), may believe that the price for a loan derived from market quotations or the proxy procedure described above is not reliable or accurate. Among other reasons, this may be the result of information about a particular loan or borrower known to the Investment Adviser or the Sub-Adviser that the Investment Adviser or the Sub-Adviser believes may not be known to the pricing service or reflected in a price quote. In this event, the loan is valued at fair value, as defined by the 1940 Act, as determined in good faith under procedures established by the Board and in accordance with the provisions of the 1940 Act. Under these procedures, fair value is determined by the Investment Adviser or Sub-Adviser and monitored by the Board through its Compliance 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

## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

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 are valued at the last reported sale price. Securities reported by NASDAQ will be valued at the NASDAQ Official Closing Price. Securities traded in the over-the-counter market and listed securities for which no sale was reported on a valuation date are valued at the mean between the last reported bid and ask price on such exchange. Securities, other than senior loans, for which reliable market value quotations are not readily available, and all other assets, will be valued at their respective fair values as determined in good faith by, and under procedures established by, the Board. Investments in securities of sufficient credit quality maturing in 60 days or less from the date of acquisition are valued at amortized cost which approximates fair value.

Fair value is defined as the price that the Trust would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. Each investment asset or liability of the Trust is assigned a level at measurement date based on the significance and source of the inputs to its valuation. Quoted prices in active markets for identical securities are classified as "Level 1", inputs other than quoted prices for an asset or liability that are observable are classified as "Level 2" and unobservable inputs, including the sub-adviser's judgment about the assumptions that a market participant would use in pricing an asset or liability are classified as "Level 3". The inputs used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Short-term securities of sufficient credit quality which are valued at amortized cost, which approximates fair value, are generally considered to be Level 2 securities under applicable accounting rules. A table summarizing the Trust's investments under these levels of classification is included following the Portfolio of Investments.

For the period ended May 31, 2011, there have been no significant changes to the fair valuation methodologies.

*B. Security Transactions and Revenue Recognition.* Revolver and delayed draw loans are booked on a settlement date basis. Security transactions and senior loans are accounted for on trade date (date the order to buy or sell is executed). Realized gains or losses are reported on the basis of identified cost of securities sold. Dividend income is recognized on the ex-dividend date. Interest income is recorded on an accrual basis at the then-current interest rate of the loan. The accrual of interest on loans is partially or fully discontinued when, in the opinion of management, there is an indication that the borrower may be unable to meet payments as they become due. If determined to be uncollectable, accrued interest is also written off. Cash collections on non-accrual senior loans are generally applied as a reduction to the recorded investment of the loan. Senior loans are generally returned to accrual status only after all past due amounts have been received and the borrower has demonstrated sustained performance. For all loans, except revolving credit facilities, fees received are treated as discounts and are accreted whereas premiums are amortized. Fees associated with revolving credit facilities are deferred and recognized over the shorter of four years or the actual term of the loan.

C. *Foreign Currency Translation.* The books and records of the Trust are maintained in U.S. dollars. Any foreign currency amounts are translated into U.S. dollars on the following basis:

(1) Market value of investment securities, other assets and liabilities at the exchange rates prevailing at the end of the day.

ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

(2) Purchases and sales of investment securities, income and expenses at the rates of exchange prevailing on the respective dates of such transactions.

Although the net assets and the market values are presented at the foreign exchange rates at the end of the day, the Trust does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses from investments. For securities, which are subject to foreign withholding tax upon disposition, liabilities are recorded on the Statement of Assets and Liabilities for the estimated tax withholding based on the securities current market value. Upon disposition, realized gains or losses on such securities are recorded net of foreign withholding tax.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Trust's books, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities at fiscal year end, resulting from changes in the exchange rate. Foreign security and currency transactions may involve certain considerations and risks not typically associated with investing in U.S. companies and the U.S. government. These risks include, but are not limited to, revaluation of currencies and future adverse political and economic developments which could cause securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies and U.S. government securities.

D. *Forward Foreign Currency Contracts.* The Trust may enter into forward foreign currency contracts primarily to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily and the change in value is recorded by the Trust as an unrealized gain or loss and is reported in the Statement of Assets and Liabilities. Realized gains or losses equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed are recorded upon delivery or receipt of the currency and are included in the Statement of Operations. These instruments may involve market risk in excess of the amount recognized in the Statement of Assets and Liabilities. In addition, the Trust could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. Open forward foreign currency contracts are presented following the Portfolio of Investments. For the period ended May 31, 2011, the Trust had an average quarterly contract amount on forward foreign currency contracts to sell of \$131,667,774.

E. *Federal Income Taxes.* It is the policy of the Trust to comply with the requirements of subchapter M of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its net investment income and any net realized capital gains to its shareholders. Therefore, a federal income tax or excise tax provision is not required. Management has considered the

sustainability of the Trust's tax positions taken on federal income tax returns for all open tax years in making this determination. No capital gain distributions shall be made until the capital loss carryforwards have been fully utilized or expire.

F. *Distributions to Common Shareholders.* The Trust declares and pays dividends monthly from net investment income. Distributions from capital gains, if any, are declared and paid annually. The



ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)**

Trust may make additional distributions to comply with the distribution requirements of the Internal Revenue Code. The character and amounts of income and gains to be distributed are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles for investment companies. The Trust records distributions to its shareholders on the ex-dividend date.

G. *Dividend Reinvestments.* Pursuant to the Trust's Shareholder Investment Program (the "Program"), BNY Mellon Investment Servicing (U.S.) Inc. ("BNY"), the Program administrator, purchases, from time to time, shares of beneficial interest of the Trust on the open market to satisfy dividend reinvestments. Such shares are purchased on the open market only when the closing sale or bid price plus commission is less than the NAV per share of the Trust's common shares on the valuation date. If the market price plus commissions is equal to or exceeds NAV, new shares are issued by the Trust at the greater of (i) NAV or (ii) the market price of the shares during the pricing period, minus a discount of 5%.

H. *Use of Estimates.* The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

I. *Share Offerings.* The Trust issues shares under various shelf registration statements, whereby the net proceeds received by the Trust from share sales may not be less than the greater of (i) the NAV per share or (ii) 94% of the average daily market price over the relevant pricing period.

**NOTE 3 INVESTMENTS**

For the period ended May 31, 2011, the cost of purchases and the proceeds from principal repayment and sales of investments, excluding short-term notes, totaled \$277,963,059 and \$310,813,239, respectively. At May 31, 2011, the Trust held senior loans valued at \$1,210,933,846 representing 97.9% of its total investments. The fair value of these assets is established as set forth in Note 2.

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

Common and preferred shares, and stock purchase warrants held in the portfolio were acquired in conjunction with loans held by the Trust. Certain of these stocks and warrants are restricted and may not be publicly sold without registration under the 1933 Act, or without an exemption under the 1933 Act. In some cases, these restrictions expire after a designated period of time after issuance of the shares or warrants.



## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 3 INVESTMENTS (continued)**

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

|  | <b>Date of<br/>Acquisition</b> | <b>Cost or<br/>Assigned Basis</b> |
|--|--------------------------------|-----------------------------------|
| Allied Digital Technologies Corporation<br>(Residual Interest in Bankruptcy Estate)              | 06/05/02                       | \$ 100                            |
| Ascend Media (Residual Interest)   | 01/05/10                       |                                   |
| Block Vision Holdings Corporation (719 Common<br>Shares)   | 09/17/02                       |                                   |
| Cedar Chemical (Liquidation Interest)  | 12/31/02                       |                                   |
| Enterprise Profit Solutions (Liquidation Interest)   | 10/21/02                       |                                   |
| Euro United Corporation (Residual Interest in<br>Bankruptcy Estate)                              | 06/21/02                       | 100                               |
| Ferretti SPA (Warrants for 0.111% Participation<br>Interest)                                     | 09/30/09                       |                                   |
| Gainey Corporation (Residual Interest)   | 12/31/09                       |                                   |
| Grand Union Company (Residual Interest in<br>Bankruptcy Estate)                                  | 07/01/02                       | 2,576                             |
| Kevco Inc. (Residual Interest in Bankruptcy<br>Estate)   | 06/05/02                       | 25                                |
| Lincoln Paper & Tissue (Warrants for 291<br>Common Shares,<br>Expires August 14, 2015)           | 08/25/05                       |                                   |
| Lincoln Pulp and Eastern Fine (Residual Interest<br>in<br>Bankruptcy Estate)                     | 06/08/04                       |                                   |
| Safelite Realty Corporation (57,804 Common<br>Shares)  | 10/12/00                       |                                   |
| Supermedia, Inc. (32,592 Common Shares)  | 01/05/10                       |                                   |
| US Office Products Company (Residual Interest<br>in<br>Bankruptcy Estate)                        | 02/11/04                       |                                   |
| Total Restricted Securities (fair value \$446,679<br>was 0.05%<br>of net assets at May 31, 2011) |                                | \$ 2,801                          |

**NOTE 4 MANAGEMENT AND ADMINISTRATION AGREEMENTS**

The Trust has entered into an investment management agreement ("Investment Advisory Agreement") with the Investment Adviser, an Arizona limited liability company, to provide advisory and management services. The Investment Advisory Agreement compensates the Investment Adviser with a fee, computed daily and payable monthly, at an annual rate of 0.80% of the Trust's Managed Assets. For purposes of the

Investment Advisory Agreement, "Managed Assets" shall mean the Trust's average daily gross asset value, minus the sum of the Trust's accrued and unpaid dividends on any outstanding preferred shares and accrued liabilities (other than liabilities for the principal amount of any borrowings incurred, commercial paper or notes issued by the Trust and the liquidation preference of any outstanding preferred shares).

The Investment Adviser entered into a Sub-Advisory agreement with ING IM, a Connecticut corporation. Subject to such policies as the Board or the Investment Adviser may determine, ING IM manages the Trust's assets in accordance with the Trust's investment objectives, policies, and limitations.

The Trust has also entered into an administration agreement with ING Funds Services, LLC (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 Managed Assets.

## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 4 MANAGEMENT AND ADMINISTRATION AGREEMENTS (continued)**

The Investment Adviser, ING IM and the Administrator are indirect, wholly-owned subsidiaries of ING Groep N.V. ("ING Groep"). ING Groep is a global financial institution of Dutch origin offering banking, investments, life insurance, and retirement services.

ING Groep has adopted a formal restructuring plan that was approved by the European Commission in November 2009 under which the ING life insurance businesses, including the retirement services and investment management businesses, which include the Investment Adviser and its affiliates, would be divested by ING Groep by the end of 2013. To achieve this goal, ING Groep announced in November 2010 that it plans to pursue two separate Initial Public Offerings: one a U.S. focused offering that would include U.S. based insurance, retirement services, and investment management operations; and the other a European based offering for European and Asian based insurance and investment management operations. There can be no assurance that the restructuring plan will be carried out through two offerings or at all.

The restructuring plan and the uncertainty about its implementation, whether implemented through the planned Initial Public Offerings or through other means, in whole or in part, may be disruptive to the businesses of ING entities, including the ING entities that service the Fund, and may cause, among other things, interruption or reduction of business and services, diversion of management's attention from day-to-day operations, and loss of key employees or customers. A failure to complete the offerings or other means of implementation on favorable terms could have a material adverse impact on the operations of the businesses subject to the restructuring plan. The restructuring plan may result in the Investment Adviser's and/or Sub-Adviser's loss of access to services and resources of ING Groep, which could adversely affect their businesses and profitability. In addition, the divestment of ING businesses, including the Investment Adviser and Sub-Adviser, may potentially be deemed a "change of control" of each entity. A change of control would result in the termination of the Fund's advisory and sub-advisory agreements, which would trigger the necessity for new agreements that would require approval of the Board, and may trigger the need for shareholder approval. Currently, the Investment Adviser does not anticipate that the restructuring will have a material adverse impact on the Fund or its operations and administration.

**NOTE 5 TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES**

At May 31, 2011, the Trust had the following amounts recorded in payables to affiliates on the accompanying Statement of Assets and Liabilities:

| <b>Accrued Investment Management Fees</b> | <b>Accrued Administrative Fees</b> | <b>Total</b> |
|---|------------------------------------|--------------|
| \$ 819,471                                | \$ 256,085                         | \$ 1,075,556 |

The Trust has adopted a Deferred Compensation Plan (the "Plan"), which allows eligible non-affiliated trustees as described in the Plan to defer the receipt of all or a portion of the trustees fees payable. Amounts deferred are treated as though invested in various "notional" funds advised by ING Investments until distribution in accordance with the Plan.

**NOTE 6 COMMITMENTS**

The Trust has entered into a \$275 million 364-day revolving credit agreement which matures August 17, 2011, collateralized by assets of the Trust. Borrowing rates under this agreement are based on a fixed spread over LIBOR, and a commitment fee is charged on the unused portion. Prepaid arrangement fees are amortized over the term of the agreement. The amount of borrowings outstanding at May 31, 2011, was \$230 million. Weighted average interest rate on outstanding borrowings was 1.65%, excluding fees related to the unused portion of the facilities, and other fees. The amount of borrowings represented 18.02% of total assets at May 31, 2011. Average borrowings for the period ended May 31, 2011 were \$240,082,609 and the average annualized interest rate was 1.89% excluding other fees related to the unused portion of the facilities, and other fees.

## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 6 COMMITMENTS (continued)**

As of May 31, 2011, the Trust had unfunded loan commitments pursuant to the terms of the following loan agreements:

|  |              |
|--|--------------|
| CB Richard Ellis Services, Inc.<br>Term Loan C | \$ 1,800,000 |
| CB Richard Ellis Services, Inc.<br>Term Loan D | \$ 3,200,000 |
| Frac Tech International LLC                    | \$ 441,176   |
| inVentiv Health, Inc.                          | \$ 1,533,333 |
| Physician Oncology Services LP                 | \$ 76,531    |

The net unrealized appreciation and depreciation on these commitments of \$1,619 and \$17,783, respectively, as of May 31, 2011 is reported as such on the Statement of Assets and Liabilities.

**NOTE 7 RIGHTS AND OTHER OFFERINGS**

As of May 31, 2011, outstanding share offerings pursuant to shelf registrations were as follows:

| Registration<br>Date | Shares<br>Registered | Shares<br>Remaining |
|----------------------|----------------------|---------------------|
| 8/17/09              | 25,000,000           | 24,980,237          |
| 8/17/09              | 5,000,000            | 5,000,000           |

On November 2, 2000, the Trust issued 3,600 shares each of Series M, Series W and Series F Auction Rate Cumulative Preferred Shares, \$0.01 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, \$0.01 Par Value, \$25,000 liquidation preference, for a total issuance of \$180 million. The Trust used the net proceeds of the offering to partially pay down the then existing indebtedness and to purchase additional senior loans. Historically, Preferred Shares paid 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. Preferred shares have no stated conversion, redemption or liquidation date, but may be redeemed at the election of the Trust. Such shares may only be redeemed by the Preferred Shareholders if the Trust fails to meet certain credit quality thresholds within its portfolio.

Since early February 2008, the Trust has not received sufficient hold orders or any purchase requests for its preferred shares during their weekly auctions that equaled the full amount of such shares. As a result, under the terms of the preferred shares, the amounts sold, if any, by each selling shareholder are reduced *pro rata* or to zero. In addition, the dividend rate on such preferred shares, which is normally set by means of a Dutch auction procedure, automatically reset to the maximum rate permitted under the preferred shares program. That maximum rate is 150% of the applicable commercial paper base rate on the day of

the auction. While it is possible that the dividend rate for the preferred shares will be set by means of an auction at some future time, there is no current expectation that this will be the case.

Since June 9, 2008, the Trust has announced the approval by the Board of a number of partial redemptions of its outstanding preferred shares. On September 30, 2010, the Board approved the continuation of the program for the quarterly redemptions of up to \$100 million of the Trust's auction rate preferred shares to be redeemed on a quarterly basis in the amount of up to \$25 million per quarter beginning January 2011 through approximately January 2012, subject to management's discretion to modify or cancel the program at any time. Pursuant to these quarterly redemptions, as of May 31, 2011, the Trust redeemed \$375 million of its previously outstanding preferred shares and will have \$75 million of preferred shares still outstanding. The preferred shares were redeemed using proceeds available through the Trust's existing bank loan facility and with cash held by the Trust. Redemption costs and the ongoing costs of obtaining leverage through a



## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 7 RIGHTS AND OTHER OFFERINGS (continued)**

bank loan facility may reduce returns to common shares and may be higher or lower than the costs of leverage obtained through the preferred shares. The Trust will continue to monitor the situation and evaluate potential options to restore liquidity to and/or provide additional refinancing options for this market in the context of regulatory guidelines, as well as the economic and tax implications for both its common and preferred shareholders. There can be no assurance that any means for liquidity will be identified, and if they are, it is possible that the Trust's leverage or its benefits from leverage will diminish.

**NOTE 8 SUBORDINATED LOANS AND UNSECURED LOANS**

The Trust may invest in subordinated loans and in unsecured loans. The primary risk arising from investing in subordinated loans or in unsecured loans is the potential loss in the event of default by the issuer of the loans. The Trust may acquire a subordinated loan only if, at the time of acquisition, it acquires or holds a senior loan from the same borrower. The Trust will acquire unsecured loans only where the Investment Adviser believes, at the time of acquisition, that the Trust would have the right to payment upon default that is not subordinate to any other creditor. Subject to the aggregate 20% limit on other investments, the Trust may invest up to 20% of its total assets in unsecured floating rate loans, notes and other debt instruments and 5% of its total assets in floating rate subordinated loans. As of May 31, 2011, the Trust held 0.5% of its total assets in subordinated loans and unsecured loans.

**NOTE 9 CAPITAL SHARES**

Transactions in capital shares and dollars were as follows:

|  | <b>Three<br/>Months Ended<br/>May 31,<br/>2011</b> | <b>Year Ended<br/>February 28,<br/>2011</b> |
|--|--|---|
| <b>Number of Shares</b>                          |  |   |
| Reinvestment of distributions from common shares | 90,882   | 66,580                                      |
| Proceeds from shares sold                        | 3,585  | 1,677,409                                   |
| Net increase in shares outstanding               | 94,467   | 1,743,989                                   |
| <b>Dollar Amount (\$)</b>                        |  |   |
| Reinvestment of distributions from common shares | \$ 548,341   | \$ 392,395                                  |
| Proceeds from shares sold                        | 21,903   | 10,002,232                                  |
| Net increase                                     | \$ 570,244   | \$ 10,394,627                               |

**NOTE 10 FEDERAL INCOME TAXES**

The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting

principles for investment companies. These book/tax differences may be either temporary or permanent. Permanent differences are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences are not reclassified. Key differences include the treatment of short-term capital gains, foreign currency transactions, wash sale deferrals, and the expiration of capital loss carryforwards. Distributions in excess of net investment income and/or net realized capital gains for tax purposes are reported as return of capital.

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

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

| <b>Three Months Ended May 31, 2011</b> |            | <b>Year Ended February 28, 2011</b> |                          |
|--|------------|-------------------------------------|--------------------------|
| <b>Ordinary Income</b>                 |            | <b>Ordinary Income</b>              | <b>Return of Capital</b> |
| \$                                     | 10,913,183 | \$ 44,149,349                       | \$ 2,667,020             |

## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 10 FEDERAL INCOME TAXES (continued)**

The tax-basis components of distributable earnings and the expiration dates of the capital loss carryforwards which may be used to offset future realized capital gains for federal income tax purposes as of February 28, 2011 were:

| Unrealized Depreciation | Post-October Capital Losses Deferred | Post-October Currency Losses Deferred | Capital Loss Carryforwards | Expiration Dates |
|-------------------------|--------------------------------------|---------------------------------------|----------------------------|------------------|
| \$ 5,656,602            | \$ (11,408,575)                      | \$ (2,488,438)                        | \$ (57,686,392)            | 2012             |
|                         |                                      |                                       | (22,421,058)               | 2013             |
|                         |                                      |                                       | (560,828)                  | 2014             |
|                         |                                      |                                       | (41,585,301)               | 2017             |
|                         |                                      |                                       | (125,812,939)              | 2018             |
|                         |                                      |                                       | (24,760,715)               | 2019             |
|                         |                                      |                                       | \$ (272,827,233)           |                  |

The Trust's major tax jurisdictions are federal and Arizona. The earliest tax year that remains subject to examination by these jurisdictions is 2006.

As of May 31, 2011, no provision for income tax is required in the Trust's financial statements as a result of tax positions taken on federal and state income tax returns for open tax years. The Trust's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state department of revenue.

The Regulated Investment Company Modernization Act of 2010 (the "Act") was enacted on December 22, 2010. The Act makes changes to several tax rules impacting the Trust. In general, the provisions of the Act will be effective for the Trust's tax year ending February 29, 2012. Although the Act provides several benefits, including the unlimited carryforward of future capital losses, there may be a greater likelihood that all or a portion of the Trust's pre-enactment capital loss carryforwards may expire without being utilized due to the fact that post-enactment capital losses are required to be utilized before pre-enactment capital loss carryforwards. Relevant information regarding the impact of the Act on the Trust, if any, will be contained within the "Federal Income Taxes" section of the financial statement notes for the fiscal year ending February 29, 2012.

**NOTE 11 OTHER ACCOUNTING PRONOUNCEMENTS**

In May 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-04 "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements". ASU No. 2011-04 amends FASB ASC Topic 820, Fair Value Measurements and Disclosures, to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and the International Financial Reporting Standards ("IFRSs"). The ASU is effective prospectively for interim and annual periods beginning after December 15, 2011. As of May 31, 2011, management of the Trust is currently assessing the potential

impact, in addition to expanded financial statement disclosure, that may result from adopting this ASU.

**NOTE 12 SUBSEQUENT EVENTS**

Subsequent to May 31, 2011, the Trust paid to Common Shareholders the following dividends from net investment income:

| <b>Per Share<br/>Amount</b> | <b>Declaration<br/>Date</b> | <b>Record<br/>Date</b> | <b>Payable<br/>Date</b> |
|-----------------------------|-----------------------------|------------------------|-------------------------|
| \$ 0.0255                   | 5/31/11                     | 6/10/11                | 6/22/11                 |
| \$ 0.0250                   | 6/30/11                     | 7/11/11                | 7/22/11                 |

## ING Prime Rate Trust

NOTES TO FINANCIAL STATEMENTS as of May 31, 2011 (Unaudited) (continued)

**NOTE 12 SUBSEQUENT EVENTS (continued)**

Subsequent to May 31, 2011, 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 | Average Rate |
|------------------|------------------------|---------------|--------------|---------------|--------------|
| Series M         | \$ 3.34                | 06/06/11      | 06/13/11     | 06/14/11      | 0.10%        |
|                  |                        | 07/18/11      | 07/25/11     | 07/26/11      |              |
| Series T         | \$ 3.28                | 06/07/11      | 06/14/11     | 06/15/11      | 0.10%        |
|                  |                        | 07/19/11      | 07/26/11     | 07/27/11      |              |
| Series W         | \$ 3.06                | 06/01/11      | 06/08/11     | 06/09/11      | 0.09%        |
|                  |                        | 07/13/11      | 07/20/11     | 07/21/11      |              |
| Series Th        | \$ 3.86                | 06/02/11      | 06/09/11     | 06/10/11      | 0.11%        |
|                  |                        | 07/14/11      | 07/21/11     | 07/22/11      |              |
| Series F         | \$ 4.08                | 06/03/11      | 06/10/11     | 06/13/11      | 0.12%        |
|                  |                        | 07/15/11      | 07/22/11     | 07/25/11      |              |

Subsequent to May 31, 2011, the next quarterly redemption itemized below occurred in July 2011, subject to satisfying the notice and other requirements that apply to Auction Rate Preferred Shares ("ARPS") redemptions. Upon completion of such notice and other requirements, the Trust will issue a formal redemption notice to the paying agent and record holders. The amount and timing of redemptions of ARPS will be at the discretion of the Trust's management, subject to market conditions and investment considerations.

| Preferred Shares | Total Shares Redeemed | Total Liquidation Preference | Redemption Date |
|------------------|-----------------------|------------------------------|-----------------|
| Series F         | 200                   | \$ 5,000,000                 | 07/11/11        |
| Series M         | 200                   | \$ 5,000,000                 | 07/12/11        |
| Series T         | 200                   | \$ 5,000,000                 | 07/13/11        |
| Series W         | 200                   | \$ 5,000,000                 | 07/14/11        |
| Series Th        | 200                   | \$ 5,000,000                 | 07/15/11        |
| Totals           | 1,000                 | \$ 25,000,000                |                 |

The Trust has evaluated events occurring after the Statement of Assets and Liabilities date (subsequent events) to determine whether any subsequent events necessitated adjustment to or disclosure in the financial statements. Other than the above, no such subsequent events were identified.



## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited)

**Senior Loans\*: 136.7%**

| <i>Principal Amount</i>              | <i>Borrower/Tranche Description</i>   | <i>Fair Value</i> |
|--------------------------------------|---|-------------------|
| <b>Aerospace &amp; Defense: 2.3%</b> |   |                   |
| \$ 10,000,000                        | Delta, New Term Loan B, 5.500%, due 04/20/17                                  | \$ 9,930,210      |
| 500,000                              | Delta, Term Loan B, 4.250%, due 03/07/16                                      | 498,360           |
| 710,526                              | Forgings International Ltd., Tranche B Dollar Term Loan, 4.807%, due 12/18/15 | 686,546           |
| 710,526                              | Forgings International Ltd., Tranche C Dollar Term Loan, 5.307%, due 12/20/16 | 686,546           |
| 2,094,750                            | Transdigm, Inc., New Term Loan B, 4.000%, due 02/14/17                        | 2,107,281         |
| 3,987,670                            | United Airlines, Inc., Term Loan B, 2.268%, due 02/03/14                      | 3,873,646         |
| 2,958,333                            | US Airways, Term Loan, 2.694%, due 03/21/14                                   | 2,727,418         |
|                                      |   | <b>20,510,007</b> |
| <b>Automobile: 4.9%</b>              |   |                   |
| 3,173,788                            |   | 3,188,308         |

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|           |     |  |           |
|-----------|-----|--|-----------|
|           |     | Avis Budget Car Rental, LLC, New Term Loan, 5.750%, due 04/19/14         |           |
| 4,000,000 | (4) | Chrysler Group LLC, Term Loan, due 06/02/17                              | 3,982,800 |
| 2,000,000 | (4) | Delphi Corporation, Term Loan B, due 03/31/17                            | 2,009,158 |
| 3,167,060 |     | Dollar Thrifty Automotive Group, Inc., Term Loan B, 2.691%, due 06/15/13 | 3,163,101 |
| 4,604,548 |     | Federal-Mogul Corporation, Term Loan B, 2.146%, due 12/29/14             | 4,444,830 |
| 2,349,259 |     | Federal-Mogul Corporation, Term Loan C, 2.139%, due 12/28/15             | 2,267,770 |
| 3,940,786 |     | Ford Motor Company, Term Loan B1, 2.950%, due 12/16/13                   | 3,946,315 |
| 3,882,029 |     | Ford Motor Company, Term Loan B2, 2.950%, due 12/16/13                   | 3,884,444 |
| 5,000,000 | (4) | KAR Auction Services, Inc., Term Loan B, due 05/19/17                    | 5,025,000 |
| 2,700,000 |     | Metaldyne, LLC, New Term Loan B, 5.250%, due 05/18/17                    | 2,706,750 |
| 1,945,125 |     | Remy International,  | 1,959,713 |



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|                                      |   |                   |
|--------------------------------------|---|-------------------|
|                                      | Inc., Term<br>Loan B,<br>6.250%, due<br>12/16/16                              |                   |
| 961,956                              | Tomkins, Inc.,<br>New Term<br>Loan A,<br>4.250%, due<br>09/29/15              | 963,459           |
| 3,984,627                            | Tomkins, Inc.,<br>New Term<br>Loan B,<br>4.250%, due<br>09/29/16              | 4,002,475         |
| 1,271,813                            | Transtar<br>Holding<br>Company,<br>Term Loan B,<br>4.500%, due<br>12/21/16    | 1,282,941         |
| 498,750                              | UCI<br>International,<br>Inc., New<br>Term Loan B,<br>5.500%, due<br>07/26/17 | 503,634           |
|                                      |   | <b>43,330,698</b> |
| <b>Beverage, Food &amp; Tobacco:</b> |   |                   |
| <b>5.0%</b>                          |   |                   |
| 3,980,000                            | Advance<br>Pierre Foods,<br>1st Lien Term<br>Loan, 7.000%,<br>due 09/30/16    | 4,014,825         |
| 1,892,960                            | ARAMARK,<br>Canadian<br>Term Loan,<br>2.182%, due<br>01/26/14                 | 1,855,101         |
| 456,754                              | ARAMARK,<br>Extended<br>Letter of<br>Credit,<br>3.494%, due<br>07/26/16       | 457,254           |
| 6,945,247                            | ARAMARK,<br>Extended<br>Term Loan B,<br>3.557%, due<br>07/26/16               | 6,952,845         |
| 632,780                              |   | 625,659           |

|     |           |     |   |           |
|-----|-----------|-----|---|-----------|
|     |           |     | ARAMARK,<br>Synthetic<br>Letter of<br>Credit,<br>2.119%, due<br>01/27/14                        |           |
|     | 3,147,614 |     | ARAMARK,<br>Term Loan,<br>2.182%, due<br>01/27/14   | 3,112,191 |
|     | 946,542   |     | Bolthouse<br>Farms, Inc,<br>New 1st Lien<br>Term Loan,<br>5.502%, due<br>02/11/16               | 952,754   |
|     |           |     | Darling<br>International<br>Inc., Term<br>Loan, 5.000%,<br>due 12/16/16                         | 85,903    |
|     | 85,000    |     | Del Monte<br>Corporation,<br>Term Loan,<br>4.500%, due<br>03/08/18                              | 3,004,434 |
|     | 3,000,000 |     | Iglo Birds Eye,<br>EUR Term<br>Loan D,<br>5.950%, due<br>04/30/16                               | 3,089,174 |
| EUR | 2,125,000 |     | Iglo Birds Eye,<br>GBP Term<br>Loan E,<br>5.273%, due<br>04/29/16                               | 2,071,282 |
| GBP | 1,250,000 |     | JBS USA, Inc.<br>(FKA Swift),<br>Term Loan,<br>due 05/16/18                                     | 2,002,476 |
|     |           |     | Michael<br>Foods, Term<br>Loan, 4.250%,<br>due 02/23/18   | 1,206,300 |
|     | 1,200,000 |     | Pinnacle<br>Foods Holding<br>Corporation,<br>Tranche B<br>Term Loan,<br>2.711%, due<br>04/02/14 | 7,382,368 |
|     | 7,423,092 | (4) |   |           |



## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                         |           | <i>Borrower/Tranche Description</i>                                     | <i>Fair Value</i> |
|---|-----------|---|-------------------|
| <b><i>Beverage, Food &amp; Tobacco:</i></b>     |           |   |                   |
| <b><i>(continued)</i></b>                       |           |   |                   |
| EUR   | 666,192   | Selecta, EUR Facility B4, 3.615%, due 06/28/15                          | \$ 893,412        |
| SEK   | 4,375,000 | Selecta, SEK Senior Term Loan B, 4.360%, due 02/07/15                   | 630,307           |
| GBP   | 2,671,660 | United Biscuits Holdco Limited, GBP Term Loan B1, 2.881%, due 12/15/14  | 4,347,064         |
| \$  | 1,458,000 | Windsor Quality Foods Company, New Term Loan B, 5.000%, due 02/16/17    | 1,462,860         |
|   |           |   | <b>44,146,209</b> |
| <b><i>Buildings &amp; Real Estate: 2.3%</i></b> |           |   |                   |
|   | 2,250,000 | Armstrong World Industries, Inc., New Term Loan B, 4.000%, due 03/09/18 | 2,263,829         |
|   | 7,917,875 | Capital Automotive L.P., New Term Loan B, 5.000%, due 03/10/17          | 7,873,337         |
|   | 1,492,500 | CB Richard Ellis, New Term Loan B, 3.454%, due                          | 1,493,433         |

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|                              |     |  |                   |
|------------------------------|-----|--|-------------------|
|                              |     | 11/06/16   |                   |
|                              |     | Contech Construction Products Inc., Term Loan, 5.250%, due 01/31/13  | 839,174           |
| 988,718                      |     |  |                   |
|                              |     | Custom Building Products, Inc., Term Loan B, 5.750%, due 03/19/15    | 997,978           |
| 991,780                      |     |  |                   |
|                              |     | Goodman Global Inc., 1st Lien Term Loan, 5.750%, due 10/28/16        | 3,213,840         |
| 3,184,000                    |     |  |                   |
|                              |     | JMC Steel Group, Term Loan, 4.750%, due 04/03/17                     | 899,765           |
| 892,524                      |     |  |                   |
|                              |     | LNR Property Corporation, Term Loan B, due 04/29/16                  | 1,506,563         |
| 1,500,000                    | (4) |  |                   |
|                              |     | Realogy Corporation, Extended Term Loan, 4.518%, due 10/10/16        | 1,305,101         |
| 1,397,431                    |     |  |                   |
|                              |     |  | <b>20,393,020</b> |
| <b>Cargo Transport: 1.1%</b> |     |  |                   |
|                              |     | Baker Tanks, Inc., Term Loan B, due 06/08/17                         | 778,875           |
| 775,000                      | (4) |  |                   |
|                              |     | Baker Tanks, Inc., Term Loan C, 4.764%, due 05/08/14                 | 1,350,233         |
| 1,350,233                    |     |  |                   |
|                              |     | Ceva Group PLC, Extended Syn. Letter of Credit, 5.307%, due 08/31/16 | 855,172           |
| 869,298                      |     |  |                   |
| 702,710                      |     |  | 699,197           |

|           |           |  |           |
|-----------|-----------|--|-----------|
|           |           | Ceva Group PLC, Extended Tranche B EGL Term Loan, 5.273%, due 08/31/16 |           |
|           |           | Ceva Group PLC, Extended Tranche B Term Loan, 5.273%, due 08/31/16     | 2,141,443 |
| 2,168,551 |           |  |           |
| 587,791   |           | Dockwise Transport N.V., Tranche B-1 Term Loan, 2.057%, due 04/10/15   | 569,668   |
|           | 481,690   | Dockwise Transport N.V., Tranche B-2 Term Loan, 2.057%, due 01/11/15   | 466,838   |
|           | 493,871   | Dockwise Transport N.V., Tranche C-1 Term Loan, 2.932%, due 04/10/16   | 478,643   |
|           | 481,690   | Dockwise Transport N.V., Tranche C-2 Term Loan, 2.932%, due 01/11/16   | 466,838   |
|           |           | Inmar, Inc., Term Loan B, 2.450%, due 04/29/13                         | 702,845   |
| 715,364   |           | US Shipping Partners L.P., Restated Term Loan,                         |           |
|           | 1,017,804 |  |           |

|                       |  |                  |
|-----------------------|--|------------------|
|                       | 9.200%, due<br>08/07/13  | 917,721          |
|                       |  | <b>9,427,473</b> |
| <b>Cellular: 0.2%</b> |  |                  |
|                       | NTELOS Inc.,<br>New Term<br>Loan B,<br>4.000%, due<br>08/07/15 | 2,237,421        |
| 2,229,339             |  | <b>2,237,421</b> |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                           | <i>Borrower/Tranche<br/>Description</i>  | <i>Fair Value</i> |
|---|--|-------------------|
| <b>Chemicals, Plastics &amp; Rubber:<br/>5.5%</b> |  |                   |
| \$ 726,294  | AZ Chem US Inc., New Term Loan B, 4.750%, due 11/21/16   | \$ 730,924        |
| 695,099   | Brenntag Holding GmbH & Co. KG, Acquisition Term Loan, 3.706%, due 01/20/14                                    | 698,357           |
| 3,542,098   | Brenntag Holding GmbH & Co. KG, Term Loan B2, 3.712%, due 01/20/14   | 3,548,739         |
| 765,000   | Chemtura Corporation, Exit Term Loan B, 5.500%, due 08/27/16   | 771,216           |
| 2,548,754   | Cristal Inorganic Chemicals, Inc (aka Millenium Inorganic Chemicals), 1st Lien Term Loan, 2.557%, due 05/15/14 | 2,547,959         |
| 1,000,000   | Cristal Inorganic Chemicals, Inc (aka Millenium Inorganic Chemicals), 2nd Lien Term Loan, 6.057%, due 11/15/14 | 999,688           |



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|     |           |  |  |           |
|-----|-----------|--|--|-----------|
|     | 1,710,831 |  | Diversey Inc,<br>New Term<br>Loan B,<br>4.000%, due<br>11/24/15                    | 1,717,782 |
|     | 597,427   |  | Houghton<br>International,<br>Inc., New Term<br>Loan B,<br>6.750%, due<br>01/29/16 | 602,281   |
|     | 5,606,098 |  | Huntsman<br>International<br>LLC, Term<br>Loan C,<br>2.463%, due<br>06/30/16       | 5,549,257 |
|     | 121,367   |  | Ineos US<br>Finance LLC,<br>Term Loan A2,<br>7.001%, due<br>12/14/12               | 126,828   |
|     | 1,845,179 |  | Ineos US<br>Finance LLC,<br>Term Loan B2,<br>7.501%, due<br>12/16/13               | 1,911,491 |
|     | 2,149,532 |  | Ineos US<br>Finance LLC,<br>Term Loan C2,<br>8.001%, due<br>12/16/14               | 2,226,782 |
|     | 1,379,086 |  | ISP Chemco<br>Inc., Term<br>Loan, 1.750%,<br>due 06/04/14                          | 1,367,881 |
| EUR | 1,528,259 |  | MacDermid,<br>Inc., EUR<br>Tranche C<br>Term Loan,<br>3.433%, due<br>04/11/14      | 2,162,149 |
|     | 1,246,979 |  | MacDermid,<br>Inc., Term<br>Loan B,<br>2.191%, due<br>04/12/14                     | 1,240,355 |
| \$  | 2,911,123 |  | Momentive<br>Specialty<br>Chemicals Inc<br>(a.k.a Hexion                           | 2,894,383 |

|           |   |           |
|-----------|---|-----------|
| 1,300,967 | Specialty Chemicals Inc), Extended Term Loan C1, 4.000%, due 05/05/15   |           |
| 1,158,747 | Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Extended Term Loan C2, 4.063%, due 05/05/15 | 1,293,486 |
| 962,500   | Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Extended Term Loan C4, 4.062%, due 05/05/15 | 1,160,167 |
| 997,409   | Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty Chemicals Inc), Extended Term Loan C5, 4.063%, due 05/05/15 | 962,500   |
|           | Momentive Specialty Chemicals Inc (a.k.a Hexion Specialty   | 991,176   |
|           |   | 1,105,800 |

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|  |           |  |           |
|--|-----------|--|-----------|
|  |           | Chemicals Inc), Term Loan C3 Credit Linked Deposit, 2.499%, due 05/05/13 |           |
|  | 995,000   | Nalco Company, Term Loan B1, 4.500%, due 10/05/17                        | 1,004,061 |
|  | 1,293,500 | Omnova Solutions Inc, Term Loan B, 5.750%, due 05/31/17                  | 1,306,840 |
|  | 2,134,728 | Polypore Incorporated, Incremental Term Loan, 2.200%, due 07/03/14       | 2,114,715 |
|  | 1,410,000 | Rockwood Specialties Group, Inc., New Term Loan B, 3.750%, due 02/09/18  | 1,422,463 |
|  |           | Solutia Inc., New Term Loan B, 3.500%, due 08/01/17                      | 1,062,398 |
|  |           | Styron S.A.R.L., New Term Loan B, 6.000%, due 08/02/17                   | 3,419,663 |
|  | 3,391,500 | Taminco, Term Loan B2, 2.175%, due 08/31/15                              | 656,667   |
|  | 666,667   | Taminco, Term Loan C2, 3.425%, due 08/31/16                              | 656,667   |
|  | 666,667   | Univar Inc., Term Loan B, 5.000%, due                                    | 2,297,937 |
|  | 2,294,250 |  |           |

06/30/17

**48,550,612**

See Accompanying Notes to Financial Statements

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## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                   | <i>Borrower/Tranche Description</i>                                      | <i>Fair Value</i> |
|---|--|-------------------|
| <b>Containers, Packaging &amp; Glass:</b> |  |                   |
| <b>4.4%</b>                               |  |                   |
| \$ 4,747,553                              | Berry Plastics Corporation, Term Loan C, 2.261%, due 04/03/15            | \$ 4,575,160      |
| 263,540                                   | Bway Holding Corporation, Canadian Term Loan C, 4.503%, due 02/23/18     | 265,023           |
| 2,968,360                                 | Bway Holding Corporation, New Term Loan B, 4.503%, due 02/23/18          | 2,982,584         |
| 7,671,032                                 | Graham Packaging Company, L.P, Term Loan C, 6.750%, due 04/05/14         | 7,706,173         |
| 134,777                                   | Graphic Packaging International, Inc., Term Loan B, 2.289%, due 05/16/14 | 134,398           |
| 4,584,264                                 | KLEOPATRA LUX 2 S.À. R.L, Senior Term Facility 1, 2.957%, due 01/03/16   | 4,034,152         |
| EUR 1,200,000                             | Mivisa Envases SAU (Mivisa), New   | 1,754,543         |

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|   |           |     |  |  |                   |
|---|-----------|-----|--|--|-------------------|
|   |           |     |  | EUR Term Loan B3, 5.750%, due 01/30/18                                     |                   |
|   |           |     |  | Pro Mach, Inc, Tranche B Term Loan, 4.500%, due 12/14/11                   | 2,152,900         |
| \$                                      | 2,158,295 |     |  |  |                   |
| EUR                                     | 1,000,000 |     |  | Reynolds Group Holdings Limited, Euro Term Loan, 5.000%, due 02/09/18      | 1,445,940         |
| \$                                      | 8,300,000 |     |  | Reynolds Group Holdings Limited, Tranche E Term Loan, 4.250%, due 02/09/18 | 8,313,629         |
|   |           |     |  | Rock-Tenn Company, Term Loan B, due 03/28/18                               | 2,009,876         |
|   | 2,000,000 | (4) |  | Xerium Technologies, Inc., 2nd Lien Term Loan, due 05/25/15                | 1,001,250         |
|   | 1,000,000 | (4) |  | Xerium Technologies, Inc., New Term Loan B, due 05/22/17                   | 3,016,875         |
|   |           |     |  |  | <b>39,392,503</b> |
| <b>Data and Internet Services: 9.0%</b> |           |     |  |  |                   |
|   |           |     |  | Aspect Software, Inc., New Term Loan B, 6.250%, due 04/19/16               | 1,245,750         |
|   | 1,237,500 |     |  | Attachmate Corporation, New Term Loan B, 6.500%, due                       | 2,671,531         |
|   | 2,650,000 |     |  |  |                   |

|           |  |   |           |
|-----------|--|---|-----------|
|           |  | 04/27/17  |           |
|           |  | AutoTrader.com, Inc., New Term Loan B, 4.750%, due 12/15/16                 | 2,105,224 |
| 2,094,750 |  |   |           |
|           |  | Avaya Inc., Extended Term Loan B3, 4.755%, due 10/26/17                     | 5,198,787 |
| 5,327,156 |  |   |           |
|           |  | Avaya Inc., Term Loan, 3.005%, due 10/24/14                                 | 2,565,180 |
| 2,652,034 |  |   |           |
| 4,340,537 |  | Carlson Wagonlit Holdings B.V., Term Loan B2, 4.023%, due 08/04/14          | 4,327,515 |
| 1,801,656 |  |   |           |
|           |  | CCC Information Services Group, Inc., New Term Loan B, 5.500%, due 11/11/15 | 1,812,071 |
| 3,100,000 |  |   |           |
|           |  | Dealer Computer Services Inc., New Term Loan B, 3.750%, due 04/20/18        | 3,114,855 |
| 1,197,000 |  |   |           |
|           |  | Fifth Third Processing Solutions, Term Loan B1, 4.750%, due 11/03/16        | 1,202,237 |
| 2,204,375 |  |   |           |
|           |  | First American Payment Systems, Term Loan B, 6.750%, due 10/04/16           | 2,231,930 |
| 3,584,122 |  |   | 3,362,011 |

|            |     |  |            |
|------------|-----|--|------------|
|            |     | First Data Corporation, Term Loan B1, 2.945%, due 09/24/14         |            |
| 3,949,709  |     | First Data Corporation, Term Loan B2, 2.945%, due 09/24/14         | 3,705,115  |
| 13,170,534 |     | First Data Corporation, Term Loan B3, 2.963%, due 09/24/14         | 12,348,060 |
| 3,031,999  |     | Orbitz Worldwide, Inc., Term Loan, 3.227%, due 07/25/14            | 2,854,627  |
| 2,216,666  |     | Property Data I, Inc., Term Loan, 7.000%, due 12/21/16             | 2,218,513  |
| 10,993,136 | (4) | Sabre Inc., Term Loan B, 2.214%, due 09/30/14                      | 9,909,532  |
| 1,990,000  |     | SAVVIS Communications Corporation, Term Loan, 6.750%, due 08/04/16 | 2,007,910  |

See Accompanying Notes to Financial Statements



## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>            |           | <i>Borrower/Tranche Description</i>                                     | <i>Fair Value</i> |
|------------------------------------|-----------|---|-------------------|
| <b>Data and Internet Services:</b> |           |   |                   |
| <i>(continued)</i>                 |           |   |                   |
| \$                                 | 1,900,000 | (4)   |                   |
|                                    |           | Ship US Bidco, Inc. (RBS Worldpay), Term Loan B2, 6.250%, due 10/15/17  | \$ 1,910,391      |
|                                    | 1,440,000 | Sungard Data Systems Inc, Add on Term Loan, 3.710%, due 02/28/14        | 1,449,000         |
|                                    | 241,726   | Sungard Data Systems Inc, Tranche A, 1.955%, due 02/28/14               | 239,740           |
|                                    | 6,540,390 | Sungard Data Systems Inc, Tranche B, 3.873%, due 02/26/16               | 6,554,701         |
|                                    | 3,420,000 | Trans Union LLC, New Term Loan B, 4.750%, due 02/12/18                  | 3,441,375         |
|                                    | 2,526,694 | Transfirst Holdings, Inc., Term Loan B, 3.060%, due 06/15/14            | 2,457,210         |
|                                    | 676,705   | Travelport, Inc., Extended Delayed Draw Term Loan, 4.741%, due 08/21/15 | 654,349           |
|                                    | 421,022   | Travelport, Inc., Extended  | 407,113           |

|                                   |  |   |                   |
|-----------------------------------|--|---|-------------------|
|                                   |  | Term Loan B,<br>4.741%, due<br>08/21/15   |                   |
|                                   |  | Travelport,<br>Inc., Tranche<br>S Term Loan,<br>4.807%, due<br>08/21/15   | 131,792           |
| 136,295                           |  |   | <b>80,126,519</b> |
| <b>Diversified / Conglomerate</b> |  |   |                   |
| <b>Manufacturing: 2.3%</b>        |  |   |                   |
|                                   |  | Brand<br>Services, Inc.,<br>New Term<br>Loan, 2.563%,<br>due 02/07/14   | 2,520,079         |
| 2,613,737                         |  |   |                   |
|                                   |  | Brand<br>Services, Inc.,<br>Term Loan B<br>2, 3.563%,<br>due 02/07/14   | 1,113,817         |
| 1,143,354                         |  |   |                   |
| 1,500,000                         |  | Doncasters<br>Group Limited,<br>U.S. Term<br>Loan B2,<br>0.000%, due<br>07/13/15  | 1,466,876         |
|                                   |  |   |                   |
| 1,500,000                         |  | Doncasters<br>Group Limited,<br>U.S. Term<br>Loan C2,<br>0.000%, due<br>07/13/15  | 1,466,876         |
|                                   |  |   |                   |
| 2,895,602                         |  | (4) Edwards<br>(Cayman<br>Islands II)<br>Limited (aka<br>BOC<br>Edwards),<br>Extended 1st<br>Lien Term<br>Loan, 5.500%,<br>due 05/31/16 | 2,896,053         |
|                                   |  |   |                   |
|                                   |  | EPD, Inc.,<br>Delayed Draw<br>Term Loan,<br>2.700%, due<br>07/31/14   | 168,732           |
| 174,965                           |  |   |                   |
| 1,221,591                         |  | EPD, Inc.,<br>Initial Term<br>Loan, 2.700%,   | 1,178,072         |

|     |           |     |  |           |
|-----|-----------|-----|--|-----------|
|     |           |     | due 07/31/14   |           |
|     |           |     | Ferretti S.p.A,<br>EUR Term<br>Loan B,<br>0.000%, due                            |           |
| EUR | 390,982   | (3) | 01/31/15   | 403,912   |
|     |           |     | Ferretti S.p.A,<br>EUR Term<br>Loan C,<br>0.000%, due                            |           |
| EUR | 387,966   | (3) | 01/31/16   | 400,796   |
|     |           |     | Ferretti S.p.A,<br>EUR Term<br>Loan G,<br>0.000%, due                            |           |
| EUR | 67,493    | (3) | 01/31/17   | 71,343    |
| \$  | 420,000   |     | Manitowoc<br>Company, Inc.<br>(The), New<br>Term Loan B,<br>4.250%, due          |           |
|     |           |     | 11/13/17   | 422,450   |
|     | 4,112,730 |     | Rexnord<br>Corporation /<br>RBS Global,<br>Inc., Term<br>Loan B,<br>2.791%, due  |           |
|     |           |     | 07/19/13   | 4,095,590 |
|     | 939,063   |     | Rexnord<br>Corporation /<br>RBS Global,<br>Inc., Term<br>Loan B2,<br>2.500%, due |           |
|     |           |     | 07/19/13   | 935,150   |
|     |           |     | Sensata<br>Technologies<br>B.V., New<br>Term Loan,<br>4.000%, due                |           |
|     | 500,000   |     | 05/11/18   | 501,615   |
|     | 450,000   |     | Sensus<br>Metering<br>Systems Inc.,<br>1st Lien Term<br>Loan,<br>4.750%, due     |           |
|     |           |     | 05/09/17   | 453,094   |
|     | 400,000   |     | Sensus<br>Metering   | 408,250   |

|                                   |  |  |                   |
|-----------------------------------|--|--|-------------------|
|                                   |  | Systems Inc.,<br>2nd Lien Term<br>Loan,<br>8.500%, due<br>05/09/18                     |                   |
| 1,989,647                         |  | Wire Rope<br>Corporation Of<br>America, Inc.,<br>Term Loan,<br>5.250%, due<br>02/10/14 | 1,979,698         |
|                                   |  |  | <b>20,482,403</b> |
| <b>Diversified / Conglomerate</b> |  |  |                   |
| <b>Service: 4.9%</b>              |  |  |                   |
|                                   |  | Affinion<br>Group, Inc.,<br>Tranche B<br>Term Loan,<br>5.000%, due<br>10/10/16         | 6,780,261         |
| 6,764,197                         |  | AlixPartners<br>LLP, Term<br>Loan B,<br>2.308%, due<br>10/12/13                        | 1,556,922         |
| 1,561,312                         |  | Brock<br>Holdings, Inc.,<br>New 2nd Lien<br>Term Loan,<br>10.500%, due<br>03/16/18     | 256,250           |
| 250,000                           |  | Brock<br>Holdings, Inc.,<br>New Term<br>Loan B,<br>6.000%, due<br>03/16/17             | 1,512,170         |
| 1,500,000                         |  |  |                   |

See Accompanying Notes to Financial Statements

ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                                | <i>Borrower/Tranche Description</i>   | <i>Fair Value</i>                  |
|--|---|------------------------------------|
| <b>Diversified / Conglomerate Service: (continued)</b> |   |                                    |
| \$ 4,184,801<br>840,968<br>180,206                     | Catalina Marketing Corporation, Term Loan, 2.941%, due 10/01/14<br>Coach America Holdings, Inc., 1st Lien Term Loan, 7.250%, due 04/18/14<br>Coach America Holdings, Inc., Synthetic Letter of Credit, 6.061%, due 04/20/14 | \$ 4,153,415<br>698,003<br>149,571 |
| 3,283,500  | Fidelity National Information Services, Inc., Term Loan B, 5.250%, due 07/18/16   | 3,303,339                          |
| EUR 422,505  | ISS Holding A/S, EUR Facility B10, 3.241%, due 12/31/13   | 603,922                            |
| EUR 239,210  | ISS Holding A/S, EUR Facility B5, 3.241%, due 12/31/13  | 341,924                            |
| EUR 42,682   | ISS Holding A/S, EUR Facility B6,   | 61,009                             |

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|     |           |     |   |           |
|-----|-----------|-----|---|-----------|
|     |           |     | 3.241%, due<br>12/31/13   |           |
| EUR | 31,958    |     | ISS Holding<br>A/S, EUR<br>Facility B7,<br>3.241%, due<br>12/31/13                  | 45,680    |
| EUR | 225,927   |     | ISS Holding<br>A/S, EUR<br>Facility B8,<br>3.241%, due<br>12/31/13                  | 322,937   |
| EUR | 3,017,890 |     | ISS Holding<br>A/S, EUR<br>Term Loan B9,<br>3.241%, due<br>12/31/13                 | 4,313,728 |
| \$  | 3,075,000 | (4) | MoneyGram<br>International,<br>Inc., Term<br>Loan B,<br>due 11/17/17                | 3,096,141 |
|     | 3,000,000 |     | NDS Treasury<br>(Americas),<br>New Term<br>Loan B,<br>4.000%, due<br>03/12/18       | 3,009,375 |
|     | 450,214   |     | ServiceMaster<br>Company,<br>Delayed Draw<br>Term Loan,<br>2.700%, due<br>07/24/14  | 440,486   |
|     | 4,520,896 |     | ServiceMaster<br>Company,<br>Term Loan,<br>2.739%, due<br>07/24/14                  | 4,423,213 |
|     | 1,656,494 |     | Valleycrest<br>Companies,<br>LLC, Extended<br>Term Loan,<br>6.500%, due<br>10/05/15 | 1,642,000 |
|     | 798,000   |     | Vertafore, Inc.,<br>Term Loan,<br>5.250%, due<br>07/29/16                           | 803,237   |
|     | 934,447   |     | West Corp,<br>Term Loan B2,   | 930,165   |

|           |  |                   |
|-----------|--|-------------------|
|           | 2.732%, due<br>10/24/13                                |                   |
| 2,571,757 | West Corp,<br>Term Loan B4,<br>4.594%, due<br>07/15/16 | 2,582,687         |
| 2,272,707 | West Corp,<br>Term Loan B5,<br>4.607%, due<br>07/15/16 | 2,286,202         |
|           |  | <b>43,312,637</b> |

**Diversified Nat'l Rsrcs,  
Precious Metals & Minerals:  
0.9%**

|           |   |                  |
|-----------|---|------------------|
| 4,324,559 | Georgia<br>Pacific LLC,<br>New Term<br>Loan B,<br>2.309%, due<br>12/21/12 | 4,325,787        |
| 3,788,098 | Georgia<br>Pacific LLC,<br>New Term<br>Loan C,<br>3.559%, due<br>12/23/14 | 3,800,989        |
|           |   | <b>8,126,776</b> |

**Ecological: 0.4%**

|           |   |                  |
|-----------|---|------------------|
| 485,000   | Synagro<br>Technologies,<br>Inc., 2nd Lien<br>Term Loan,<br>4.950%, due<br>10/02/14 | 446,503          |
| 779,353   | Synagro<br>Technologies,<br>Inc., Term<br>Loan B,<br>2.200%, due<br>04/02/14        | 739,606          |
| 2,000,000 | Waste<br>Industries<br>USA, Inc.,<br>Term Loan B,<br>4.750%, due<br>03/17/17        | 2,008,727        |
|           |   | <b>3,194,836</b> |

**Electronics: 3.7%**

|           |  |           |
|-----------|--|-----------|
| 2,300,000 | Aeroflex, Inc.,<br>Term Loan B,<br>4.250%, due | 2,305,732 |
|-----------|--|-----------|

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|           |  |           |
|-----------|--|-----------|
| 475,313   | 05/09/18<br>Brocade<br>Communications<br>Systems, Inc.,<br>Term Loan B,<br>7.000%, due<br>10/07/13 | 478,283   |
| 921,076   | CDW LLC,<br>Extended TL,<br>4.500%, due<br>07/14/17  | 919,267   |
| 4,700,000 | Eagle Parent,<br>Inc., New<br>Term Loan,<br>5.000%, due<br>05/16/18                                | 4,656,525 |
| 278,624   | FCI<br>International<br>S.A.S., Term<br>Loan A1,<br>2.790%, due<br>09/30/12                        | 276,535   |
| 254,772   | FCI<br>International<br>S.A.S., Term<br>Loan A2,<br>2.790%, due<br>09/30/12                        | 252,861   |
| 9,261,353 | Freescall<br>Semiconductor,<br>Inc., Extended<br>Term Loan B,<br>4.461%, due<br>12/01/16           | 9,242,543 |

See Accompanying Notes to Financial Statements



ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>         |         | <i>Borrower/Tranche Description</i>  | <i>Fair Value</i> |
|---------------------------------|---------|--|-------------------|
| <b>Electronics: (continued)</b> |         |  |                   |
| EUR                             | 500,000 | Infor Enterprise Solutions Holdings, Inc., EUR 2nd Lien Term Loan, 7.490%, due 03/02/14          | \$ 648,066        |
| \$                              | 173,879 | Infor Enterprise Solutions Holdings, Inc., Extended Delayed Draw Term Loan, 5.950%, due 07/28/15 | 172,575           |
|                                 | 481,250 |  |                   |
|                                 |         | Infor Enterprise Solutions Holdings, Inc., Extended Dollar Tranche B1, 4.970%, due 07/28/15      | 470,416           |
| EUR                             | 718,125 | Infor Enterprise Solutions Holdings, Inc., Extended EUR Initial Term Loan, 6.901%, due 07/28/15  | 1,012,749         |
| \$                              | 349,146 | Infor Enterprise Solutions Holdings, Inc., Extended Initial                                      | 342,272           |

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|                      |   |                   |
|----------------------|---|-------------------|
|                      | Term Loan,<br>5.950%, due<br>07/28/15   |                   |
| 463,658              | Intersil<br>Corporation,<br>Term Loan,<br>4.750%, due<br>04/27/16               | 466,991           |
| 2,240,000            | Kronos<br>Incorporated,<br>2nd Lien<br>Term Loan,<br>6.057%, due<br>06/11/15    | 2,212,000         |
| 3,081,016            | Kronos<br>Incorporated,<br>Initial Term<br>Loan,<br>2.057%, due<br>06/11/14     | 3,045,045         |
| 1,795,500            | Microsemi<br>Corporation,<br>New Term<br>Loan B,<br>4.000%, due<br>11/02/17     | 1,805,600         |
| 2,400,000            | Open Link<br>Financial,<br>Inc., New<br>Term Loan B,<br>5.250%, due<br>04/26/18 | 2,392,500         |
| 625,000              | Rovi<br>Corporation,<br>Tranche B<br>Term Loan,<br>4.000%, due<br>02/07/18      | 629,297           |
| 1,043,688            | Spansion<br>LLC, Exit<br>Term Loan B,<br>4.750%, due<br>01/08/15                | 1,049,069         |
|                      |   | <b>32,378,326</b> |
| <b>Finance: 2.5%</b> |   |                   |
| 861,845              | BNY<br>ConvergEx<br>Group, LLC,<br>Eze Term<br>Loan,<br>5.250%, due             | 866,558           |

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|                     |           |  |  |                   |
|---------------------|-----------|--|--|-------------------|
|                     | 2,053,947 |  | 12/19/16<br>BNY<br>ConvergEx<br>Group, LLC,<br>Top Borrower<br>Term Loan,<br>5.250%, due<br>12/19/16 | 2,065,180         |
|                     | 4,975,000 |  | Interactive<br>Data<br>Corporation,<br>New Term<br>Loan B,<br>4.750%, due<br>02/12/18                | 5,000,209         |
|                     | 5,312,177 |  | LPL Holdings,<br>Inc., 2015<br>Extended<br>Term Loan,<br>4.250%, due<br>06/25/15                     | 5,345,379         |
|                     | 1,922,739 |  | LPL Holdings,<br>Inc., 2017<br>Term Loan<br>Add on,<br>5.250%, due<br>06/28/17                       | 1,940,165         |
|                     | 4,450,340 |  | MSCI Inc.,<br>Term Loan<br>B1, 3.750%,<br>due 03/14/17   | 4,489,974         |
|                     | 2,636,835 |  | Nuveen<br>Investments,<br>Inc., Extended<br>Term Loan,<br>5.791%, due<br>05/12/17                    | 2,654,141         |
|                     |           |  |  | <b>22,361,606</b> |
| <b>Gaming: 4.5%</b> |           |  |  |                   |
|                     | 887,500   |  | Ameristar<br>Casinos Inc.,<br>Term Loan B,<br>4.000%, due<br>04/13/18                                | 892,885           |
|                     | 1,275,000 |  | Caesars<br>Octavius,<br>LLC, Term<br>Loan,<br>9.261%, due<br>02/24/17                                | 1,287,352         |
|                     | 1,221,163 |  |  | 1,208,951         |

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|     |           |  |        |  |           |
|-----|-----------|--|--------|--|-----------|
|     |           |  |        | Cannery Casino Resorts, LLC, Delayed Draw Term Loan, 4.443%, due 05/20/13  |           |
|     | 1,465,660 |  |        | Cannery Casino Resorts, LLC, Term Loan B, 4.443%, due 05/17/13             | 1,451,003 |
|     | 535,170   |  | (2)(3) | Fontainebleau Las Vegas, LLC, Delayed Draw Term Loan, 0.000%, due 06/06/14 | 147,172   |
|     |           |  |        | Fontainebleau Las Vegas, LLC, Term Loan B, 3.250%, due 06/06/14            | 294,343   |
|     | 1,070,339 |  | (2)(3) | Gala Group, GBP Term Loan B, 4.839%, due 10/25/13                          | 2,444,649 |
| GBP | 1,486,672 |  | (4)    | Gala Group, GBP Term Loan C, 5.338%, due 10/27/14                          | 2,460,386 |
|     |           |  |        | Global Cash Access, Inc., Term Loan B, 7.000%, due 03/01/16                | 822,429   |
| \$  | 814,286   |  |        | Golden Nugget, Inc., New Delayed Draw Term Loan, 3.200%, due 06/30/14      | 1,076,404 |
|     | 1,220,873 |  |        | Golden Nugget, Inc., Term Loan B,  | 1,890,967 |
|     | 2,144,764 |  |        |  |           |

3.200%, due  
06/30/14

See Accompanying Notes to Financial Statements  
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## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>    |  | <i>Borrower/Tranche<br/>Description</i>   | <i>Fair Value</i> |
|----------------------------|--|---|-------------------|
| <b>Gaming: (continued)</b> |  |   |                   |
| \$ 750,000                 |  | (2)(3) Green Valley Ranch Gaming, LLC, 2nd Lien Term Loan, 0.000%, due 08/16/14 | \$ 14,766         |
| 1,536,111                  |  | Harrahs Operating Company, Inc, Incremental Term Loan B4, 9.500%, due 10/31/16  | 1,633,253         |
| 2,415,817                  |  | Harrahs Operating Company, Inc, Term Loan B1, 3.274%, due 01/28/15              | 2,254,086         |
| 7,249,697                  |  | Harrahs Operating Company, Inc, Term Loan B2, 3.249%, due 01/28/15              | 6,765,765         |
| 3,146,839                  |  | Harrahs Operating Company, Inc, Term Loan B3, 3.274%, due 01/28/15              | 2,936,167         |
| 2,144,625                  |  | Isle Of Capri Casinos, Inc., New Term Loan B, 4.750%, due                       | 2,158,012         |

|   |  |   |                   |
|---|--|---|-------------------|
|   |  | 03/24/17  |                   |
| 1,096,395   |  | Las Vegas Sands, LLC, Extended Delayed Draw Term Loan, 3.000%, due 11/23/16 | 1,079,949         |
| 4,467,385   |  | Las Vegas Sands, LLC, Extended Term Loan B, 3.000%, due 11/23/16            | 4,397,582         |
| 16,228  |  | Seminole Tribe Of Florida, Delayed Draw Term Loan B2, 1.813%, due 03/05/14  | 15,994            |
| 857,981   |  | VML US FINANCE LLC, Delayed Draw Term Loan B, 4.700%, due 05/25/12          | 858,875           |
| 2,098,622   |  | VML US FINANCE LLC, New Project Term Loan, 4.700%, due 05/27/13             | 2,097,529         |
| 1,578,325   |  | VML US FINANCE LLC, Term Loan B, 4.700%, due 05/27/13                       | 1,579,970         |
|   |  |   | <b>39,768,489</b> |
| <b>Healthcare, Education and Childcare: 16.9%</b> |  |   |                   |
| 380,904   |  | Bausch & Lomb, Inc., Delayed Draw Term Loan, 3.441%, due 04/24/15           | 380,403           |

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|            |         |  |            |
|------------|---------|--|------------|
|            |         | Bausch & Lomb, Inc.,<br>Term Loan,<br>3.531%, due<br>04/24/15  | 1,564,741  |
| 1,566,802  |         |  |            |
|            |         | Biomet Inc.,<br>Term Loan B,<br>3.276%, due<br>03/25/15  | 5,865,681  |
| 5,888,144  |         |  |            |
|            | 452,469 | Bright<br>Horizons<br>Family<br>Solutions Inc.,<br>Term Loan B,<br>7.500%, due<br>05/28/15               | 455,768    |
| 6,331,111  |         |  |            |
|            |         | Catalent<br>Pharma<br>Solutions,<br>Inc., Dollar<br>Term Loan,<br>2.441%, due<br>04/10/14                | 6,179,164  |
|            |         |  |            |
|            |         | CHG Medical<br>Staffing, Inc.,<br>Term Loan B,<br>7.000%, due<br>10/05/16                                | 1,906,924  |
| 1,888,043  |         |  |            |
| 7,674,205  |         |  |            |
|            |         | CHS/Community<br>Health<br>Systems, Inc.,<br>Extended<br>Term Loan B,<br>3.754%, due<br>01/25/17         | 7,499,142  |
|            |         |  |            |
|            |         | CHS/Community<br>Health<br>Systems, Inc.,<br>Non Extended<br>Term Loan,<br>2.504%, due<br>07/25/14       | 19,816,602 |
| 20,470,364 |         |  |            |
|            |         |  |            |
|            |         | CHS/Community<br>Health<br>Systems, Inc.,<br>Non-Extended<br>Delayed<br>Draw,<br>2.504%, due<br>07/25/14 | 1,018,711  |
|            |         |  |            |
| 1,042,388  |         |  | 1,047,437  |



|     |           |     |   |           |
|-----|-----------|-----|---|-----------|
|     |           |     | ConvaTec,<br>Term Loan,<br>5.750%, due<br>12/22/16  |           |
|     | 1,246,875 |     | Davita Inc.,<br>New Term<br>Loan B,<br>4.500%, due<br>10/20/16                              | 1,257,006 |
|     | 6,000,000 |     | Drumm<br>Investors<br>LLC, Term<br>Loan,<br>5.000%, due<br>05/04/18                         | 5,915,970 |
|     | 1,241,432 | (4) | Emdeon<br>Business<br>Services LLC,<br>1st Lien Term<br>Loan,<br>2.200%, due<br>11/18/13    | 1,238,717 |
|     | 535,769   |     | Emdeon<br>Business<br>Services LLC,<br>Incremental<br>Term Loan,<br>4.500%, due<br>11/18/13 | 538,783   |
|     | 4,200,000 | (4) | Emergency<br>Medical<br>Services<br>Corporation,<br>Term Loan,<br>due 05/02/18              | 4,200,752 |
| SEK | 41,155    |     | Gambro<br>Holding AB,<br>SEK Term<br>Loan B4,<br>4.394%, due<br>06/05/14                    | 6,645     |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                                 |            | <i>Borrower/Tranche Description</i>                            | <i>Fair Value</i> |
|---|------------|--|-------------------|
| <b>Healthcare, Education and Childcare: (continued)</b> |            |  |                   |
| SEK   | 41,842     | Gambro Holding AB, SEK Term Loan B5, 4.394%, due 06/05/14      | \$ 6,756          |
| SEK   | 41,842     | Gambro Holding AB, SEK Term Loan C3, 5.098%, due 06/05/15      | 6,756             |
| SEK   | 41,155     | Gambro Holding AB, SEK Term Loan C4, 5.144%, due 06/05/15      | 6,645             |
| \$  | 32,575     | Gambro Holding AB, Term Loan B, 2.445%, due 06/05/14           | 32,494            |
|   | 32,575     | Gambro Holding AB, Term Loan C, 3.195%, due 06/05/15           | 32,494            |
|   | 2,850,000  | (4) Grifols S.A, Term Loan B, due 11/23/16                     | 2,878,489         |
|   | 2,419,375  | Harlan Sprague Dawley, Inc., Term Loan B, 3.730%, due 07/11/14 | 2,253,043         |
|   | 12,013,480 | HCA, Inc., Extended Term Loan B2, 3.557%, due 03/31/17         | 11,963,419        |
|   | 5,009,376  | HCA, Inc., Extended Term Loan B3,                              | 4,965,544         |

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|     |           |     |  |           |
|-----|-----------|-----|--|-----------|
|     | 3,560,105 |     | 3.557%, due<br>05/01/18<br>Health<br>Management<br>Associates,<br>Inc., Term Loan<br>B,<br>2.057%, due<br>02/28/14 | 3,484,008 |
|     | 1,976,518 |     | HGI Holding,<br>Inc., Term Loan<br>B, 6.750%, due<br>09/29/16  | 2,002,049 |
|     | 2,350,000 | (4) | lasis<br>Healthcare<br>LLC, Term<br>Loan, due<br>05/03/18  | 2,355,875 |
|     | 2,351,506 |     | IM US<br>Holdings, LLC,<br>1st Lien Term<br>Loan, 2.200%,<br>due 06/26/14  | 2,323,582 |
|     | 1,000,000 |     | IM US<br>Holdings, LLC,<br>2nd Lien Term<br>Loan, 4.461%,<br>due 06/26/15  | 993,750   |
| EUR | 2,000,000 |     | IMS Health<br>Incorporated,<br>New EUR Term<br>Loan B,<br>5.000%, due<br>08/25/17                                  | 2,908,657 |
|     | 4,679,392 |     | IMS Health<br>Incorporated,<br>New Term Loan<br>B, 4.500%, due<br>08/25/17   | 4,694,988 |
| \$  | 764,750   |     | inVentiv Health<br>Inc.,<br>Incremental<br>Term Loan B1,<br>4.750%, due<br>08/04/16                                | 768,096   |
|     | 2,123,977 |     | inVentiv Health<br>Inc.,<br>Replacement<br>Term Loan B,<br>4.750%, due<br>08/04/16                                 | 2,133,269 |

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|     |           |  |   |           |
|-----|-----------|--|---|-----------|
|     |           |  | Medassets, Inc., New Term Loan, 5.250%, due 11/16/16                | 1,689,303 |
| EUR | 1,676,727 |  |   |           |
|     | 200,000   |  | Molnlycke Health Care Group, EUR Term Loan B, 3.232%, due 03/30/15  | 287,504   |
| EUR | 146,261   |  |   |           |
|     |           |  | Molnlycke Health Care Group, EUR Term Loan C, 3.482%, due 03/30/16  | 210,254   |
| GBP | 250,000   |  |   |           |
|     |           |  | Molnlycke Health Care Group, GBP Term Loan B2, 2.629%, due 03/31/15 | 408,935   |
| GBP | 169,203   |  |   |           |
|     |           |  | Molnlycke Health Care Group, GBP Term Loan C2, 2.879%, due 03/31/16 | 276,773   |
| EUR | 504,944   |  |   |           |
|     |           |  | Nyco Holdings 3 ApS, EUR Term Loan B1 I, 4.950%, due 12/29/14       | 727,287   |
| EUR | 81,310    |  |   |           |
|     |           |  | Nyco Holdings 3 ApS, EUR Term Loan B1 III, 4.950%, due 12/29/14     | 117,113   |
| EUR | 1,317,855 |  |   |           |
|     |           |  | Nyco Holdings 3 ApS, EUR Term Loan B1 II, 4.950%, due 12/29/14      | 1,898,149 |
| EUR | 51,795    |  |   |           |
|     |           |  | Nyco Holdings 3 ApS, EUR Term Loan B1 IV, 4.950%, due 12/29/14      | 74,602    |
| EUR | 366,234   |  |   |           |
|     |           |  | Nyco Holdings 3 ApS, EUR Term Loan B1                               | 527,499   |

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|     |           |   |           |
|-----|-----------|---|-----------|
|     |           | V, 4.950%, due<br>12/29/14  |           |
| EUR | 504,819   | Nyco Holdings<br>3 ApS, EUR<br>Term Loan C1<br>I, 5.700%, due<br>12/29/15                   | 727,108   |
| EUR | 1,317,531 | Nyco Holdings<br>3 ApS, EUR<br>Term Loan C1<br>II, 5.700%, due<br>12/29/15                  | 1,897,683 |
| EUR | 81,290    | Nyco Holdings<br>3 ApS, EUR<br>Term Loan C1<br>III, 5.700%, due<br>12/29/15                 | 117,084   |
| EUR | 51,782    | Nyco Holdings<br>3 ApS, EUR<br>Term Loan C1<br>IV, 5.700%, due<br>12/29/15                  | 74,584    |
| EUR | 366,144   | Nyco Holdings<br>3 ApS, EUR<br>Term Loan C1<br>V, 5.700%, due<br>12/29/15                   | 527,370   |
| \$  | 4,700,000 | Onex<br>Carestream<br>Finance LP,<br>Term Loan B,<br>5.000%, due<br>02/25/17                | 4,479,688 |
|     | 671,786   | Physicians<br>Oncology<br>Services, L.P.,<br>New Term Loan<br>B,<br>6.250%, due<br>01/31/17 | 670,946   |
|     | 6,000,000 | (4) Quintiles<br>Transnational<br>Corp., New<br>Term Loan B,<br>0.000%, due<br>06/08/18     | 5,966,250 |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                                     | <i>Borrower/Tranche<br/>Description</i>   | <i>Fair Value</i> |
|---|---|-------------------|
| <b>Healthcare, Education and<br/>Childcare: (continued)</b> |   |                   |
| \$ 1,870,321  | Quintiles<br>Transnational<br>Corp., Term<br>Loan B,<br>2.310%, due<br>03/29/13         | \$ 1,867,692      |
| 997,500   | Rural/Metro<br>Operating<br>Company,<br>LLC, Term<br>Loan B,<br>6.000%, due<br>11/24/16 | 1,004,358         |
| 1,237,500   | Skilled<br>Healthcare<br>Group, Inc.,<br>Term Loan B,<br>5.250%, due<br>04/08/16        | 1,235,760         |
| 1,466,667   | Sun<br>Healthcare<br>Group Inc.,<br>New Term<br>Loan B,<br>7.500%, due<br>10/15/16      | 1,462,083         |
| 2,666,666   | Sunquest<br>Information<br>Systems, Inc.,<br>Term Loan,<br>6.250%, due<br>12/16/16      | 2,689,999         |
| 2,887,500   | Surgical Care<br>Affiliates LLC,<br>Term Loan,<br>2.307%, due<br>12/29/14               | 2,841,782         |
| 982,481   | Team Health,<br>Inc., Term<br>Loan,<br>2.308%, due                                      | 981,253           |

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|     |           |  |           |
|-----|-----------|--|-----------|
|     | 304,286   | 11/23/12<br>United Surgical Partners International, Inc., Delayed Draw Term Loan, 2.220%, due 04/21/14 | 299,722   |
|     | 1,610,323 | United Surgical Partners International, Inc., Term Loan B, 2.249%, due 04/19/14                        | 1,586,168 |
|     | 2,873,047 | Universal Health Services, Inc., New Term Loan B, 4.000%, due 11/15/16                                 | 2,890,555 |
|     | 2,227,584 | Vanguard Health Holdings Company li, LLC, Term Loan B, 5.000%, due 01/29/16                            | 2,231,761 |
| EUR | 2,450,636 | VWR International Inc., EUR Term Loan B, 3.740%, due 06/29/14  | 3,482,529 |
| \$  | 1,470,382 | VWR International Inc., Term Loan, 2.691%, due 06/30/14  | 1,440,974 |
|     | 1,028,571 | Warner Chilcott Company LLC, New Term Loan B1,   | 1,033,068 |

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|                                       |            |  |   |  |                    |
|---------------------------------------|------------|--|---|--|--------------------|
|                                       | 514,286    |  |   | 4.250%, due<br>03/15/18<br>Warner<br>Chilcott<br>Company<br>LLC, New<br>Term Loan<br>B2,     |                    |
|                                       | 707,143    |  |   | 4.250%, due<br>03/15/18<br>Warner<br>Chilcott<br>Company<br>LLC, New<br>Term Loan<br>B3,     | 516,534            |
|                                       |            |  |   | 4.250%, due<br>03/15/18  | 710,234            |
|                                       |            |  |   |  | <b>149,654,964</b> |
| <b>Home &amp; Office Furnishings:</b> |            |  |   |  |                    |
| <b>1.3%</b>                           |            |  |   |  |                    |
| EUR                                   | 745,552    |  | X | Global<br>Garden<br>Products Italy<br>S.P.A., EUR<br>Term Loan 1,<br>3.741%, due<br>08/31/16 | 943,550            |
| EUR                                   | 745,552    |  | X | Global<br>Garden<br>Products Italy<br>S.P.A., EUR<br>Term Loan 2,<br>3.741%, due<br>08/31/17 | 943,550            |
| EUR                                   | 322,330    |  |   | Hilding<br>Anders, EUR<br>Term Loan B,<br>4.781%, due<br>04/25/15                            | 420,293            |
| SEK                                   | 25,187,946 |  |   | Hilding<br>Anders, SEK<br>Term Loan B,<br>5.770%, due<br>03/31/15                            | 3,492,919          |
| \$                                    | 931,812    |  |   | National<br>Bedding<br>Company, 1st<br>Lien Term<br>Loan,<br>3.813%, due                     | 922,494            |



|                        |     |  |                   |
|------------------------|-----|--|-------------------|
| 2,500,000              | (4) | 02/28/13<br>Springs<br>Window<br>Fashions,<br>LLC, New<br>Term Loan B,<br>due 05/26/17 | 2,468,750         |
| 2,022,151              |     | Springs<br>Window<br>Fashions,<br>LLC, Term<br>Loan B,<br>3.063%, due<br>12/31/12      | 2,013,304         |
|                        |     |  | <b>11,204,860</b> |
| <b>Insurance: 2.2%</b> |     |  |                   |
| 1,882,016              |     | AmWINS<br>Group, Inc.,<br>1st Lien Term<br>Loan,<br>2.781%, due<br>06/08/13            | 1,865,549         |
| 1,950,113              |     | Applied<br>Systems Inc.,<br>1st Lien Term<br>Loan,<br>5.500%, due<br>12/08/16          | 1,963,925         |
| 400,000                |     | Applied<br>Systems Inc.,<br>2nd Lien<br>Term Loan,<br>9.250%, due<br>06/07/17          | 405,333           |
| 2,622,553              |     | C.G. JCF<br>CORP., Term<br>Loan,<br>3.200%, due<br>08/01/14                            | 2,586,493         |
| 2,486,845              |     | HMSC<br>Corporation,<br>1st Lien Term<br>Loan,<br>2.442%, due<br>04/03/14              | 1,952,173         |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                        | <i>Borrower/Tranche Description</i>                                     | <i>Fair Value</i> |
|--|---|-------------------|
| <b>Insurance: (continued)</b>                  |   |                   |
| \$ 985,000                                     | Hub International Limited, Add on Term Loan B, 6.750%, due 06/13/14     | \$ 989,556        |
| 442,966  | Hub International Limited, Delayed Draw Term Loan, 2.807%, due 06/13/14 | 437,651           |
| 1,970,619                                      | Hub International Limited, Initial Term Loan, 2.807%, due 06/13/14      | 1,946,971         |
| 4,992,308                                      | Sedgwick Holdings, Inc., New Term Loan, 5.000%, due 12/30/16            | 5,000,045         |
| 591,000  | USI Holdings Corp., Term Loan C, 7.000%, due 04/15/14                   | 590,015           |
| 2,219,842                                      | USI Holdings Corp., Term Loan, 2.700%, due 05/05/14                     | 2,182,382         |
|  |   | <b>19,920,093</b> |
| <b>Leisure, Amusement, Entertainment: 2.5%</b> |   |                   |
| 2,731,869                                      | 24 Hour Fitness Worldwide, Inc, New Term Loan,                          | 2,718,209         |

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|           |     |   |           |
|-----------|-----|---|-----------|
| 1,221,225 |     | 6.750%, due<br>04/22/16<br>Alpha D2<br>Limited<br>(Formula One<br>World<br>Championship<br>Limited),<br>Term Loan B,<br>2.707%, due<br>12/31/13 | 1,199,199 |
| 824,903   |     | Alpha D2<br>Limited<br>(Formula One<br>World<br>Championship<br>Limited),<br>Term Loan B2,<br>2.707%, due<br>12/31/13                           | 810,025   |
| 1,815,364 |     | AMF Bowling<br>Worldwide,<br>Inc., Term<br>Loan B,<br>2.711%, due<br>06/08/13   | 1,638,366 |
| 3,069,601 |     | Cedar Fair,<br>L.P., New<br>Term Loan B,<br>4.000%, due<br>12/15/17   | 3,090,704 |
| 5,369,239 | (4) | HIT<br>Entertainment,<br>Inc., Term<br>Loan, 5.523%,<br>due 06/01/12  | 5,325,613 |
| 990,000   |     | Live Nation<br>Entertainment,<br>Inc., Term<br>Loan B,<br>4.500%, due<br>11/07/16   | 995,408   |
| 4,195,067 |     | NEP II, INC,<br>Extended<br>Term Loan B2,<br>3.560%, due<br>02/16/17  | 4,179,336 |
| 2,593,500 |     | Regal<br>Cinemas<br>Corporation,<br>Term Loan B,  | 2,595,391 |

3.557%, due  
08/23/17

**22,552,251**

**Lodging: 0.5%**

965,000

Audio Visual  
Services  
Corporation,  
New Term  
Loan,  
2.560%, due  
02/28/14

825,075

EUR 1,250,000

Scandic  
Hotels AB,  
EUR Term  
Loan B2,  
3.833%, due  
07/09/15

1,651,625

EUR 1,250,000

Scandic  
Hotels AB,  
EUR Term  
Loan C2,  
3.833%, due  
07/09/16

1,651,625

**4,128,325**

**Machinery: 0.9%**

\$ 480,702

Alliance  
Laundry  
Systems LLC,  
Term Loan B,  
6.250%, due  
09/30/16

485,308

2,970,506

Bucyrus  
International,  
Inc., Term  
Loan C,  
4.250%, due  
02/19/16

2,983,019

EUR 1,052,629

Kion Group  
GMBH, EUR  
Term Loan B1,  
4.700%, due  
12/23/14

1,487,346

EUR 989,291

Kion Group  
GMBH, EUR  
Term Loan  
C1, 4.950%,  
due 12/23/15

1,397,850

\$ 511,168

Kion Group  
GMBH, Term  
Loan B2,  
2.461%, due

497,431

|                                  |                 |                  |
|----------------------------------|-----------------|------------------|
|                                  | 12/23/14        |                  |
|                                  | Kion Group      |                  |
|                                  | GMBH, Term      |                  |
|                                  | Loan C2,        |                  |
|                                  | 2.711%, due     |                  |
| 511,168                          | 12/23/15        | 497,431          |
| 984,496                          | NACCO           |                  |
|                                  | Materials       |                  |
|                                  | Handling        |                  |
|                                  | Group, Inc.,    |                  |
|                                  | Term Loan,      |                  |
|                                  | 2.059%, due     |                  |
|                                  | 03/22/13        | 975,882          |
|                                  |                 | <b>8,324,267</b> |
| <b>Mining, Steel, Iron &amp;</b> |                 |                  |
| <b>Nonprecious Metals: 1.9%</b>  |                 |                  |
|                                  | Fairmount       |                  |
|                                  | Minerals, Ltd., |                  |
|                                  | New Term        |                  |
|                                  | Loan B,         |                  |
|                                  | 5.250%, due     |                  |
| 3,600,000                        | 03/01/17        | 3,616,499        |
| 630,724                          | Noranda         |                  |
|                                  | Aluminum        |                  |
|                                  | Acquisition     |                  |
|                                  | Corp., Term     |                  |
|                                  | Loan B,         |                  |
|                                  | 1.941%, due     |                  |
|                                  | 05/18/14        | 625,468          |
|                                  | Novelis Inc.,   |                  |
|                                  | New Term        |                  |
|                                  | Loan B,         |                  |
|                                  | 4.000%, due     |                  |
| 5,162,063                        | 03/10/17        | 5,195,131        |
|                                  | Oxbow           |                  |
|                                  | Carbon LLC,     |                  |
|                                  | Extended        |                  |
|                                  | Term Loan B,    |                  |
|                                  | 3.800%, due     |                  |
| 3,099,586                        | 05/08/16        | 3,111,854        |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>  | <i>Borrower/Tranche Description</i>   | <i>Fair Value</i> |
|--|---|-------------------|
| <b>Mining, Steel, Iron &amp; Nonprecious Metals: (continued)</b> |   |                   |
| \$ 4,250,000   | Walter Energy, Inc., Term Loan B, 4.000%, due 04/02/18                                    | \$ 4,270,527      |
|  |   | <b>16,819,479</b> |
| <b>Non-North American Cable: 2.3%</b>                            |   |                   |
| EUR 224,968  | Casema Bidco (Serpering Investments B.V.), EUR Term Loan B Kabelcom, 4.482%, due 09/15/14 | 326,065           |
| EUR 494,984  | Casema Bidco (Serpering Investments B.V.), EUR Term Loan B1, 4.482%, due 09/15/14         | 717,423           |
| EUR 285,113  | Casema Bidco (Serpering Investments B.V.), EUR Term Loan B2, 4.482%, due 09/15/14         | 413,239           |
| EUR 2,570,000  | Kabel Deutschland, EUR Term Loan D, 5.232%, due 12/13/16                                  | 3,739,421         |
| EUR 235,541  | Numericable (YPSO France SAS), EUR Term Loan C Acq,                                       | 318,588           |

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|     |           |  |   |           |
|-----|-----------|--|---|-----------|
|     |           |  | 5.611%, due<br>12/31/15   |           |
| EUR | 442,395   |  | Numericable<br>(YPSO France<br>SAS), EUR<br>Term Loan C<br>Recap,<br>5.611%, due<br>12/31/15      | 598,374   |
| EUR | 66,513    |  | Numericable<br>(YPSO France<br>SAS), EUR<br>Tranche<br>Acquisition B1,<br>5.111%, due<br>06/16/14 | 90,442    |
| EUR | 108,521   |  | Numericable<br>(YPSO France<br>SAS), EUR<br>Tranche<br>Acquisition B2,<br>5.111%, due<br>06/16/14 | 147,564   |
| EUR | 172,351   |  | Numericable<br>(YPSO France<br>SAS), EUR<br>Tranche<br>Recap B1,<br>5.111%, due<br>06/16/14       | 234,357   |
| EUR | 5,268,168 |  | UPC<br>Broadband<br>Holding B.V,<br>EUR Term<br>Loan S,<br>4.989%, due<br>12/31/16                | 7,561,260 |
| EUR | 3,648,797 |  | UPC<br>Broadband<br>Holding B.V,<br>EUR Term<br>Loan U,<br>5.239%, due<br>12/31/17                | 5,249,389 |
|     |           |  | UPC<br>Broadband<br>Holding B.V,<br>Term Loan T,<br>3.711%, due<br>12/30/16                       | 257,179   |
| \$  | 256,219   |  |   | 257,179   |
|     | 644,864   |  |   | 646,207   |

|                                    |   |   |  |  |            |
|------------------------------------|---|---|--|--|------------|
|                                    | UPC<br>Broadband<br>Holding B.V,<br>Term Loan X,<br>3.711%, due<br>12/29/17 |   |  |  | 20,299,508 |
| <b>North American Cable: 10.3%</b> |   |   |  |  |            |
|                                    |   | Atlantic<br>Broadband,<br>New Term<br>Loan B,<br>4.000%, due<br>03/08/16                                |  |  | 2,225,672  |
|                                    | 2,215,298   |   |  |  |            |
|                                    |   | Bresnan<br>Communications,<br>LLC, Term<br>Loan B,<br>4.500%, due<br>12/14/17                           |  |  | 2,209,462  |
|                                    | 2,194,500   |   |  |  |            |
|                                    | 27,803,608  |   |  |  |            |
|                                    |   | Cequel<br>Communications,<br>LLC, New<br>Term Loan,<br>2.209%, due<br>11/05/13                          |  |  | 27,714,553 |
|                                    | 14,781,171  |   |  |  |            |
|                                    |   | Charter<br>Communications<br>Operating,<br>LLC, Extended<br>Term Loan,<br>3.560%, due<br>09/06/16       |  |  | 14,815,774 |
|                                    | 47,274  |   |  |  |            |
|                                    |   | Charter<br>Communications<br>Operating,<br>LLC,<br>Replacement<br>Term Loan,<br>2.190%, due<br>03/06/14 |  |  | 47,304     |
|                                    | 15,046,702  |   |  |  |            |
|                                    |   | CSC Holdings,<br>Inc.<br>(Cablevision),<br>Extended<br>Term Loan<br>B-3,<br>2.059%, due<br>03/29/16     |  |  | 15,080,527 |
|                                    | 5,276,372   |   |  |  |            |
|                                    |   | Insight<br>Midwest  |  |  | 5,221,962  |



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|           |   |                   |
|-----------|---|-------------------|
|           | Holdings, LLC,<br>Initial Term<br>Loan,<br>2.002%, due<br>04/07/14                    |                   |
| 1,596,000 | Knology Inc,<br>New Term<br>Loan B,<br>4.000%, due<br>08/18/17                        | 1,598,993         |
| 8,044,930 | Mediacom<br>Broadband<br>LLC, Tranche<br>D-1 Term<br>Loan,<br>1.920%, due<br>01/31/15 | 7,866,598         |
| 3,546,000 | Mediacom<br>LLC Group,<br>Tranche D<br>Term Loan,<br>5.500%, due<br>03/31/17          | 3,567,425         |
| 3,970,000 | Mediacom<br>LLC Group,<br>Tranche E<br>Term Loan,<br>4.500%, due<br>10/23/17          | 3,973,970         |
| 1,659,996 | San Juan<br>Cable LLC, 1st<br>Lien Term<br>Loan, 2.060%,<br>due 10/31/12              | 1,655,154         |
| 5,665,966 | Wideopenwest<br>Finance, LLC,<br>Term Loan B,<br>2.698%, due<br>06/28/14              | 5,523,433         |
|           |   | <b>91,500,827</b> |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                           | <i>Borrower/Tranche Description</i>                             | <i>Fair Value</i> |
|---|---|-------------------|
| <b>Oil &amp; Gas:1.2%</b>                         |   |                   |
| \$ 1,943,974                                      | CGGVeritas Services Inc., Term Loan B2, 6.036%, due 01/12/16    | \$ 1,956,124      |
| 4,308,824   | Frac Tech International, LLC, Term Loan B, 6.250%, due 05/06/16 | 4,321,517         |
| 1,112,339   | Hercules Offshore, LLC, Term Loan B, 7.500%, due 07/11/13       | 1,110,552         |
| 2,920,000   | MEG Energy Corp., New Term Loan B, 4.000%, due 03/16/18         | 2,934,372         |
|   |   | <b>10,322,565</b> |
| <b>Other Broadcasting and Entertainment: 1.8%</b> |   |                   |
| 3,482,500   | Getty Images, Inc, New Term Loan, 5.250%, due 11/07/16          | 3,510,252         |
| 1,995,000   | The Weather Channel, New Term Loan B, 4.250%, due 02/13/17      | 2,011,002         |
| 166,624   | VNU, Class A Term Loan, 2.206%, due 08/09/13                    | 166,225           |
| 5,896,789   | VNU, Class B Term loan, 3.956%, due 05/02/16                    | 5,912,144         |
| 4,719,780   |   | 4,717,250         |

VNU, Class C  
Term Loan,  
3.456%, due  
05/02/16

16,316,873

**Other Telecommunications:  
3.0%**

|     |           |     |   |           |
|-----|-----------|-----|---|-----------|
|     | 1,995,000 |     | Alaska Communications Systems Holdings, Inc., Term Loan B, 5.500%, due 10/21/16 | 2,007,968 |
|     | 350,000   | (4) | Asurion, LLC, New 1st Lien Term Loan, due 05/24/18                              | 347,447   |
|     | 2,700,000 | (4) | Asurion, LLC, New 2nd Lien Term Loan, due 05/24/19                              | 2,729,813 |
| EUR | 1,679,980 |     | BCM Ireland Holdings Ltd (Eircom), EUR Term Loan B, 3.107%, due 09/30/14        | 2,183,516 |
| EUR | 1,680,261 |     | BCM Ireland Holdings Ltd (Eircom), EUR Term Loan C, 3.357%, due 09/30/15        | 2,183,882 |
| \$  | 1,000,000 |     | Consolidated Communications, Inc., Term Loan B, 2.720%, due 12/31/14            | 980,000   |
|     | 938,165   | (2) | Hawaiian Telcom Communications, Inc., Exit Term Loan, 9.000%, due 11/01/15      | 965,221   |
|     | 4,200,000 |     | MetroPCS Wireless, Inc., Incremental Term Loan B3,                              | 4,194,750 |

|     |                        |  |   |   |                   |
|-----|------------------------|--|---|---|-------------------|
|     |                        |  | 4.000%, due<br>05/18/18                               |   |                   |
|     |                        |  | PAETEC<br>Holding Corp,<br>Term Loan,<br>due 04/21/17 |   | 1,002,500         |
|     | 1,000,000              |  | (4)   | U.S.<br>Telepacific<br>Corp, New<br>Term Loan B,<br>5.750%, due<br>02/23/17 | 3,096,125         |
| EUR | 3,100,000<br>4,500,000 |  | (4)   | Wind<br>Telecomunicazioni<br>S.P.A., EUR<br>Term Loan B1,<br>due 12/15/17   | 6,526,714         |
|     |                        |  |   |   | <b>26,217,936</b> |

**Personal & Nondurable  
Consumer Products: 2.2%**

|  |    |                        |  |   |           |
|--|----|------------------------|--|---|-----------|
|  | \$ | 365,000                |  |   |           |
|  |    |                        |  | Advantage<br>Sales &<br>Marketing,<br>Inc., 2nd Lien<br>Term Loan,<br>9.250%, due<br>06/18/18       | 373,973   |
|  |    | 1,995,000              |  | Advantage<br>Sales &<br>Marketing,<br>Inc., Term<br>Loan B,<br>5.250%, due<br>12/18/17              | 2,007,958 |
|  |    | 2,441,336<br>1,000,303 |  | Bushnell, Inc.,<br>1st Lien Term<br>Loan, 4.562%,<br>due 08/24/13                                   | 2,398,613 |
|  |    | 1,980,005              |  | Fender<br>Musical<br>Instruments<br>Corp.,<br>Delayed Draw<br>Term Loan,<br>2.450%, due<br>06/09/14 | 972,795   |
|  |    |                        |  | Fender<br>Musical<br>Instruments<br>Corp., Term<br>Loan B,  | 1,925,555 |

|           |  |   |           |
|-----------|--|---|-----------|
|           |  | 2.450%, due<br>06/09/14   |           |
|           |  | Hillman Group<br>(The), Inc.,<br>Term Loan B,<br>5.000%, due<br>05/27/16          | 998,216   |
| 993,250   |  |   |           |
|           |  | Huish<br>Detergents,<br>Inc., Term<br>Loan B,<br>2.200%, due<br>04/26/14          | 1,558,974 |
| 1,614,124 |  |   |           |
| 1,600,000 |  | Information<br>Resources,<br>Inc., New<br>Term Loan B,<br>0.000%, due<br>11/28/17 | 1,604,000 |
|           |  | Information<br>Resources,<br>Inc., Term<br>Loan B,<br>5.250%, due<br>05/16/14     | 231,374   |
| 231,374   |  |   |           |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                             | <i>Borrower/Tranche Description</i>   | <i>Fair Value</i> |
|---|---|-------------------|
| <b>Personal &amp; Nondurable Consumer Products:</b> |   |                   |
| <i>(continued)</i>                                  |   |                   |
| \$ 2,237,700  | Jarden Corporation, New Term Loan B, 3.242%, due 01/31/17                   | \$ 2,255,649      |
| 1,672,779   | KIK Custom Products, Inc., 1st Lien Term Loan, 2.530%, due 06/02/14         | 1,474,136         |
| 286,762   | KIK Custom Products, Inc., Canadian Term Loan, 2.530%, due 06/02/14         | 252,709           |
| 1,000,000   | Revlon Consumer Products Corporation, New Term Loan B, 0.000%, due 12/01/17 | 1,004,125         |
| (4)   | Spectrum Brands, Inc., New Term Loan B, 5.000%, due 06/17/16                | 2,054,405         |
| 2,032,985   |   | <b>19,112,482</b> |
| <b>Personal, Food &amp; Miscellaneous: 3.7%</b>     |   |                   |
| 3,060,000   | Acosta, Inc., Term Loan, 4.750%, due 03/01/18                               | 3,068,798         |
| EUR 2,618,438                                       |   | 3,782,963         |

|    |           |   |           |
|----|-----------|---|-----------|
|    |           | Burger King Corporation, New EUR Term Loan B, 4.750%, due 10/19/16                |           |
| \$ | 3,432,258 | Burger King Corporation, New Term Loan B, 4.500%, due 10/19/16                    | 3,429,794 |
|    | 1,932,000 | Dennys, Inc, New Term Loan B, 5.250%, due 02/24/17                                | 1,951,320 |
|    | 1,811,760 | DineEquity Inc., New Term Loan B, 4.250%, due 10/19/17                            | 1,820,494 |
|    | 3,511,200 | Dunkin Brands, Inc., New Term Loan B, 4.250%, due 11/23/17                        | 3,519,978 |
|    | 2,573,214 | N.E.W. Customer Services Companies, Inc., Secured Term Loan, 6.000%, due 03/23/16 | 2,571,071 |
|    | 2,992,500 | NBTY, Inc., New Term Loan B, 4.250%, due 10/02/17                                 | 2,997,402 |
|    | 671,679   | OSI Restaurant Partners, Inc., Revolver, 4.035%, due 06/14/13                     | 654,887   |
|    | 6,692,820 | OSI Restaurant Partners, Inc., Term Loan B,                                       | 6,525,498 |

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|  |           |  |                   |
|--|-----------|--|-------------------|
|  |           | 2.500%, due<br>06/14/14  |                   |
|  | 750,000   | Seminole Hard<br>Rock<br>Entertainment,<br>Inc., Floating<br>Rate Note,<br>0.000%, due<br>03/15/14 | 731,250           |
|  |           | Wendys/Arbys<br>Restaurants,<br>LLC, Term<br>Loan B,<br>5.000%, due<br>05/24/17                    | 1,422,714         |
|  | 1,414,315 |  |                   |
|  |           |  | <b>32,476,169</b> |
| <b>Printing &amp; Publishing: 9.0%</b> |           |  |                   |
|  |           | Black Press,<br>Ltd., Term<br>Loan B1,<br>2.254%, due<br>08/02/13                                  | 1,205,466         |
|  | 1,255,694 |  |                   |
|  |           | Black Press,<br>Ltd., Term<br>Loan B2,<br>2.254%, due<br>08/02/13                                  | 731,890           |
|  | 762,386   |  |                   |
|  | 1,836,411 | (2)  |                   |
|  |           | Caribe<br>Information<br>Investments<br>Inc., Term<br>Loan,<br>0.000%, due<br>03/31/13             | 550,923           |
|  |           | Cengage<br>Learning, Inc.,<br>Term Loan,<br>2.440%, due<br>07/03/14                                | 9,283,571         |
|  | 9,932,267 |  |                   |
|  |           | Cenveo<br>Corporation,<br>Term Loan B,<br>6.250%, due<br>12/21/16                                  | 2,396,010         |
|  | 2,374,050 |  |                   |
|  | 1,727,932 | CW<br>Acquisition<br>Limited<br>Partnership,<br>Tranche C<br>Term Loan,<br>6.250%, due             | 1,747,371         |



|     |           |   |           |
|-----|-----------|---|-----------|
|     |           | 07/13/16<br>Dex Media<br>East, LLC,<br>New Term<br>Loan, 2.776%,<br>due 10/24/14            | 1,743,832 |
|     | 2,215,563 |   |           |
|     |           | Dex Media<br>West, LLC,<br>New Term<br>Loan, 7.000%,<br>due 10/24/14                        | 1,722,530 |
|     | 1,939,967 |   |           |
| EUR | 666,667   | Flint Group<br>Holdings<br>S.A.R.L., EUR<br>Term Loan B8<br>AEB,<br>5.783%, due<br>05/29/15 | 963,560   |
|     |           | Flint Group<br>Holdings<br>S.A.R.L., Term<br>Loan B7 AEB,<br>4.711%, due<br>12/31/14        | 839,487   |
|     | 841,151   |   |           |
| \$  |           | Flint Group<br>Holdings<br>S.A.R.L., Term<br>Loan B7 AFB,<br>4.711%, due<br>12/31/14        | 352,580   |
|     | 353,279   |   |           |
|     |           | Flint Group<br>Holdings<br>S.A.R.L., Term<br>Loan B9,<br>4.711%, due<br>05/29/15            | 2,328,716 |
|     | 2,333,333 |   |           |
|     |           | Flint Group<br>Holdings<br>S.A.R.L., Term<br>Loan C7,<br>4.711%, due<br>12/31/15            | 1,274,577 |
|     | 1,277,104 |   |           |
|     |           | Hanley Wood,<br>LLC, New<br>Term Loan B,<br>2.563%, due<br>03/08/14                         | 1,020,379 |
|     | 1,645,773 |   |           |

See Accompanying Notes to Financial Statements



## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>           |            | <i>Borrower/Tranche Description</i>                                | <i>Fair Value</i> |
|-----------------------------------|------------|--|-------------------|
| <b>Printing &amp; Publishing:</b> |            |  |                   |
| <i>(continued)</i>                |            |  |                   |
| \$                                | 1,291,108  | Intermedia Outdoor, Inc., 1st Lien Term Loan, 3.057%, due 01/31/13 | \$ 1,226,552      |
| EUR                               | 1,487,172  | Mediannuaire Holding, EUR Term Loan B3, 3.925%, due 10/12/15       | 1,631,302         |
| EUR                               | 1,486,320  | Mediannuaire Holding, EUR Term Loan C2, 3.925%, due 10/12/15       | 1,630,367         |
| \$                                | 4,761,595  | Merrill Communications, LLC, Term Loan, 7.500%, due 12/24/12       | 4,749,691         |
|                                   | 1,812,546  | Nelson Canada, Term Loan, 2.807%, due 07/05/14                     | 1,667,542         |
| EUR                               | 533,360    | PagesJaunes Groupe SA, EUR Term Loan A3, 4.711%, due 11/22/13      | 717,832           |
| AUD                               | 22,320,730 | PBL Media, AUD Term Loan B, 7.425%, due 02/05/13                   | 22,739,140        |
| \$                                | 1,650,223  | Penton Media, Inc, New Term  | 1,384,125         |

|           |           |   |           |
|-----------|-----------|---|-----------|
|           |           | Loan B,<br>5.006%, due<br>08/01/14  |           |
|           |           | Quad/Graphics,<br>Inc., Term<br>Loan B,<br>5.500%, due<br>04/14/16                          | 3,414,515 |
| 3,407,417 |           |   |           |
|           |           | R.H.<br>Donnelley<br>Corporation,<br>New Term<br>Loan,<br>9.000%, due<br>10/24/14           | 3,025,132 |
| 4,047,000 |           |   |           |
| 1,510,345 |           | Source Media<br>Inc., New<br>Term Loan B<br>Accuity,<br>6.500%, due<br>01/21/17             | 1,519,784 |
|           | 475,862   |   |           |
|           |           | Source Media<br>Inc., New<br>Term Loan B<br>Source,<br>6.500%, due<br>01/21/17              | 478,836   |
|           | 2,000,000 |   |           |
|           |           | Springer<br>Science +<br>Business<br>Media S.A.,<br>Term Loan A,<br>6.752%, due<br>06/17/16 | 2,010,000 |
|           |           | SuperMedia,<br>Inc., Exit<br>Term Loan,<br>11.000%, due<br>12/31/15                         | 4,371,513 |
| 6,632,921 |           |   |           |
|           |           | Thomas<br>Nelson<br>Publishers,<br>New Term<br>Loan,<br>9.000%, due<br>06/14/16             | 970,715   |
| 990,525   |           |   |           |
|           |           | Tribune<br>Company,<br>Term Loan B,<br>0.000%, due<br>06/04/14                              | 1,013,846 |
| 1,491,225 | (2)(3)    |   |           |

|  |           |     |   |                   |
|--|-----------|-----|---|-------------------|
|  |           |     | Yell Group<br>PLC, New<br>Term Loan<br>B1, 3.941%,<br>due 07/31/14                        | 664,151           |
|  | 1,585,083 |     |   | <b>79,375,935</b> |
| <b>Radio and TV Broadcasting:<br/>5.3%</b> |           |     |   |                   |
|  | 694,657   |     | Citadel<br>Broadcasting<br>Corporation,<br>New Term<br>Loan B,<br>4.250%, due<br>12/30/16 | 695,812           |
|  | 5,000,000 | (4) | Clear<br>Channel<br>Communications,<br>Inc., Term<br>Loan B,<br>0.000%, due<br>01/28/16   | 4,385,765         |
|  | 1,338,663 | (3) | CMP KC,<br>LLC, Term<br>Loan,<br>3.441%, due<br>06/03/11                                  | 167,333           |
|  | 3,412,042 |     | CMP<br>Susquehanna<br>Corporation,<br>Term Loan,<br>2.250%, due<br>05/05/13               | 3,370,654         |
|  | 1,885,545 |     | FoxCo<br>Acquisition,<br>LLC, Term<br>Loan B,<br>4.750%, due<br>07/14/15                  | 1,889,307         |
|  | 285,714   |     | Hubbard<br>Radio LLC,<br>2nd Lien<br>Term Loan,<br>8.750%, due<br>04/30/18                | 291,429           |
|  | 1,275,000 |     | Hubbard<br>Radio LLC,<br>Term Loan B,<br>5.250%, due<br>04/28/17                          | 1,286,953         |
|  | 1,743,848 |     |   | 1,713,330         |

|     |           |     |   |           |
|-----|-----------|-----|---|-----------|
|     |           |     | Local TV Finance, LLC, Term Loan B, 2.310%, due 05/07/13  |           |
|     | 200,000   | (4) | Nexstar Broadcasting, Inc., Add on Delayed Draw Term Loan, 0.000%, due 09/30/16                 | 201,750   |
|     | 500,000   |     | Nexstar Broadcasting, Inc., Delayed Draw Term Loan, 5.565%, due 09/30/16                        | 504,375   |
|     | 580,613   |     | Nexstar Broadcasting, Inc., Old Mission Term Loan, 5.000%, due 09/30/16                         | 585,693   |
|     | 908,138   |     | Nexstar Broadcasting, Inc., Term Loan B, 5.565%, due 09/30/16                                   | 907,002   |
| EUR | 64,386    |     | ProSiebenSat.1 Media AG, EUR Term Loan B2, 2.685%, due 07/02/14                                 | 89,935    |
| EUR | 1,186,386 |     | ProSiebenSat.1 Media AG, EUR Term Loan B3 BankDeal(11194) merge duplicate, 2.685%, due 07/02/14 | 1,657,148 |
| EUR | 220,233   |     | ProSiebenSat.1 Media AG, EUR Term Loan B3 MC  | 307,622   |

|     |        |   |        |
|-----|--------|---|--------|
|     |        | (2),<br>2.685%, due<br>03/02/15<br>ProSiebenSat.1<br>Media AG,<br>EUR Term<br>Loan C2,<br>3.310%, due<br>07/03/15 |        |
| EUR | 35,934 |   | 50,766 |

See Accompanying Notes to Financial Statements

## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>           |            | <i>Borrower/Tranche Description</i>                                      | <i>Fair Value</i> |
|-----------------------------------|------------|--|-------------------|
| <b>Radio and TV Broadcasting:</b> |            |  |                   |
| <i>(continued)</i>                |            |  |                   |
| EUR                               | 798,662    | ProSiebenSat.1 Media AG, EUR Term Loan C3, 3.310%, due 06/26/15          | \$ 1,128,336      |
|                                   |            | Raycom TV Broadcasting, LLC, Term Loan B, due 05/31/17                   | 1,001,563         |
| \$                                | 1,000,000  | (4)  |                   |
|                                   | 1,444,933  | X  |                   |
|                                   |            | Regent Communications, Secured Cash Term Loan, 5.250%, due 04/27/14      | 1,416,034         |
|                                   | 951,045    | Sinclair Television Group, Inc, New Term Loan B, 4.000%, due 10/28/16    | 955,404           |
|                                   | 1,943,888  | Spanish Broadcasting Systems, 1st Lien Term Loan, 2.060%, due 06/11/12   | 1,887,175         |
|                                   | 23,312,965 | Univision Communications, Inc., Extended Term Loan, 4.441%, due 03/31/17 | 22,575,692        |
|                                   |            |  | <b>47,069,078</b> |
| <b>Retail Stores: 10.7%</b>       |            |  |                   |
|                                   | 2,487,500  | Amscan Holdings, Inc.,   | 2,503,825         |



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|     |           |  |           |
|-----|-----------|--|-----------|
|     |           | Term Loan B,<br>6.750%, due<br>12/04/17  |           |
|     | 4,987,500 | Burlington<br>Coat Factory,<br>Term Loan B,<br>6.250%, due<br>02/18/17                   | 4,996,852 |
|     | 2,824,674 | Claire's<br>Stores, Inc.,<br>Term Loan B,<br>3.051%, due<br>05/29/14                     | 2,610,078 |
|     | 7,256,413 | Dollar General<br>Corporation,<br>Tranche B-1<br>Term Loan,<br>2.973%, due<br>07/07/14   | 7,254,584 |
|     | 1,875,000 | General<br>Nutrition<br>Centers, Inc.,<br>New Term<br>Loan B,<br>4.250%, due<br>03/02/18 | 1,879,922 |
|     | 3,782,785 | Guitar Center,<br>Inc., Extended<br>Term Loan,<br>5.560%, due<br>04/10/17                | 3,609,605 |
|     | 3,192,000 | Harbor Freight<br>Tools USA,<br>Inc., 1st Lien<br>Term Loan,<br>6.500%, due<br>12/22/17  | 3,255,840 |
| EUR | 1,500,000 | HEMA<br>Holding B.V.,<br>EUR Term<br>Loan B,<br>3.250%, due<br>07/06/15                  | 2,150,034 |
| EUR | 1,500,000 | HEMA<br>Holding B.V.,<br>EUR Term<br>Loan C,<br>4.000%, due<br>07/05/16                  | 2,150,034 |
| \$  | 4,250,000 | J. Crew, New<br>Term Loan B,   | 4,177,287 |

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|     |           |     |  |           |
|-----|-----------|-----|--|-----------|
|     |           |     | 4.750%, due<br>03/07/18  |           |
|     | 3,900,000 |     | Jo-Ann<br>Stores, Inc.,<br>Term Loan,<br>4.750%, due<br>03/16/18             | 3,869,775 |
|     | 1,596,000 |     | Leslies<br>Poolmart, Inc.,<br>Term Loan B,<br>4.500%, due<br>11/21/16        | 1,606,973 |
| EUR | 530,263   |     | Maxeda DIY<br>Group B.V.,<br>EUR Term<br>Loan B,<br>3.987%, due<br>06/29/15  | 717,795   |
| EUR | 719,737   |     | Maxeda DIY<br>Group B.V.,<br>EUR Term<br>Loan B2,<br>4.005%, due<br>08/01/15 | 974,278   |
| EUR | 530,263   |     | Maxeda DIY<br>Group B.V.,<br>EUR Term<br>Loan C,<br>4.537%, due<br>06/27/16  | 717,795   |
| EUR | 719,737   |     | Maxeda DIY<br>Group B.V.,<br>EUR Term<br>Loan C2,<br>4.494%, due<br>08/01/16 | 974,278   |
| \$  | 1,705,829 |     | Michaels<br>Stores, Inc.,<br>Term Loan<br>B1, 2.563%,<br>due 10/31/13        | 1,688,447 |
|     | 2,295,648 |     | Michaels<br>Stores, Inc.,<br>Term Loan<br>B2, 4.813%,<br>due 07/31/16        | 2,306,330 |
|     | 9,963,834 | (4) | Neiman<br>Marcus<br>Group, Inc,<br>New Term<br>Loan, 4.750%,                 | 9,923,012 |

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|     |           |                 |           |
|-----|-----------|-----------------|-----------|
|     |           | due 05/16/18    |           |
|     |           | Petco Animal    |           |
|     |           | Supplies, Inc., |           |
|     |           | New Term        |           |
|     | 6,138,000 | Loan, 4.500%,   |           |
|     |           | due 11/24/17    | 6,146,771 |
| GBP | 2,500,000 | Pets at Home    |           |
|     |           | Group           |           |
|     |           | Limited, GBP    |           |
|     |           | Term Loan B,    |           |
|     |           | 5.628%, due     |           |
|     |           | 01/24/17        | 4,154,129 |
|     |           | Picard          |           |
|     |           | Groupe, EUR     |           |
|     |           | Term Loan       |           |
|     |           | B1, 5.320%,     |           |
| EUR | 189,372   | due 09/14/17    | 275,166   |
|     |           | Picard          |           |
|     |           | Groupe, EUR     |           |
|     |           | Term Loan       |           |
|     |           | B2, 5.320%,     |           |
| EUR | 810,628   | due 09/14/17    | 1,177,878 |
|     |           | Pilot Travel    |           |
|     |           | Centers LLC,    |           |
|     |           | New Term        |           |
|     |           | Loan B,         |           |
|     |           | 4.250%, due     |           |
| \$  | 1,200,000 | 03/30/18        | 1,207,406 |
|     |           | Rite Aid        |           |
|     |           | Corporation,    |           |
|     |           | Term Loan B,    |           |
|     |           | 1.953%, due     |           |
|     | 3,744,247 | 06/04/14        | 3,597,207 |
|     |           | Rite Aid        |           |
|     |           | Corporation,    |           |
|     |           | Tranche 5,      |           |
|     |           | 4.500%, due     |           |
|     | 1,337,246 | 02/28/18        | 1,324,710 |
|     |           | Sally Holding   |           |
|     |           | LLC, Term       |           |
|     |           | Loan B,         |           |
|     |           | 2.440%, due     |           |
|     | 2,208,389 | 11/15/13        | 2,211,977 |
|     |           | Savers, New     |           |
|     |           | Term Loan B,    |           |
|     |           | 4.250%, due     |           |
|     | 1,500,000 | 03/03/17        | 1,509,050 |
|     | 5,135,130 | The             | 5,045,265 |
|     |           | Gymboree        |           |
|     |           | Corporation,    |           |
|     |           | New Term        |           |

Loan, 5.000%,  
due 02/23/18

See Accompanying Notes to Financial Statements

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## ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>           |           | <i>Borrower/Tranche</i>   | <i>Fair Value</i> |
|-----------------------------------|-----------|---|-------------------|
| <i>Retail Stores: (continued)</i> |           | <i>Description</i>  |                   |
| \$                                | 1,400,000 | (4) Toys "R" Us, Inc., Incremental Term Loan B2, due 06/14/18             | \$ 1,390,718      |
|                                   | 3,816,163 | Toys "R" Us, Inc., New Term Loan, 6.000%, due 09/01/16                    | 3,830,729         |
| EUR                               | 1,863,011 | Vivarte S.A.S., EUR Facility B1, 3.250%, due 03/09/15                     | 2,585,886         |
| EUR                               | 1,863,011 | Vivarte S.A.S., EUR Facility C1, 3.750%, due 03/08/16                     | 2,585,886         |
|                                   |           |   | <b>94,409,522</b> |
| <b>Satellite: 0.3%</b>            |           |   |                   |
| \$                                | 3,000,000 | Intelsat Jackson Holdings S.A., Tranche B Term Loan, 5.250%, due 04/02/18 | 3,023,541         |
|                                   |           |   | <b>3,023,541</b>  |
| <b>Telecommunications</b>         |           |   |                   |
| <b>Equipment: 1.5%</b>            |           |   |                   |
|                                   | 4,006,176 | CommScope, Inc., New Term Loan B, 5.000%, due 01/14/18                    | 4,033,718         |
| GBP                               | 2,383,255 | Macquarie UK Broadcast Ventures Limited, GBP                              | 3,628,495         |

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|                                     |           |     |  |                   |
|-------------------------------------|-----------|-----|--|-------------------|
|                                     |           |     | Term Loan<br>A2,<br>2.877%, due<br>12/01/14  |                   |
| \$                                  | 1,266,825 |     | Syniverse<br>Holdings,<br>Inc., Term<br>Loan B,<br>5.250%, due<br>12/21/17                   | 1,276,921         |
| EUR                                 | 1,500,000 |     | TDF SA,<br>EUR Term<br>Loan B,<br>3.232%, due<br>01/30/15                                    | 1,980,332         |
| EUR                                 | 1,500,000 |     | TDF SA,<br>EUR Term<br>Loan C,<br>3.482%, due<br>01/29/16                                    | 1,980,332         |
|                                     |           |     |  | <b>12,899,798</b> |
| <b>Textiles &amp; Leather: 0.2%</b> |           |     |  |                   |
| EUR                                 | 812,852   |     | Phillips-Van<br>Heusen<br>Corporation,<br>New EUR<br>Term Loan B,<br>4.180%, due<br>02/26/16 | 1,171,925         |
| \$                                  | 645,662   |     | Phillips-Van<br>Heusen<br>Corporation,<br>New Term<br>Loan B1,<br>3.500%, due<br>05/06/16    | 654,309           |
|                                     | 250,000   |     | Renfro (RC<br>Merger<br>Corp.), Term<br>Loan B,<br>5.500%, due<br>05/23/17                   | 249,844           |
|                                     |           |     |  | <b>2,076,078</b>  |
| <b>Utilities: 5.1%</b>              |           |     |  |                   |
|                                     | 3,600,000 | (4) | AES<br>Corporation,<br>New Term<br>Loan, due<br>05/17/18                                     | 3,601,127         |
|                                     | 4,400,000 |     | Calpine Corp,<br>New Term  | 4,418,700         |

|           |  |           |
|-----------|--|-----------|
| 610,514   | Loan, 4.500%, due 04/02/18   |           |
|           | FirstLight Power Resources, Inc. (aka NE Energy, Inc.), 2nd Lien Term Loan, 4.813%, due 05/01/14 | 576,936   |
| 940,909   | Great Point Power, LLC, Delayed Draw Term Loan, 3.784%, due 03/10/17                             | 950,317   |
|           | MACH Gen, LLC., Letter of Credit, 2.307%, due 02/22/13   | 416,044   |
| 444,571   | NRG Energy, Inc., Extended Letter of Credit, 3.557%, due 08/31/15                                | 7,572,917 |
| 7,554,620 | NRG Energy, Inc., Extended Term Loan B, 3.469%, due 08/31/15                                     | 1,772,380 |
| 1,768,373 | NRG Energy, Inc., Synthetic Letter of Credit, 2.057%, due 02/01/13                               | 2,891     |
| 2,892     | NRG Energy, Inc., Term Loan, 2.057%, due 02/01/13  | 266,468   |
| 266,572   | Race Point Power, Term   | 2,996,222 |
| 2,977,612 |  |           |

|            |     |  |   |
|------------|-----|--|---|
|            |     | Loan,<br>7.751%, due<br>11/09/17   |   |
| 27,080,819 | (4) | Texas<br>Competitive<br>Electric<br>Holdings<br>Company<br>LLC,<br>Extended<br>Term Loan,<br>4.738%, due<br>10/10/17 | 21,442,945                                |
| 1,500,000  |     | TPF<br>Generation<br>Holdings,<br>LLC, 2nd<br>Lien Term<br>Loan C,<br>4.557%, due<br>12/15/14                        | 1,472,813                                 |
|            |     | <b>Total Senior<br/>Loans<br/>(Cost<br/>\$1,212,069,440)</b>   | <b>45,489,760</b><br><b>1,210,933,846</b> |

See Accompanying Notes to Financial Statements



## ING Prime Rate Trust

PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

| <i>Principal Amount</i>                                   |   | <i>Borrower/Tranche<br/>Description</i>   | <i>Fair Value</i> |
|---|---|---|-------------------|
| <b>Other Corporate Debt:</b>                              |   |   |                   |
| <b>1.4%</b>   |   |   |                   |
| <b>Cargo Transport: 0.0%</b>                              |   |   |                   |
| \$ 297,646  |   | US Shipping Partners<br>L.P., Subordinated<br>Term Loan,<br>2.500%, due 08/07/13                | \$ 87,309         |
|   |   |   | <b>87,309</b>     |
| <b>Chemicals, Plastics &amp;<br/>Rubber: 0.7%</b>         |   |   |                   |
| 5,269,044   |   | Lyondell Chemical<br>Company, Fixed Rate<br>Note,<br>11.000%, due 05/01/18                      | 5,960,606         |
|   |   |   | <b>5,960,606</b>  |
| <b>Diversified / Conglomerate<br/>Manufacturing: 0.7%</b> |   |   |                   |
| 2,383,164   |   | Flextronics<br>International, Ltd.,<br>Delayed Draw A-1A<br>Term Loan,<br>2.443%, due 10/01/14  | 2,366,284         |
| 80,886  |   | Flextronics<br>International, Ltd.,<br>Delayed Draw A-1-B<br>Term Loan,<br>2.441%, due 10/01/14 | 80,312            |
| 3,338,233   |   | Flextronics<br>International, Ltd.,<br>Term Loan A, 2.459%,<br>due 10/01/14                     | 3,314,589         |
|   |   |   | <b>5,761,185</b>  |
| <b>Radio and TV<br/>Broadcasting: 0.0%</b>                |   |   |                   |
| 429,210   | X | Regent<br>Communications,<br>Subordinated Term<br>Loan,<br>12.000%, due 10/27/14                | 386,289           |
|   |   |   | <b>386,289</b>    |
|   |   | <b>Total Other Corporate<br/>Debt<br/>(Cost \$11,963,469)</b>                                   | <b>12,195,389</b> |

**Equities and Other Assets:****1.6%**

|                  | <i>Description</i>   | <i>Value</i> |
|------------------|--|--------------|
| (1), (@), (R), X | Allied Digital Technologies Corporation (Residual Interest in Bankruptcy Estate) | \$           |
| (@), (R), X      | Ascend Media (Residual Interest)   |              |
| (@), (R), X      | Block Vision Holdings Corporation (719 Common Shares)                            |              |
| (2), (@), (R), X | Cedar Chemical (Liquidation Interest)  |              |
| (@)              | Citadel (33,239 Class B Shares)  | 1,118,492    |
| (@)              | Citadel (40,423 Class A Shares)  | 1,354,171    |
| (@), X           | Contech (Residual Interest)  |              |
| (2), (@), (R), X | Enterprise Profit Solutions (Liquidation Interest)                               |              |
| (4), (@), (R), X | Euro United Corporation (Residual Interest in Bankruptcy Estate)                 |              |
| (@), X           | Faith Media Holdings, Inc. (7,725 Class A-1 Shares)                              | 397,817      |
| (2), (@), (R), X | Ferretti SPA (Warrants for 0.111% Participation Interest)                        |              |
| (2), (@), (R), X | Gainey Corporation (Residual Interest)   |              |
| (@), X           | Global Garden (138,579 Class A3 Shares)  |              |
| (@), X           | Global Garden (14,911 Class A1 Shares)   |              |
| (@), X           | Glodyne Technoserve, Ltd. (92,471 Common Shares)                                 | 706,788      |
| (@), X           | Glodyne Technoserve, Ltd. (Escrow Account)                                       | 151,992      |
| (2), (@), (R), X | Grand Union Company (Residual  |              |

Interest in  
Bankruptcy Estate)

See Accompanying Notes to Financial Statements

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## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

|                  | <i>Description</i>   | <i>Value</i> |
|------------------|--|--------------|
|                  | Hawaiian<br>Telcom (31,238<br>Common<br>(@) Shares)  | \$ 868,416   |
| (2), (@), (R), X | Kevco Inc.<br>(Residual<br>Interest in<br>Bankruptcy<br>Estate)                                    | 25           |
| (2), (@), (R), X | Lincoln Paper &<br>Tissue<br>(Warrants for<br>291 Common<br>Shares,<br>Expires August<br>14, 2015) |              |
| (@), (R), X      | Lincoln Pulp<br>and Eastern<br>Fine (Residual<br>Interest in<br>Bankruptcy<br>Estate)              |              |
| (@) Shares)      | Mega Brands<br>Inc. (195,762<br>Common<br>(@) Shares)  | 94,971       |
| (@) Shares)      | Metro-Goldwyn-Mayer,<br>Inc. (351,820<br>Common<br>(@) Shares)                                     | 8,003,905    |
| (@), X           | Northeast<br>Biofuels<br>(Residual<br>Interest)  |              |
| (2), (@) Shares) | RDA Holding<br>Co. (8,597<br>Common<br>(2), (@) Shares)  | 291,765      |
| (@), (R), X      | Safelite Realty<br>Corporation<br>(57,804<br>Common<br>(@), (R), X Shares)                         | 305,205      |
| (2), (@), (R)    |  | 141,449      |

|                  |   |                         |
|------------------|---|-------------------------|
|                  | Supermedia,<br>Inc. (32,592<br>Common<br>Shares)                                      |                         |
|                  | Townsquare<br>Media, LLC<br>(314,505<br>Common<br>Shares)                             | 909,046                 |
|                  | Townsquare<br>Media, LLC<br>(314,505<br>Preferred<br>Shares)                          |                         |
|                  | US Office<br>Products<br>Company<br>(Residual<br>Interest in<br>Bankruptcy<br>Estate) |                         |
| (2), (@), (R), X | US Shipping<br>Partners, L.P.<br>(19,404<br>Common<br>Shares)                         |                         |
|                  | US Shipping<br>Partners, L.P.<br>(275,292<br>Contingency<br>Rights)                   |                         |
|                  | <b>Total for<br/>Equities and<br/>Other Assets<br/>(Cost<br/>\$13,000,307)</b>        | <b>14,344,042</b>       |
|                  | <b>Total<br/>Investments<br/>(Cost<br/>\$1,237,033,216)**</b>                         | <b>\$ 1,237,473,277</b> |
|                  | <b>Other Assets<br/>and Liabilities<br/>Net</b>                                       | <b>(351,544,723)</b>    |
|                  | <b>Net Assets</b>   | <b>\$ 885,928,554</b>   |

\* Senior loans, while exempt from registration under the Securities 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.

- (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) Trade pending settlement. Contract rates do not take effect until settlement date.
- (@) Non-income producing security.
- (R) Restricted security.

X Fair value determined by ING Funds Valuation Committee appointed by the Trust's Board of Directors/Trustees.

AUD Australian Dollar

GBP British Pound Sterling

EUR Euro

SEK Swedish Kronor

See Accompanying Notes to Financial Statements

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## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

\*\* For Federal Income Tax purposes cost of investments is \$1,237,095,604.

Net unrealized appreciation consists of the following:

|                               |               |
|-------------------------------|---------------|
| Gross Unrealized Appreciation | \$ 22,433,570 |
| Gross Unrealized Depreciation | (22,055,897)  |
| Net Unrealized Appreciation   | \$ 377,673    |

Fair Value Measurements<sup>^</sup>

The following is a summary of the fair valuations according to the inputs used as of May 31, 2011 in valuing the Trust's assets and liabilities:

|   | Quoted Prices in<br>Active Markets<br>for Identical<br>Investments<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Fair Value<br>at<br>05/31/11 |
|---|---|---|--|------------------------------|
| <b>Asset Table</b>                          |   |   |  |                              |
| <b>Investments, at value</b>                |   |   |  |                              |
| Senior<br>Loans                             | \$  | \$ 1,207,630,712  | \$ 3,303,134                                       | \$ 1,210,933,846             |
| Other<br>Corporate<br>Debt                  |   | 11,809,100  | 386,289  | 12,195,389                   |
| Equities<br>and Other<br>Assets             | 3,869,265   | 8,003,905   | 2,470,872  | 14,344,042                   |
| Total<br>Investments,<br>at value           | \$ 3,869,265  | \$ 1,227,443,717  | \$ 6,160,295                                       | \$ 1,237,473,277             |
| <b>Other Financial Instruments+</b>         |   |   |  |                              |
| Forward<br>foreign<br>currency<br>contracts |   | 2,411,622   |  | 2,411,622                    |
| Unfunded<br>commitments                     |   | 1,619   |  | 1,619                        |
| Total<br>Assets                             | \$ 3,869,265  | \$ 1,229,856,958  | \$ 6,160,295                                       | \$ 1,239,886,518             |
| <b>Liabilities Table</b>                    |   |   |  |                              |
| Other Financial Instruments+                |   |   |  |                              |
| Forward<br>foreign                          | \$  | \$ (1,988,247)  | \$   | \$ (1,988,247)               |

|                      |    |    |             |    |                |
|----------------------|----|----|-------------|----|----------------|
| currency contracts   |    |    |             |    |                |
| Unfunded commitments |    |    | (17,783)    |    | (17,783)       |
| Total Liabilities    | \$ | \$ | (2,006,030) | \$ | \$ (2,006,030) |

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Trust's assets and liabilities during the period ended May 31, 2011:

|                           | Beginning Balance at 02/28/11 | Purchases | Sales | Accrued Discounts/ (Premiums) | Total Realized Gain/(Loss) | Total Unrealized Appreciation/ (Depreciation) |
|---------------------------|-------------------------------|-----------|-------|-------------------------------|----------------------------|---|
| Senior Loans              | \$ 3,230,802                  | \$        | \$    | \$                            | \$                         | \$ 72,332                                     |
| Other Corporate Debt      | 363,879                       | 22,410    |       |                               |                            |   |
| Equities and Other Assets | 2,323,529                     |           |       |                               | (40,230)                   | 187,573                                       |
| Total                     | \$ 5,918,210                  | \$ 22,410 | \$    | \$                            | \$ (40,230)                | \$ 259,905                                    |

|                           | Transfers Into Level 3 | Transfers Out of Level 3 | Ending Balance at 05/31/11 |
|---------------------------|------------------------|--------------------------|----------------------------|
| Senior Loans              | \$                     | \$                       | \$ 3,303,134               |
| Other Corporate Debt      |                        |                          | 386,289                    |
| Equities and Other Assets |                        |                          | 2,470,872                  |
| Total                     | \$                     | \$                       | \$ 6,160,295               |

See Accompanying Notes to Financial Statements



## ING Prime Rate Trust

## PORTFOLIO OF INVESTMENTS as of May 31, 2011 (Unaudited) (continued)

As of May 31, 2011, total change in unrealized gain (loss) on Level 3 securities still held at period end and included in the change in net assets was \$147,343.

^ See Note 2, "Significant Accounting Policies" in the Notes to Financial Statements for additional information.

+ Other Financial Instruments are securities or derivatives not reflected in the Portfolio of Investments and may include open forward foreign currency contracts, futures, swaps, unfunded commitments and written options. Forward foreign currency contracts, futures and unfunded commitments are reported at their unrealized gain/loss at measurement date which represents the amount due to/from the Trust. Swaps and written options are reported at their fair value at measurement date.

Transfers in or out of Level 3 represents either the beginning value (for transfer in), or the ending value (for transfers out) of any security or derivative instrument where a change in the pricing level occurred from the beginning to the end of the period. The Trust's policy is to recognize transfers between levels at the end of the reporting period.

**At May 31, 2011 the following forward foreign currency contracts were outstanding for ING Prime Rate Trust :**

| Counterparty      | Currency                         | Buy/Sell | Settlement Date | In Exchange For | Fair Value    | Unrealized Appreciation/ (Depreciation) |
|-------------------|----------------------------------|----------|-----------------|-----------------|---------------|---|
| State Street Bank | Australian Dollar<br>AUD         | Sell     | 06/07/11        | \$ 21,377,218   | \$ 23,087,724 | \$ (1,710,506)                          |
| State Street Bank | British Pound<br>Sterling<br>GBP | Sell     | 06/07/11        | 19,319,856      | 19,247,700    | 72,156                                  |
| State Street Bank | British Pound<br>Sterling<br>GBP | Sell     | 08/08/11        | 4,135,276       | 4,119,483     | 15,793                                  |
| State Street Bank | Euro<br>EUR                      | Sell     | 06/07/11        | 86,155,236      | 84,014,584    | 2,140,652                               |
| State Street Bank | Euro<br>EUR                      | Sell     | 07/11/11        | 14,256,267      | 14,368,615    | (112,348)                               |
| State Street Bank | Euro<br>EUR                      | Sell     | 08/08/11        | 7,153,603       | 6,970,582     | 183,021                                 |

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|        |            |      |          |                |                |            |
|--------|------------|------|----------|----------------|----------------|------------|
| Bank   | 4,855,000  |      |          |                |                |            |
|        | Sweden     |      |          |                |                |            |
| State  | Kronor     |      |          |                |                |            |
| Street | SEK        |      |          |                |                |            |
| Bank   | 8,483,750  | Sell | 06/07/11 | 1,325,556      | 1,373,033      | (47,477)   |
|        | Sweden     |      |          |                |                |            |
| State  | Kronor     |      |          |                |                |            |
| Street | SEK        |      |          |                |                |            |
| Bank   | 25,479,250 | Sell | 07/11/11 | 4,002,035      | 4,116,244      | (114,209)  |
|        | Sweden     |      |          |                |                |            |
| State  | Kronor     |      |          |                |                |            |
| Street | SEK        |      |          |                |                |            |
| Bank   | 677,000    | Sell | 08/08/11 | 105,494        | 109,201        | (3,707)    |
|        |            |      |          | \$ 157,830,541 | \$ 157,407,166 | \$ 423,375 |

See Accompanying Notes to Financial Statements



## ING Prime Rate Trust

## ADDITIONAL INFORMATION (Unaudited)

**SHAREHOLDER INVESTMENT PROGRAM**

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

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

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

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

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

**KEY FINANCIAL DATES CALENDAR 2011 DIVIDENDS:**

| DECLARATION DATE   | EX-DIVIDEND DATE  | PAYABLE DATE       |
|--------------------|-------------------|--------------------|
| January 31, 2011   | February 8, 2011  | February 23, 2011  |
| February 28, 2011  | March 8, 2011     | March 22, 2011     |
| March 31, 2011     | April 7, 2011     | April 25, 2011     |
| April 29, 2011     | May 6, 2011       | May 23, 2011       |
| May 31, 2011       | June 8, 2011      | June 22, 2011      |
| June 30, 2011      | July 7, 2011      | July 22, 2011      |
| July 29, 2011      | August 8, 2011    | August 22, 2011    |
| August 31, 2011    | September 8, 2011 | September 22, 2011 |
| September 30, 2011 | October 6, 2011   | October 24, 2011   |

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|                   |                   |                   |
|-------------------|-------------------|-------------------|
| October 31, 2011  | November 8, 2011  | November 22, 2011 |
| November 30, 2011 | December 8, 2011  | December 22, 2011 |
| December 20, 2011 | December 28, 2011 | January 12, 2012  |

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

ING Prime Rate Trust

ADDITIONAL INFORMATION (Unaudited) (continued)

**STOCK DATA**

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

**REPURCHASE OF SECURITIES BY CLOSED-END COMPANIES**

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

**NUMBER OF SHAREHOLDERS**

The approximate number of record holders of Common Stock as of May 31, 2011 was 3,896 which does not include approximately 48,249 beneficial owners of shares held in the name of brokers of other nominees.

**PROXY VOTING INFORMATION**

A description of the policies and procedures that the Trust uses to determine how to vote proxies related to portfolio securities is available (1) without charge, upon request, by calling Shareholder Services toll-free at 1-800-336-3436; (2) on the Trust's website at [www.inginvestment.com](http://www.inginvestment.com) and (3) on the SEC's website at [www.sec.gov](http://www.sec.gov). Information regarding how the Trust voted proxies related to portfolio securities during the most recent 12-month period ended June 30 is available without charge on the Trust's website at [www.inginvestment.com](http://www.inginvestment.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov).

**QUARTERLY PORTFOLIO HOLDINGS**

The Trust files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trust's Forms N-Q are available on the SEC's website at [www.sec.gov](http://www.sec.gov). The Trust's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330; and is available upon request from the Trust by calling Shareholder Services toll-free at (800) 336-3436.

**CERTIFICATIONS**

In accordance with Section 303A.12 (a) of the New York Stock Exchange Listed Company Manual, the Trust submitted the Annual CEO Certification on May 28, 2010 certifying that he was not aware, as of that date, of any violation by the Trust of the NYSE's Corporate governance listing standards. In addition, as required by Section 203 of the Sarbanes-Oxley Act of 2002 and related SEC rules, the Trust's principal executive and financial officers have made quarterly certifications, included in filings with the SEC on

Forms N-CSR and N-Q, relating to, among other things, the Trust's disclosure controls and procedures and internal controls over financial reporting.





**Investment Adviser**

ING Investments, LLC

7337 East Doubletree Ranch Road, Suite 100

Scottsdale, Arizona 85258

**Sub-Adviser**

ING Investment Management Co.

230 Park Avenue

New York, NY 10169

**Institutional Investors and Analysts**

Call ING Prime Rate Trust

1-800-336-3436, Extension 2217

**Administrator**

ING Funds Services, LLC

7337 East Doubletree Ranch Road, Suite 100

Scottsdale, Arizona 85258

1-800-992-0180

**Written Requests**

Please mail all account inquiries and other comments to:

ING Prime Rate Trust Account

c/o ING Fund Services, LLC

7337 East Doubletree Ranch Road, Suite 100

Scottsdale, Arizona 85258

**Distributor**

ING Investments Distributor, LLC

7337 East Doubletree Ranch Road, Suite 100

Scottsdale, Arizona 85258

1-800-334-3444

**Transfer Agent**

BNY Mellon Investment Servicing (U.S.) Inc.

301 Bellevue Parkway

Wilmington, Delaware 19809

**Custodian**

State Street Bank and Trust Company

801 Pennsylvania Avenue

Kansas City, Missouri 64105

**Legal Counsel**

Dechert LLP

1775 I Street, N.W.

Washington, D.C. 20006

**Toll-Free Shareholder Information**

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

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

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